

ANNUAL FINANCIAL REPORT
INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
JULY 1, 2022 TO JUNE 30, 2023

AUDITED BY
Patten & Odom, CPAs, PLLC

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
CENTER OFFICIALS
JUNE 30, 2023

Board of Education

President	Monte Madewell
Vice-President	Darrell Russell
Clerk	Tom Stiles
Member	Jerry Needham
Member	Mark Walters

Superintendent of Schools

Tony J. Pivec

Technology Center Treasurer

Leigh Chambers

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
JUNE 30, 2023**

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Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.
Broken Arrow, OK 74012
Phone Number 918.250.8838
FAX Number 918.250.9853

INDEPENDENT AUDITOR'S REPORT

The Board of Education
Indian Capital Technology Center No. 4
Muskogee County, Oklahoma

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Indian Capital Technology Center No. 4, Muskogee County, Oklahoma (the Center), as of and for the year ended June 30, 2023, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Center, as of June 30, 2023, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Bases for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Center, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with the governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the Center's total OPEB liability and related ratios, the schedule of the Center's proportionate share of the net pension liability—Oklahoma Teachers' Retirement System, the schedule of the Center's contributions to the Oklahoma Teachers' Retirement System, and the schedule of revenues, expenditures and changes in fund balance—budgetary and actual (budgetary basis)—budgeted governmental fund types—General Fund and Building Fund, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate, operational, economical, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Center's basic financial statements. The schedule of revenues, expenditures and changes in fund balance—budget and actual (budgetary basis)—Budgetary Governmental Fund types for the General Fund and Building Fund, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenditures and changes in fund balance—budget and actual (budgetary basis)—Budgetary Governmental Fund types for the General Fund and Building Fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

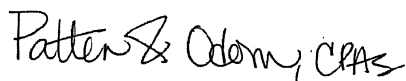
Other Information

Management is responsible for the other information included in this annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express any opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, then We are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2024, on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.



Patten & Odom, CPAs, PLLC
Broken Arrow, OK
February 29, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Capital Technology District
Muskogee County, Oklahoma
Management's Discussion and Analysis
June 30, 2023

Management of Indian Capital Technology Center School District No. 4 (the District) provides this Management's Discussion and Analysis of the Indian Capital Technology District Annual Financial Report for readers of the District's financial statements. This narrative overview and analysis of the financial activities of the District is for the fiscal year ended June 30, 2023. We encourage readers to consider this information in conjunction with the District's financial statements.

Using This Report

The District is in its fourteenth year of implementing reporting standards with significant changes in content and structure from years prior to fiscal year ended June 30, 2023. The Statement of Net Assets and the Statement of Activities (on pages 7 and 8) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 9 and tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as an agent for the benefit of those outside of the government.

Government-Wide Financial Statements

One of the most important questions asked about the District's finances is, "Is the District as a whole better off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the regulatory basis of accounting prescribed by the State of Oklahoma.

These two statements report the District's net assets and changes in them. One could think of the District's net assets – the difference between assets and liabilities – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating. For the 2022-23 fiscal year, the District's net assets increased by \$1,616,610.

In government-wide financial statements, activities are normally divided into two categories – governmental activities and business-type activities. The District had no business-type activities for the 2022-23 fiscal year, thus it is not discussed in detail.

Governmental activities – Basic services provided by the District, including educational activities for daytime high school and adults, short term training for adults, services and training for business and industry, and general administration.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the District's operation in more detail than government-wide financial statements. Because the focus of District funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for District funds with similar information presented for District activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the District's fund balance sheet and the District's fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between funds and the activities of each. The District has three different fund accounts. They are the general fund, the building fund, and the activity fund. Each major fund is presented in a separate column in the District's fund balance sheet and in the District's statement of revenues, expenditures, and changes in fund balances. The fund financial statement provides more detailed information about the District's funds, focusing on its most significant or major fund – the general fund

Fund Balances

As of the close of fiscal year 2023, the District funds reported governmental funds ending fund balances of \$23.72 million, a decrease of \$3,979,571 in comparison with the prior year. Of this total decrease amount, \$1,383,603 was general fund increase, \$5,385,025 was building fund decrease and \$21,851 was activity fund increase. Total revenue for the year was \$27.54 million. Total expenditures for like funds were \$31.52 million, leaving a net balance of (\$3,979,571) of revenues over expenditures for these type funds, before prior year adjustments.

	<u>2023 Fund Balances</u>	<u>2022 Fund Balances</u>	<u>Dollar Change</u>	<u>Percent Change</u>
General Fund	\$ 14,731,031	\$ 13,347,428	\$ 1,383,603	10.36%
Building Fund	\$ 8,298,835	\$ 13,683,860	(\$ 5,385,025)	-39.35%
Activity Fund	<u>\$ 691,131</u>	<u>\$ 669,280</u>	<u>\$ 21,851</u>	<u>3.26%</u>
Totals	\$ 23,720,997	\$ 27,700,568	(\$ 3,979,571)	-14.36%

Long-term Debt

At June 30, 2023, the District had no long-term debt other than \$635,319 in compensated absences and \$249,647 in Voluntary Retirement Incentive.

Indian Capital Technology Center
Muskogee County, Oklahoma
Management's Discussion & Analysis
June 30, 2023

Financial Analysis

Statement of Net Position

	<u>2022</u>	<u>2023</u>
Assets		
Current assets	\$ 29,676,366	25,507,940
Capital assets	<u>21,465,664</u>	<u>25,168,665</u>
Total	<u>51,142,030</u>	<u>50,676,605</u>
Deferred outflows	<u>3,334,815</u>	<u>4,013,999</u>
Liabilities		
Current liabilities	365,016	660,018
Non-current liabilities	<u>10,963,291</u>	<u>15,757,508</u>
Total	<u>11,328,307</u>	<u>16,417,526</u>
Deferred inflows	<u>6,307,611</u>	<u>1,376,205</u>
Net Position		
Invested in capital assets	21,210,644	25,081,087
Restricted	13,683,860	8,298,835
Unrestricted	1,277,143	2,825,820
Restricted for Student Organizations	<u>669,280</u>	<u>691,131</u>
Total	\$ <u>36,840,927</u>	<u>36,896,873</u>

Revenues

	<u>2022</u>	<u>2023</u>
Program Revenues:		
Charges for services	\$ 2,416,648	3,137,633
Operating grants & contributions	3,907,936	3,709,021
General Revenues:		
Property Taxes	14,739,158	15,187,927
State aid	5,056,902	4,564,091
Reimbursements	0	51,070
Investment earnings	79,720	172,129
Other	494,179	239,808
Total	\$ <u>26,694,543</u>	<u>20,215,025</u>

See Auditor's Disclaimer of Opinion

Fixed Assets

The District currently tracks all assets with a value of \$2,500 or more. The District employed American Appraisal Associates to do an initial investigation and appraisal of District assets. The Summary Appraisal Report complied with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice. The report was presented to the District on February 22, 2002. Internal records have been compiled on District software since the time of that report. For the 2022-23 fiscal year, \$6,597,029 of fixed assets were added to the District’s financial statements, with large purchases including the administration building, several transportation vehicles and technology equipment.

	Historical Cost
Land (Non-Depreciable Assets)	\$ 7,477,567
Building and improvements	\$ 23,914,680
Machinery and equipment	\$ 4,362,608
Vehicles	\$ <u>4,319,171</u>
Total (Depreciable Assets)	\$ <u><u>32,596,459</u></u>

The net book value, which includes \$14,992,939 of accumulated depreciation, as of June 30, 2023 was \$25,081,087.

Net Pension Liability

Although legally the pension is a State of Oklahoma obligation, implementation of GASB Statement 68 (See note 6), resulted in the recognition of the District’s long-term obligation for pension benefits as a liability. The District’s recognition of the Teachers’ Retirement System’s net pension liability as of June 30, 2023 was \$14,972,953. This was an increase of \$4,743,814 from the prior year (2022) primarily due to changes in assumptions on deferred outflows by the Teachers’ Retirement System in 2023, which was the measurement year for the net pension liability as of June 30, 2023. See Note 4 for additional information on the net pension liability.

Contacting the District’s Financial Management

This report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Administration office at 2403 N. 41st Street East, Muskogee, Oklahoma, 74403, telephone (918) 687-6383, or visit our website at www.ictctech.com.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
<u>ASSETS</u>	
Cash	\$ 16,837,930
Investments	6,716,281
Property taxes receivable	1,353,226
Miscellaneous receivable	39,414
Tuition and Books	140,981
Interest receivable	-
Due from other governments	404,378
Prepaid insurance	15,730
Capital assets	
Land	322,902
Construction in process	7,154,665
Other capital assets, net of accumulated depreciation	17,603,519
Net OPEB asset	87,579
 Total Assets	 \$ 50,676,605
<u>DEFERRED OUTFLOW OF RESOURCES</u>	
Deferred amounts of resources related to pensions	3,926,238
Deferred amounts of resources related to OPEB	87,761
Total deferred outflows of resources	4,013,999
<u>LIABILITIES</u>	
Current liabilities	
Accounts payable	\$ 559,607
Voluntary retirement incentive - current	100,411
Total current liabilities	660,018
Non-current liabilities	
Voluntary retirement incentive	149,236
Compensated absences	635,319
Net pension liability	14,972,953
Total non-current liabilities	15,757,508
 Total Liabilities	 \$ 16,417,526
<u>DEFERRED INFLOW OF RESOURCES</u>	
Deferred amounts of resources related to pensions	1,339,872
Deferred amounts of resources related to OPEB	36,333
Total deferred inflow of resources	1,376,205
<u>NET POSITION</u>	
Net Investment in Capital Assets	\$ 25,081,087
Restricted for Building	8,298,835
Unrestricted	2,825,820
Restricted for Student Organizations	691,131
 Total Net Position	 \$ 36,896,873

The notes to the financial statements are an integral part of this statement.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

	Program Revenues				Net (Expenses) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Government Activities
Governmental Activities:					
Instruction	\$ (7,439,840)	\$ 1,548,641	\$ 3,709,021	\$ -	\$ (2,182,178)
Support Services	(10,044,971)	-	-	-	(10,044,971)
Non-Instructional	(1,173,945)	613,883	-	-	(560,062)
Capital Outlay	(2,777,126)	-	-	-	(2,777,126)
Other Outlays	(146,674)	-	-	-	(146,674)
Other Uses	(2,975,418)	975,109	-	-	(2,000,309)
Repayments	(16,621)	-	-	-	(16,621)
Depreciation - Unallocated	(870,474)	-	-	-	(870,474)
Governmental Activities	\$ (25,445,069)	\$ 3,137,633	\$ 3,709,021	\$ -	\$ (18,598,415)

General revenues

Taxes:

Property taxes, levied for general purposes	\$ 15,186,915
Other Taxes	1,012
Federal and State aid not restricted to specific purposes:	
General	4,564,091
Other	51,070
Interest and investment earnings	172,129
Miscellaneous	239,808
Total general revenues	20,215,025
Changes in net position	1,616,610
Net position - beginning, as Restated (Note 16)	35,280,263
Net position - ending	\$ 36,896,873

The notes to the financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Governmental Fund Types			
	General Fund	Special Revenue Fund	Activity Fund	Total
ASSETS				
Cash	\$ 11,308,071	\$ 4,775,612	\$ 754,247	\$ 16,837,930
Investments	2,892,124	3,796,878	27,279	6,716,281
Property tax receivable	1,083,286	269,940	-	1,353,226
Interest receivable	-	-	-	-
Tuition & Books receivables	140,981	-	-	140,981
Due from other governments	404,378	-	-	404,378
Miscellaneous receivables	-	-	39,414	39,414
Prepaid Insurance	15,730	-	-	15,730
Total assets	\$ 15,844,570	\$ 8,842,430	\$ 820,940	\$ 25,507,940
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 119,926	\$ 309,872	\$ 129,809	\$ 559,607
Early Retirement Incentive Current Portion	100,411	-	-	100,411
Total liabilities	\$ 220,337	\$ 309,872	\$ 129,809	\$ 660,018
DEFERRED INFLOW OF RESOURCES				
Deferred property taxes	\$ 893,202	\$ 233,723	\$ -	\$ 1,126,925
Total deferred inflow of resources	\$ 893,202	\$ 233,723	\$ -	\$ 1,126,925
Fund balances:				
Nonspendable Fund Balances:				
<i>Prepaid Items</i>	\$ 15,730	\$ -	\$ -	\$ 15,730
Restricted Fund Balances:				
<i>Restricted by Statute</i>	-	-	691,131	691,131
<i>Other Restrictions of Fund Balance</i>	-	-	-	-
Committed Fund Balances:				
<i>Contractual Obligations</i>	-	-	-	-
Assigned Fund Balances:				
<i>Encumbrances</i>	775,916	1,189,030	-	1,964,946
Unassigned	13,939,385	7,109,805	-	21,049,190
Total Fund Balances:	\$ 14,731,031	\$ 8,298,835	\$ 691,131	\$ 23,720,997
Total liabilities and fund balances	\$ 15,844,570	\$ 8,842,430	\$ 820,940	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds. The cost of the assets is \$40,074,026 and accumulated depreciation is \$14,992,939. 25,081,087

Property taxes receivable will be collected this year, but are not available soon enough to pay current period's expenditures, therefore they are deferred in the funds. 1,126,925

Compensated absences and voluntary retirement incentive are not due and payable in the current period and, are not reported in the funds. (784,556)

Net Pension obligations are not due and payable in the current period and, are not reported in the funds. (14,972,953)

Net OPEB asset is not a financial resource, therefore not reported in funds 87,579

Deferred outflows and inflows of resources related to pensions are applicable to future periods, and therefore, are not reported in the funds. 2,637,794

Net Position of governmental activities **\$ 36,896,873**

The notes to the financial statements are an integral part of this statement.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2023**

	Governmental Fund Types			Total
	General	Special Revenue	Activity Fund	
Revenues				
Local sources	\$ 14,780,410	\$ 3,464,824	\$ 975,109	\$ 19,220,343
Intermediate sources	-	-	-	-
State sources	5,050,487	290	-	5,050,777
Federal sources	<u>2,477,466</u>	<u>796,950</u>	<u>-</u>	<u>3,274,416</u>
Total revenues	\$ <u>22,308,363</u>	\$ <u>4,262,064</u>	\$ <u>975,109</u>	\$ <u>27,545,536</u>
Expenditures				
Instruction	\$ 6,971,916	\$ 635,724	\$ -	\$ 7,607,640
Support services	10,481,792	396,782	-	10,878,574
Non-instructional services	1,083,500	100,000	-	1,183,500
Capital outlay	364,519	8,325,964	-	8,690,483
Other outlays	62	-	-	62
Other uses	1,859,676	188,619	953,258	3,001,553
Repayments	16,621	-	-	16,621
Reimbursements	<u>146,674</u>	<u>-</u>	<u>-</u>	<u>146,674</u>
Total expenditures	\$ <u>20,924,760</u>	\$ <u>9,647,089</u>	\$ <u>953,258</u>	\$ <u>31,525,107</u>
Excess of revenues over (under) expenses before adjustments to prior year encumbrances	<u>\$ 1,383,603</u>	<u>\$ (5,385,025)</u>	<u>\$ 21,851</u>	<u>\$ (3,979,571)</u>
Other financing sources (uses):				
Bond sale proceeds	\$ -	\$ -	\$ -	\$ -
Operating transfers in/(out)	-	-	-	-
Bank charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Excess (deficiency) of revenue over expenditures and other financing sources (uses)	<u>\$ 1,383,603</u>	<u>\$ (5,385,025)</u>	<u>\$ 21,851</u>	<u>\$ (3,979,571)</u>
Fund balances, beginning of year	<u>\$ 13,347,428</u>	<u>\$ 13,683,860</u>	<u>\$ 669,280</u>	<u>\$ 27,700,568</u>
Fund balances, end of year	<u>\$ <u>14,731,031</u></u>	<u>\$ <u>8,298,835</u></u>	<u>\$ <u>691,131</u></u>	<u>\$ <u>23,720,997</u></u>

The notes to the financial statements are an integral part of this statement.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES,
FOR THE YEAR ENDED JUNE 30, 2023**

Net change in fund balances - governmental funds \$ (3,979,571)

Amounts reported for governmental activities in the statement of activities
are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.

Capital outlay expenditures	\$	6,597,029	
Depreciation expense		<u>(870,474)</u>	5,726,555

Some property taxes will not be collected for several months after the fiscal year ends, and are not considered as "available" revenues in the governmental funds, but are deferred. They are, however, recorded as revenues the Statement of Activities. 483,857

Some expenses (compensated absences and voluntary retirement incentive) reported in the statement of activities do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds. 50,403

Governmental funds report district pension contributions as expenditure. However, the Statement of Activities reports the cost of pension benefits earned net of employee contributions as pension expense. (664,634)

Change in Net Position of Governmental Activities \$ 1,616,610

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

1. Summary of Significant Accounting Policies

The financial statements of the Indian Capital Technology Center No. 4 (the "Center") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Center's accounting policies are described below.

A. Reporting Entity

In accordance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity," the Center has presented the entities, which comprise the primary government in the fiscal year 2023 basic financial statements.

The Center is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and, accordingly, is a separate entity for operating and financial reporting purposes. The Center is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the State of Oklahoma for support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The governing body of the Center is the Board of Education composed of five elected members. The appointed superintendent is the executive officer of the Center.

As required by accounting principles generally accepted in the United States of America, the basic financial statements present the reporting entity which consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the Center's basic financial statements to be misleading or incomplete.

B. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Center. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) tuition or fees paid by students or citizens of the Center and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items, including state aid, that are not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Fund Financial Statements

The Technology Center segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Statements for governmental activities present each fund as a separate column on the fund financial statements.

Governmental funds are used to account for all or most of a government's general activities. The measurement focus of governmental funds is on the sources uses and balance of current financial resources. The Center has presented the following governmental funds:

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Summary of Significant Accounting Policies (continued)

Fund Financial Statements

General Fund – The General Fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under Formula Operations. Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt.

Special Revenue Fund – The Center’s Building Fund is a Special Revenue Fund and consists of monies derived from property taxes levied for the purpose of creating, remodeling, or repairing buildings and for purchasing furniture and equipment.

Agency Fund – The Center’s Agency Fund consists of the Activity fund and the Federal Pell Grant fund. The Center’s Activity fund is used to account for monies collected that are held on behalf of others as their agent and do not involve the measurement of results of operations. The Federal Pell Grant fund is used to account for student financial aid which is collected by the Center and disbursed to eligible students or to pay educational costs on their behalf. The administration is responsible under the authority of the Board, for collecting, disbursing and accounting for these funds.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Center. When these assets are held under the terms of a formula trust agreement, either a private purpose trust fund or a permanent fund is used.

Private- Purpose Trust Funds – Private-Purpose Trust Funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

The Center’s Fiduciary Funds have been excluded from the government-wide financial statements.

Account Groups

GASB Statement No. 34 eliminates the presentation of account groups but provides for these records to be maintained and incorporates the information into the governmental column in the government-wide statement of net assets.

C. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes and interest and certain state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Summary of Significant Accounting Policies (continued)

D. Budgets and Budgetary Accounting

A budget is legally adopted by the Board of Education for the General Fund and Special Revenue Fund that includes revenues and expenditures. These budgets are prepared on a budgetary basis of accounting. Budgetary control is maintained by fund, function, and activity and budgeted expenditures may not exceed appropriations at the fund level.

Amendments may be made to the budget without approval by the governing body at the function and activity levels. Fund level budgetary amendments require approval of the governing body.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable fund balance – is utilized in all governmental funds of the Center. Appropriations which are not spent lapse at the end of the fiscal year and encumbrances are reversed. On the first day of the following fiscal year, the encumbrances are reinstated, and the expenditures are applied against that year's budget.

E. Management Estimates – Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, and fund equity, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could differ from those estimates.

F. Net Position and Fund Balances

The government-wide financial statements utilize a net position presentation. Net position is categories of investment in fixed assets (net of related debt), restricted net position, and unrestricted net position.

Investment in Fixed Assets (net of related debt) – is intended to reflect the portion of net position which is associated with non-liquid capital related debt. The net related debt is debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position – are liquid assets generated from revenues and not bond proceeds, which have third party (statutory bond covenant or granting agency) limitations on their use. The Center would typically use restricted net position first, as appropriate opportunities arise, but reserve the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

Unrestricted Net Position – represents unrestricted liquid assets.

Governmental Fund Financial Statements – The Center has adopted Governmental Accounting Standards Board Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Center is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available in the governmental fund financial statements are as follows:

Non-spendable – Amounts that are not in a spendable form such as prepaid expenses, inventory, or required to be maintained intact such as the corpus of permanent fund.

Restricted – Amounts that are designated for specific purposes by their providers such as bondholders, grantors, or imposed by law through constitutional provisions or enabling legislation. The Building Fund is restricted by statute to certain capital-related costs.

Committed – Amounts designated for specific purposes by the Center's highest level of decision-making authority (Board of Education) and cannot be used for any other purposes unless the same highest level (Board of Education) takes action to remove or change the designation.

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MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Summary of Significant Accounting Policies (continued)

The Center commits a portion of the fund balance to honor the commitments made by the Center for encumbrances (purchase orders) for which goods or services have not yet been received. The fund balance committed to encumbrances will be equivalent to the purchase orders rolled forward from one fiscal year to the next fiscal year.

Assigned – Amount the Center intends to use for specific purposes; intent can be expressed by the governing body or by an official to which the governing body delegates the authority.

The Center assigns a portion of the fund balance in both the general fund and building fund for funding the cash flow needs during the first half of each fiscal year. The superintendent and the chief financial officer will determine the amount of assigned fund balance at the end of each fiscal year.

Unassigned – Amounts that are available for any purposes; reported only in the general fund. Fund balance represents the funds not restricted in use by statute nor encumbered by purchase order or legal contract.

G. Assets, Liabilities and Cash Fund Balances

Cash – The Center considers all cash on hand and demand deposits to be cash.

Investments - Investments consist of direct obligations of the United States Government and Agencies. All investments are recorded at a cost which approximates market value.

Property Tax Revenue and Receivables – The Center is authorized by state law to levy property taxes, which consist of ad valorem taxes on real and personal property within the Center. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes is due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 2. The second half of taxes becomes delinquent on April 1 of the year following the year of assessment. If taxes are delinquent and unpaid for a period of three years or more the real estate may be sold for such taxes.

Uncollected taxes assessed on valuations made each year are recorded in the Center’s combined financial statements. Uncollectible personal and real property taxes are deemed to be immaterial because the property can be sold for the amount of taxes due.

Inventories – The cost of consumable materials and supplies on hand are immaterial to the financial statements, and the Technology Center has therefore chosen to report these items as expenditures/expenses at the time of purchase.

Capital Assets – Capital assets, which include property, plant and equipment, are reported in government-wide financial statements.

All purchased capital assets are valued at cost when historical records exist and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their fair market value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets capitalized have an original cost of \$5,000 or more. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings and structures	40 years
Equipment	5-10 years
Vehicles	5-10 years

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Summary of Significant Accounting Policies (continued)

Compensated Absences – The Center’s policies regarding accumulated unpaid vacation, sick pay, and other employee benefit amounts permit employees to accumulate varying amounts as determined by board policy and/or provided in employee contracts. Full-time employees under a 12-month contract may carryover 35 days of annual leave. Upon termination of employment, reimbursement for annual leave will be based on the unused portion in the current year plus a maximum of 35 days from the previous year.

Long-Term Debt – Long-term debt is recognized as a liability of the applicable governmental activities statement on net assets.

H. Revenue, Expenses and Expenditures

Revenues are classified by source as follows:

Local – Revenue from local sources is revenue produced within the Center, which includes ad valorem taxes. It is available for current educational expenses and for other purposes authorized by the Technology Center.

Intermediate – Revenue from intermediate sources is revenue from funds collected by an intermediate administrative unit or political sub-division, like a county or municipality, and redistributed to the Technology Center.

State – Those revenues received from the State, which are dedicated or are appropriated by the State legislature. Some of this aid is restricted for specific purposes.

The Center receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Career & Technology Education requires that categorical educational program revenues be accounted for in the general fund.

Federal – Revenue from Federal sources is money originating from the Federal government and made available to the Technology Center either as direct grants or under various programs passed through the State Department of Career & Technology Education.

Expenditures are classified by function as follows:

Instruction Expenditures – Instruction expenditures include the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location, such as a home or hospital, and in other learning situations, such as those involving co-curricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Examples of expenditures that might be included here are the activities of teacher assistants of any type (clerks, graders, teaching machines, etc.), which assist in the instructional process. The activities of tutors, translators, and interpreters would be recorded here. Department chairpersons who teach for any portion of time are included here. Tuition/transfer fees paid to other LEAs would be included here.

Support Services Expenditures – Support services expenditures provide administrative, technical (such as guidance and health) and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objective of instruction, community services and enterprise programs, rather than as entitles within them.

Operation of Non-Instructional Services Expenditures – Activities concerned with providing non-instructional services to students, staff, and the community.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Summary of Significant Accounting Policies (continued)

Facilities Acquisition and Construction Services Expenditures – Consist of activities involved with the acquisition of land and buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvement to sites.

Other Outlays Expenditures – A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These are classified as Other Outlays. These include debt service payments (principal and interest).

Other Uses Expenditures – This includes scholarships provided by private gifts and endowments; student aid and staff awards supported by outside revenue sources (i.e., foundations). Also, expenditures for self-funded employee benefit programs administered either by the District or a third party administrator.

Deferred outflows of resources: Deferred outflows are the consumption of net position by the center that are applicable to a future reporting period. At June 30, 2023, the Center's deferred outflows of resources were comprised of deferred outflows related to pensions and other post-employment benefits.

Deferred inflows of resources: Deferred inflows are the acquisition of net position by the center that are applicable to a future reporting period. At June 30, 2023, the Center's deferred inflows of resources were comprised of deferred inflows to pensions and other post-employment benefits.

2. Deposit Categories of Credit Risk

Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. The Center's investment policies are governed by state statute. Permissible investments include:

1. Direct obligations of the United States Government to the payment of which the full faith and credit of the government is pledged.
2. Obligations to the payment of which the full faith and credit of the state is pledged.
3. Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as in the deposit of other public monies.
4. Savings accounts or savings certificates of savings and loan associations to the extent that such accounts or certificates are fully insured by the Federal Savings and Loan Insurance Corporation.
5. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 and 2 of this section including obligations of the United States, its agencies and instrumentalities, and where collateral has been deposited with a trustee of custodian bank in an irrevocable trust or escrow account established for such purposes.
6. County, municipal, or Center direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality, or Center ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality, or Center is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Deposit Categories of Credit Risk (continued)

7. Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities, and investments in those items listed above.
8. Warrants, bonds, or judgments of the school Center.
9. Qualified pooled investment programs, the investments of which consist of those items specified above, as well as obligations of the United States agencies and instrumentalities, regardless of the size of the Center's budget. To be qualified, a pooled investment program for school funds must be governed through an Interlocal cooperative agreement formed pursuant to Title 70 Section 5-117b, and the program must competitively select its investment advisors and other professionals. Any pooled investment program must be approved by the Board of Education.

Custodial Credit Risk:

Deposits and Investments - The Center's demand deposits are required by law to be collateralized by the amount that is not federally insured. The Center has a written investment policy, which permits investments as authorized by State Statute. They require the Treasurer to place all investment with, or purchase investments from, financial institutions operating within the district unless the district may obtain an advantage of a least 50 basis points from a financial institution outside these counties: Muskogee, Adair, Cherokee, McIntosh, Okmulgee, Sequoyah, Wagoner, and Delaware.

Interest Rate Risk:

Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. However, the Center has no formal written policy addressing interest rate risk.

Credit Risk:

The Center has no formal written policy addressing credit risk.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

3. Capital Assets

A summary of changes in general fixed assets for the year ended June 30, 2023, follows:

	Balance July 1, 2022	Additions	Adjustments	Retirement	Balance June 30, 2023
Governmental activities:					
<u>Capital assets not being depreciated</u>					
Land	\$ 322,902	\$ -	\$ -	\$ -	\$ 322,902
Construction in Process	1,241,308	5,913,357	-	-	7,154,665
Total capital assets not being depreciated	\$ 1,564,210	\$ 5,913,357	\$ -	\$ -	\$ 7,477,567
Capital assets being depreciated:					
Building Improvements	\$ 23,914,680	\$ -	\$ -	\$ -	\$ 23,914,680
Equipment	4,107,363	443,103	-	187,858	4,362,608
Vehicles	4,186,192	240,570	-	107,591	4,319,171
Total capital assets being depreciated:	32,208,235	683,673	-	295,449	32,596,459
Less accumulated depreciation:	14,122,465	1,165,923	-	295,449	\$ 14,992,939
Total capital assets being depreciated, net	18,085,770	(482,250)	-	-	17,603,520
Governmental activities capital assets, net	\$ 19,649,980	\$ 5,431,107	\$ -	\$ -	\$ 25,081,087

4. Accounts Receivable

Accounts receivable of the governmental activities consist of Ad Valorem tax, federal grants, and other miscellaneous revenues. Receivables detail by fund at June 30, 2023, is as follows:

Governmental Funds

	General	Building	Activity	Total Governmental
Receivables				
Ad valorem taxes	\$ 1,083,286	\$ 269,940	\$ -	\$ 1,353,226
Tuition and Books	140,981	-	-	140,981
Due from other Governments	404,378	-	-	404,378
Miscellaneous	-	-	39,414	39,414
Gross Receivables	1,628,645	269,940	39,414	1,937,999
Less deferred revenue	(893,202)	(233,723)	-	(1,126,925)
Net total receivables	\$ 735,443	\$ 735,443	\$ 39,414	\$ 811,074

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
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5. Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund, or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

6. Employee Retirement System

Description of Plan

The Center participates in the state-administered Oklahoma Teachers' Retirement System, which is a cost sharing, multiple-employer defined benefit public employee retirement system (PERS), which is administered by the Board of Trustees of the Oklahoma Teachers' Retirement System (the "System"). The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Title 70 Section 17 of the Oklahoma Statutes establishes benefit provisions and may be amended only through legislative action.

The Oklahoma Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53624, Oklahoma District, OK 73152 or by calling 405-521- 2387.

Basis of Accounting

The System's financial statements are prepared using the cash basis of accounting, except for accruals of interest income. Plan member contributions are recognized in the period in which the contributions are made. Benefits and refunds are recognized when paid. The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effect of projected salary increases. There are no actuarial valuations performed on individual school districts. The System has an under-funded pension benefit obligation as determined as part of the latest actuarial valuation.

Funding Policy

The District, the State of Oklahoma, and the participating employees make contributions. The contribution rates for the District and its employees are established by and may be amended by Oklahoma Statutes. The rates are not actuarially determined. The rates are applied to the employee's earnings plus employer-paid fringe benefits. The required contribution for the participating members is 7.0% of compensation. Additionally, OTRS receives "federal matching contributions" for positions whose funding comes from federal sources or certain grants. The District and State are required to contribute 14.0% of applicable compensation. Contributions received by the System from the State of Oklahoma are from 3.54% of its revenues from sales tax use taxes, corporate income taxes and individual income taxes. The District contributed 9.5% and the State of Oklahoma plus the federal contribution contributed the remaining 4.5% during this year. The District is allowed by the Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. The school is required to pay 16.5% for any compensated retired teachers already receiving retirement benefits.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Employee Retirement System (continued)

Annual Pension Cost

The Center's total contribution for 2023, 2022, and 2021 were \$1,638,091, \$1,625,485, and \$1,639,801 respectively. The Center's total payroll for fiscal year 2022-2023 amounted to \$9,405,198.

On Behalf Contributions

The State of Oklahoma makes retirement contributions each year for teachers employed by Oklahoma School Districts. The contribution amounts are based on the teacher's years of service and amounts paid are prescribed by O.S. 70 Section 17-108.2 subsection A. During fiscal year 2022-2023, the State of Oklahoma's contribution was \$51,070. The Center recognized revenue and expenditure of this amount during the year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Center reported a liability of \$14,972,953 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Center's proportion of the net pension liability was based on the Center's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2022. Based upon this information, the center's proportion was 0.18238839 percent.

For the year ended June 30, 2023, the Center recognized pension expense of \$976,957. At June 30, 2023, the district reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 479,664	\$ 187,296
Changes of assumptions	1,010,2511	-
Net difference between projected and actual earnings on pension plan investments	1,425,428	-
Changes in proportion	31,618	1,129,852
Center contributions during the measurement date	2,320	22,724
System contributions subsequent to the measurement date	976,957	-
Total	\$ 3,926,238	\$ 1,338,872

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
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Employee Retirement System (continued)

Deferred pension outflows totaling \$976,957 resulting from the Center’s contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources will be recognized in pension expense over five years. The deferred inflows will be recognized in pension expense using the average expected remaining service life of the plan participants. The average expected remaining life of the plan participants is determined by taking the calculated total future service years of the plan participants divided by the number of people in the Plan including retirees. The total future service years of the plan participants are estimated at 5.23 years at June 30, 2023, and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan.

Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended,	
2024	\$ 568,332
2025	422,736
2026	(385,609)
2027	1,053,759
2028	<u>(49,809)</u>
	<u>\$1,609,409</u>

Actuarial Assumptions – The total pension liability as of June 30, 2023, was determined based on an actuarial valuation prepared as of June 30, 2023 using the following actuarial assumptions:

- Actuarial Cost method-Entry Age Normal
- Inflation – 2.25 percent
- Future Ad Hoc Cost-of-Living Increases-None
- Salary Increases-Composed of 2.25 percent wage inflation, plus .75 percent productivity increase rate, plus step-rate promotional increase for members with less than 25 years of service.
- Investment Rate of Return-7.00 percent
- Retirement Age-Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019.
- Mortality rates after retirement-Males & Females: 2020 GRS Southwest Region Teacher Mortality table. Generational mortality improvements with the Ultimate MP scales are projected from the Year 2020.
- Mortality rates for Active Members-PUB-2010 Teachers Activity Mortality Table. Generation Mortality improvements in accordance with the Ultimate MP scales are projected from the Year 2010.

The target asset allocation and best estimate of arithmetic expected real rates of return for each major asset class as of June 30, 2023, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	43.5%	4.3%
International Equity	19.0%	5.2%
Fixed Income	22.0%	0.4%
Real Estate*	9.0%	4.3%
Alternative Assets	<u>6.5%</u>	6.5%
Total	<u>100.00%</u>	

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
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FOR THE YEAR ENDED JUNE 30, 2023**

Employee Retirement System (continued)

*The Real Estate total expected return is a combination of US Direct Real Estate (unleveraged) and US Value added Real Estate (unleveraged).

Discount rate – A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2021. This single discount rate was based solely on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows also assumed that the State’s contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past 5 years of actual contributions. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Sensitivity of the Center’s proportionate share of the net pension liability to changes in the discount rate - The following presents the Center’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Center’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Center’s proportionate share of the net pension liability	<u>\$ 21,082,008</u>	<u>\$ 14,972,953</u>	<u>\$ 9,950,593</u>

7. Other Post-Employment Benefits OPEB

Plan Description – The District as the employer, participates in the Supplemental Health Insurance Program – a cost sharing multiple-employer defined benefit OPEB plan administered by the Oklahoma Teachers Retirement System (OTRS). Title 74 O. S. Sec. 1316.3 defines the health insurance benefits. The authority to establish and amend benefit provisions rests with the State Legislature. OTRS issues a publicly available financial report that can be obtained at www.ok.gov/OTRS

Benefits Provided – OTRS pays a medical insurance supplement to eligible members who elect to continue their employer provided health insurance. The supplement payment is between \$100 and \$105 per month, remitted to the Oklahoma Management Enterprise Services Employees Group Insurance Division, provided the member has ten (10) years of Oklahoma service prior to retirement.

Contributions – Employer and employee contributions are made based upon the TRS Plan provisions contained in Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. Based on the contribution requirements of Title 70 employers and employees contribute a single amount based on a single contribution rate as described in Note 6 from this amount OTRS allocates a portion of the contributions to the supplemental health insurance program. The cost of the supplemental health insurance program averages 1.5% of normal cost, as determined by an actuarial valuation.

OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – At June 30, 2023, the District reported an asset of \$87,579 for its proportionate share of the new OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of June 30, 2022. The District’s proportion of the net OPEB asset was based on the District’s contributions received by the OPEB plan relative to the total contributions received by the OPEB plan for all participating employers as of June 30, 2022. Based upon this information, the District’s proportion was 0.200218% percent.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2023, the Center recognized OPEB expense of \$10,956. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources
Differences between expected and actual experience	\$	-	\$ 29,153
Net difference between projected and actual earnings on OPEB plan investments		36,618	-
Changes of assumption		26,410	-
Changes in proportion		601	175
Contributions during measurement date		13,177	7,005
District contributions subsequent to the measurement date		10,956	-
Total	\$	87,761	\$ 36,333

The \$10,956 reported as deferred outflows of resources related to OPEB resulting from Center contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2024	\$6,301
2025	4,471
2026	(5,764)
2027	34,600
2028	608
Thereafter	256
Total	\$40,472

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

OPEB (continued)

Actuarial Assumptions – The total OPEB liability (asset) as of June 30, 2023, was determined based on an actuarial valuation prepared as of June 30, 2022, using the following actuarial assumptions:

- Actuarial Cost method - Entry Age Normal
- Inflation – 2.25%
- Future AD HOC Cost of Living Increases- None
- Salary Increases-Composed of 2.25% wage inflation, plus 75 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.
- Investment Rate of Return-7.00%
- Retirement Age-Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019
- Mortality Rates after Retirement – Males & Females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP Scales are projected from 2020.
- Mortality Rates for Active Members – PUP -2010 Teachers Activity Employee Mortality Table. Generational Mortality Improvements in accordance with the Ultimate MP Scales are projected from the year 2010.
- Due to the nature of the benefit, health care trend rates are not applicable to the calculation of contribution rates.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	43.5%	4.3%
International Equity	19.0%	8.2%
Fixed Income	22.%	.4%
Real Estate*	9.0%	4.3%
Alternative Assets	6.5%	6.5%
Total	100.00%	

* The Real Estate total expected return is a combination of US Direct Real Estate (unleveraged) and US Value added Real Estate (unleveraged).

Discount Rate – A single discount rate of 7.00% was used to measure the total OPRB liability (asset) as of June 30, 2023. This single discount rate was based solely on the expected rate of return on OPEB plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the OPEB plan’s fiduciary net position and future contributions were projected to be available to finance all projected future payments of current plan members. Therefore, the long term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset). The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the State’s contribution plus the matching contributions will remain a constant percentage of projected member payroll based on the past five years of actual contributions.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

OPEB (continued)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate – The following presents the net OPEB liability (asset) of the employer calculated using the discount rate of 7.0%, as well as what the Plan’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point higher (8.0%) that the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Employer’s Net OPEB Liability (asset) \$	3,649	\$ (87,579)	\$ (164,829)

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued financial report of the OTRS; which can be located at www.ok.gov/OTRS.

8. General Long-Term Debt

State statutes prohibit the Center from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the Center’s voters.

At June 30, 2023, the Center had not incurred any debt under these provisions.

9. Litigation

The Center is contingently liable for lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized and would not materially affect the financial position of the Center at June 30, 2023.

10. Contingent Liabilities

The Center receives significant financial assistance from the United States government in the form of grants and other federal assistance. Entitlement to the resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability of the Center. The Center estimates that no material liabilities will result from such audits.

11. Risk Management

The Center is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; or acts of God. The Center purchases commercial insurance to cover these risks. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The Center participates in the Oklahoma Public Schools Unemployment Compensation Account under the sponsorship of the Oklahoma State School Boards Association and the cooperative council for Oklahoma School Administration. The account was established to let schools self-insure unemployment benefits for school employees. The funds are held in the name of each center as reserves to pay unemployment claims. Each center is individually liable for that portion of the benefits paid from the fund attributable to wages paid by the center in the same manner as if no group account had been established. The reserve funds may be withdrawn from the account upon request of the center. At June 30, 2023, the Indian Capital Technology Center had reserves on deposit with the Oklahoma Public Schools Unemployment Compensation Accounting totaling \$15,729.91. This amount has been shown as prepaid insurance on the financial statements.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

12. Surety Bonds

The treasurer is bonded by Old Republic Surety Co, bond number W150379259, for the sum of \$100,000 for the term of July 1, 2022, to July 1, 2023.

The encumbrance clerk/minutes and activity fund clerk is bonded by Old Republic Surety Co, bond number W150379262, for the sum of \$100,000 for the term of July 1, 2022, to July 1, 2023.

The superintendent is bonded by Old Republic Surety Co., bond number LP02109006, for the penal sum of \$100,000 for the term of July 1, 2022, to July 1, 2023.

The assistant superintendent is bonded by Old Republic Surety Co., bond number W150317585, for the sum of \$100,000 for the term of July 1, 2022, to July 1, 2023.

The payroll clerk is bonded by Old Republic Surety Co., bond number LP02109005 for the sum of \$100,000 for the term of July 1, 2022 to July 1, 2023.

The financial aid officer is bonded by Old Republic Surety Co., bond number W1500267287, for the sum of \$100,000 for September 1, 2022 to September 1, 2023.

13. Early Retirement Incentive Program

The Board of Education of Indian Capital Technology Center has approved an Early Retirement Incentive Program. Employees meeting certain criteria of the program receives retirement payments for sixty (60) months, or until the retiree attains the age of 65, or until death of retiree, whichever is first to occur. Annual retirement payments are based on 15% of retiree's gross salary not to exceed \$6,000.00.

At June 30, 2023, the following amounts were outstanding for Early Retirement Incentive.

<u>Fiscal Year</u>	<u>Incentive Payments</u>
2024	100,411
2025	78,460
2026	42,576
2027	21,600
2028	6,600
Total	\$ <u>249,647</u>

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

14. Long-Term Liabilities

The following is a summary of long-term liabilities of the Center for the year ended June 30, 2023.

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>
Compensated Absences	\$ 554,355	\$ 80,964	\$ -	\$ 635,319
Voluntary Retirement Incentive	267,611	-	17,964	249,647
	<u>821,966</u>	<u>80,964</u>	<u>17,964</u>	<u>884,966</u>
Total	\$ <u>821,966</u>	\$ <u>80,964</u>	\$ <u>17,964</u>	\$ <u>884,966</u>
Less: Amounts Due Within One Year				<u>100,411</u>
Total Long-Term Liabilities				\$ <u><u>784,555</u></u>

15. Tax Abatement

The State of Oklahoma has authorized by Oklahoma Statute 62-850, the creation of tax increment financing (TIF) districts. These districts are intended to provide incentives and exemptions from taxation within certain areas to encourage investment, development, and economic growth. The City of Muskogee has created a TIF district. This TIF district reduces the ad valorem taxes remitted to the Center over the term of the agreements.

Oklahoma Statute Title 31 offers a homestead exemption of up to 1 acre of property in an urban area or 160 acres in a rural area. These homestead exemptions reduce the ad valorem taxes remitted to the Center.

For the year ended June 30, 2023, abated property taxes from the TIF districts were \$25,332 and from Homestead and other exemptions were \$782,398.

16. Changes in Beginning Net Position/Fund Balance

	<u>Government-Wide</u>
	<u>Financial Statements</u>
Fund Balance, beginning of year, as previously stated:	\$ 36,840,927
Increase due to adjustments to Capital Assets-Accumulated Depreciation:	<u>(1,560,664)</u>
Fund Balance, beginning of year, as restated :	\$ <u><u>35,280,263</u></u>

COMBINING FINANCIAL STATEMENTS

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
STATEMENT OF NET POSITION - FIDUCIARY FUND
JUNE 30, 2023

		<u>Agency Fund</u>
		<u>Pell Grant Fund</u>
ASSETS		
Cash	\$	-
Investments		-
Receivables		-
		<hr/>
Total assets	\$	<u><u>-</u></u>
LIABILITIES AND NET POSITION		
Liabilities:		
Due to other funds	\$	-
Due to student organizations		-
		<hr/>
Total liabilities	\$	<u><u>-</u></u>
Net position		
Unreserved/undesignated	\$	<u><u>-</u></u>
Total liabilities and net position	\$	<u><u>-</u></u>

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
STATEMENT OF CHANGES IN PELL GRANT FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023**

		<u>Agency Fund</u>
		<u>Financial Aid Fund</u>
Revenues		
Local sources		
Interest	\$	-
Miscellaneous		-
Federal sources		
Pell Grant		1,405,634
Pell Administration Fees		<u>1,240</u>
Total revenues	\$	<u>1,406,874</u>
Expenditures		
Other outlays		
Administration fee	\$	1,240
Tuition, Books and Fees		557,852
Supplies		
Student Financial Assistance		<u>847,782</u>
Total expenditures	\$	<u>1,406,874</u>
Excess of revenues over expenditures	\$	<u>-</u>
Transfers In(out)	\$	<u>-</u>
Net position, beginning of year	\$	<u>-</u>
Net position, end of year	\$	<u><u>-</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

INDIAN CAPITAL TECHNOLOGY DISTRICT NO. 4
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Fund balances, beginning of year	\$ 11,849,973	\$ 11,849,973	\$ 11,849,973	\$ -
Revenues:				
Local sources	\$ 12,811,987	\$ 12,811,987	\$ 14,908,850	\$ 2,096,863
Intermediate sources	-	-	-	-
State sources	6,412,529	6,412,529	4,999,417	(1,413,112)
Federal sources	650,000	650,000	2,194,168	1,544,168
Non-Revenue sources	-	-	18,906	18,906
	-	-	18,906	18,906
Total revenues	\$ 19,874,516	\$ 19,874,516	\$ 22,121,341	\$ 2,246,825
Expenditures :				
Instruction	\$ 8,008,997	\$ 8,008,997	\$ 7,224,619	\$ 784,378
Support services	15,645,728	15,645,728	10,631,483	5,014,245
Non-instructional services	1,411,602	1,411,602	1,111,486	300,116
Capital outlay	287,870	287,870	54,899	232,971
Other Outlays	4,224,201	4,224,201	147,179	4,077,022
Other uses	2,066,423	2,066,423	1,861,921	204,502
Repayments	79,668	79,668	16,620	63,048
	79,668	79,668	16,620	63,048
Total expenditures	\$ 31,724,489	\$ 31,724,489	\$ 21,048,207	\$ 10,676,282
Excess of revenues over (under) expenses before adjustments to prior year encumbrances	\$ -	\$ -	\$ 12,923,107	\$ 12,923,107
Adjustments to prior year encumbrances			501,234	
Other financing sources (uses):				
Operating transfers in/out			-	
Bank charges			(62)	
Total other financing sources (uses)			(62)	
Cash fund balance, end of year - Budgetary basis			\$ 13,424,279	
Reconciliation of budgetary basis fund balance with GAAP fund balance				
Budgetary fund balance, June 30, 2023			\$ 13,424,279	
Accounts receivable not recognized as revenue			735,443	
Prepaid insurance, expensed in Budgetary Basis			15,730	
Expenses not recognized in Budgetary Basis			(220,337)	
Expenses not recognized in GAAP Basis			775,916	
GAAP fund balance, end of year			\$ 14,731,031	

INDIAN CAPITAL TECHNOLOGY DISTRICT NO. 4
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUILDING FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Fund balances, beginning of year	\$ 4,833,899	\$ 4,833,899	\$ 4,833,899	\$ -
Revenues:				
Local sources	\$ 2,857,473	\$ 2,857,473	\$ 3,485,440	\$ 627,967
Intermediate sources	-	-	-	-
State sources	-	-	291	291
Federal sources	-	-	796,950	796,950
Total revenues	<u>\$ 2,857,473</u>	<u>\$ 2,857,473</u>	<u>\$ 4,282,681</u>	<u>\$ 1,425,208</u>
Expenditures :				
Instruction	\$ 1,101,139	\$ 1,101,139	\$ 635,470	\$ 465,669
Support services	1,625,576	1,625,576	463,283	1,162,293
Non-instructional services	-	-	-	-
Capital outlay	4,045,266	4,045,266	1,465,496	2,579,770
Other outlays	587,191	587,191	309,393	277,798
Other uses	332,200	332,200	-	332,200
Total expenditures	<u>\$ 7,691,372</u>	<u>\$ 7,691,372</u>	<u>\$ 2,873,642</u>	<u>\$ 4,817,730</u>
Excess of revenues over (under) expenses before adjustments to prior year encumbrances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,242,938</u>	<u>\$ 6,242,938</u>
Adjustments to prior year encumbrances			<u>1,140,522</u>	
Other financing sources (uses):				
Operating transfers in/out			-	
Bank charges			-	
Total other financing sources (uses)			<u>-</u>	
Cash fund balance, end of year - Budgetary basis			<u>\$ 7,383,460</u>	
Reconciliation of budgetary basis fund balance with GAAP fund balance				
Budgetary fund balance, June 30, 2023			\$ 7,383,460	
Taxes & misc. receivable not recognized as revenue			36,217	
Expenses not recognized in Budgetary Basis (accounts payable)			(309,872)	
Expenses not recognized in GAAP basis (reserves)			1,189,030	
GAAP fund balance, end of year			<u>\$ 8,298,835</u>	

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OKLAHOMA TEACHERS RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
FOR THE YEAR END JUNE 30, 2023

	2015	2016	2017	2018	2019	2020	2021	2022	2023
School's Proportion of the net pension liability	0.21787409%	0.21538489%	0.20965792%	0.21382160%	0.20529806%	0.19912090%	0.20026059%	0.20022481%	0.18238839%
School's proportionate share of the net pension liability	\$ 11,721,335	13,079,804	17,497,122	14,157,806	12,408,445	13,177,820	19,005,196	10,229,139	\$ 14,972,953
School's covered-employee payroll	\$ 8,453,210	8,325,592	8,437,901	8,211,100	8,829,697	9,114,724	9,257,621	9,244,215	\$ 9,405,198
School's proportionate share of the net pension liability as a percentage of its covered-employee payroll	139%	157%	207%	172%	141%	145%	205%	111%	159%
Plan fiduciary net position as a percentage of total pension liability	72.43%	70.31%	62.24%	69.32%	72.74%	71.56%	63.47%	80.80%	70.05%

*The amounts present for each fiscal year were determined as of 6/30.

Note to Schedule:

Information to present a 10 year history is not readily available.

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF THE CONTRIBUTIONS
OKLAHOMA TEACHERS RETIREMENT SYSTEM
LAST TEN FISCAL YEARS
FOR THE YEAR END JUNE 30, 2023

	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 856,786	855,582	857,876	891,924	865,899	879,474	878,200	\$ 976,957
Contributions in relation to the contractually required contribution	856,786	855,582	857,876	891,924	865,899	879,474	878,200	976,957
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
School's covered-employee payroll	\$ 9,018,786	9,006,114	9,030,263	9,388,672	9,114,724	9,257,621	9,244,215	\$ 9,405,198
Contributions as a percentage of covered-employee payroll	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	10.39%

Notes to Schedule:

Information to present a 10 year history is not readily available.

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
SUPPLEMENTAL HEALTH INSURANCE PROGRAMS
LAST TEN FISCAL YEARS (DOLLAR AMOUNTS IN THOUSANDS)
FOR THE YEAR END JUNE 30, 2023

	2018	2019	2020	2021	2022	2023
District's portion of the net OPEB liability (asset)	0.21382900%	0.20529806%	0.19914300%	0.20026059%	0.20022481%	0.20021800%
District's proportionate share of the net OPEB liability (asset)	\$ (95,355)	(132,675)	(123,135)	(19,839)	(255,020)	\$ (87,579)
District's covered payroll	\$ 8,211,100	8,829,697	9,114,724	9,257,621	9,244,215	\$ 9,405,198
District's proportionate share of the new OPEB liability (asset) as a percentage of its Covered-employee payroll	1.16%	1.50%	1.35%	0.21%	2.76%	0.93%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	110.40%	115.40%	115.07%	102.30%	129.91%	110.31%

*The amount present for each fiscal year were determined as of 6/30

Notes to Schedule:

Only the current and prior fiscal year is presented because 10-year data is not yet available.

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
SUPPLEMENTAL HEALTH INSURANCE PROGRAMS
LAST TEN FISCAL YEARS (DOLLAR AMOUNTS IN THOUSANDS)
FOR THE YEAR END JUNE 30, 2023

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Contractually required contribution	\$ 13,777	13,824	13,127	12,205	96,228	12,189	\$ 10,956
Contributions in relation to the contractually required contribution	<u>13,777</u>	<u>13,824</u>	<u>13,127</u>	<u>12,205</u>	<u>96,228</u>	<u>12,189</u>	<u>10,956</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
District's covered payroll	\$ 8,437,901	8,211,100	8,829,697	9,114,724	9,257,621	9,244,215	\$ 9,405,198
Contributions as a percentage of covered-payroll	0.16%	0.16%	0.14%	0.19%	1.04%	0.13%	0.12%

Notes to Schedule:

Only the current and prior three (3) fiscal years are presented because 10-year data is not yet available.

SUPPLEMENTARY INFORMATION

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
SCHEDULE OF FEDERAL AWARDS EXPENDED
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Fed. Asst. Listing Number	Grantor's Number	Balance at July 1, 2022	Receipts	Expenditures	Balance at June 30, 2023
<u>U.S. Department of Education</u>						
Direct Programs:						
* Pell Grant	84.063	PO63P20223286	\$ -	\$ 1,383,390	\$ 1,383,390	\$ -
* Pell Grant FY22	84.063	PO63P20213286	-	22,244	22,244	-
* Pell Admin	84.063	PO63P20223286	-	1,240	1,240	-
Sub Total Financial Aid Cluster			-	1,406,874	1,406,874	-
* COVID 19 Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act Higher Education Emergency Relief (HEERF)- Institution	84.425F	P425F203965	\$ -	\$ 506,430	\$ 506,430	\$ -
Sub Total US Dept of Education Direct			\$ -	\$ 1,913,304	\$ 1,913,304	\$ -
Passed-Through State Department of Career and Technology Education:						
Carl Perkins Consortium	84.048	N/A	\$ -	\$ 319,250	\$ 319,250	\$ -
Carl Perkins Secondary	84.048	N/A	-	49,739	49,739	-
Bid Assistance Center	12.002	N/A	-	63,000	63,000	-
Temporary Assistance for Needy Families	93.558	N/A	-	93,295	93,295	-
Sub-Total Pass through State Department of Career and Technology Education			\$ -	\$ 525,285	\$ 525,285	\$ -
<u>U.S. Department of Treasury</u>						
Passed Through the Oklahoma Health Care Workforce Training Commission						
* ARPA Health Care for Workforce Training	93.498	SLFRP4646	\$ -	\$ 822,973	\$ 822,973	\$ -
Sub Total Oklahoma Health Care Workforce Training Commission			\$ -	\$ 822,973	\$ 822,973	\$ -
Other Federal Assistance						
<u>U.S. Department of Interior</u>						
Pass Through Cherokee County In Lieu Taxes	15.226	N/A	\$ 12,384	\$ 12,854	\$ -	\$ 25,238
Sub-Total			\$ 12,384	\$ 12,854	\$ -	\$ 25,238
TOTAL FEDERAL ASSISTANCE			\$ 12,384	\$ 3,274,416	\$ 3,261,561	\$ 25,238

* Major Program

The accompanying notes are an integral part of this schedule.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Indian Capital Technology Center No. 4 under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 US. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements/or Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Indian Capital Technology Center No. 4 it is not intended to and does not present the basic financial statements as listed in the table of contents of Indian Capital Technology Center No. 4.

Note B: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on using the accrual basis of accounting. Some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited to reimbursement.

Note C: Indirect Cost Rate

Indian Capital Technology Center No. 4 has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note D: Subrecipients

Indian Capital Technology Center No. 4 did not have any awards that have been passed through to subrecipients.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND SUB-ACCOUNT BALANCES
FOR THE YEAR ENDED JUNE 30, 2023**

Activities	Balance 7-1-22	Deposits	Adjustments	Disbursed	Balance 6-30-23
Skills USA Dues	\$ 2,414	\$ 9,786	\$ 7,340	\$ 16,514	\$ 3,026
Skills USA Fundraisers	1,090	890	-	390	1,590
HOSA Dues	3,424	4,461	-	3,621	4,264
HOSA Fundraisers	1,432	-	-	-	1,432
FCCLA Dues	1,248	1,145	-	1,776	617
BPA Fundraisers	593	700	-	700	593
BPA Dues	1,461	1,480	-	1,232	1,709
RAD Tech Activities	13,354	9,596	-	20,298	2,652
Cafeteria	14,268	158,123	(1,551)	160,283	10,557
Interest-Citifund	11	373	(311)	-	73
Miscellaneous	24,593	3,833	19,443	7,260	40,609
Refund Tuition/Books	7,999	79,088	22,001	109,088	-
Scholarship Fund	5,103	-	-	500	4,603
Scholarship Fund-Wilson	18,449	-	-	-	18,449
Scholarship Fund-C. Williams	4,197	-	-	-	4,197
Scholarship Fund-Carpentry	4,103	-	-	-	4,103
Scholarship Fund-Home Builders	1,361	598	-	-	1,959
Health Certification	173,492	67,569	(130,000)	20,018	91,043
Paraprofessional Certification	3,960	-	-	200	3,760
Student Certification	9,035	2,316	40,000	1,618	49,733
CPR-First Aid Certification	3,223	2,650	-	2,375	3,498
OSHA 10 Certification	337	376	-	120	593
Citifund	27,279	-	-	-	27,279
Practical Nursing Activities	19,651	59,976	31	46,929	32,729
Surg Tech Activities	20,145	-	-	450	19,695
Occupational Therapy Activities	27,913	6,550	1,440	9,162	26,741
Physical Therapy Student Act	24,836	7,550	-	11,797	20,589
Student Activities	114,931	19,142	9,830	27,462	116,441
Student Meals	81,135	-	15,315	14,491	81,959
A-Team	1,102	-	(1,102)	-	-
Board Activities	1,551	-	1,443	966	2,028
Employee Insurance	5,965	353	-	353	5,965
Oklahoma Health Care Coalition	13,890	-	-	1,000	12,890
Student Financial	7,613	104,271	(11,892)	93,078	6,914
Gene Haas Scholarship	9,372	-	-	5,173	4,199
Bank Minimum Balance	13,000	-	-	-	13,000
Business & Industries	-	367,126	59,700	395,549	31,277
Live Work	5,750.00	3,670	-	855	8,565
BIS CDL Truck	-	31,800	-	-	31,800
Total Activities	\$ 669,280	943,422	\$ 31,687	\$ 953,258	\$ 691,131

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.
Broken Arrow, OK 74012
Phone Number 918.250.8838
FAX Number 918.250.9853

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Board of Education
Indian Capital Technology Center No. 4
Muskogee County, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Indian Capital Technology Center No. 4, Muskogee County, Oklahoma (Center), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Center's financial statements, and have issued our report thereon dated February 29, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

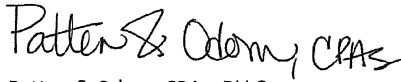
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Patten & Odom, CPAs, PLLC.

Broken Arrow, OK

February 29, 2024

Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.
Broken Arrow, OK 74012
Phone Number 918.250.8838
FAX Number 918.250.9853

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

The Honorable Board of Education
Indian Capital Technology Center No. 4
Muskogee County, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Indian Capital Technology Center No. 4's (the Center) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Center's major federal programs for the year ended June 30, 2023. The Center's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Center's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Center's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Center's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Center's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion was expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Center as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively compose the Center's basic financial statements. We issued our report thereon dated February 29, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Patten & Odom, CPAs

Patten & Odom, CPAs, PLLC

Broken Arrow, OK

February 29, 2024

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the basic financial statements of Indian Capital Technology Center.
2. There were no audit findings reported as a deficiency in internal control, which the auditor considers to be "significant deficiencies" as defined in A.I.C.P.A. standards.
3. No instances of noncompliance material to the financial statements of Indian Capital Technology Center which would be required to be reported in accordance with Government Auditing Standards were disclosed in the audit.
4. There were no audit findings reported of deficiencies in internal control over major programs, which the auditor considers to be "significant deficiencies" as defined by A.I.C.P.A. standards.
5. The auditor's report on compliance for the major federal award programs for Indian Capital Technology Center expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to major federal award programs for Indian Capital Technology Center that are required to be reported in accordance with Uniform Guidance.
7. The programs tested as major programs included: Educational Stabilization Fund under the Coronavirus Aid, Relief, and Economic Security Act Higher Education Emergency Relief (84.425E and 84.425F), Financial Aid Cluster: PELL (84.063) and ARPA Health Care for Workforce Training (93.498).
8. The threshold for distinguishing Types A and B programs was \$750,000.00.
9. Indian Capital Technology Center did qualify as a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

1. No matters were reported.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

1. No matters were reported.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SUMMARY OF PRIOR AUDIT FINDINGS
JULY 1, 2022 TO JUNE 30, 2023**

The summary of prior audit findings is required to report the status of all audit findings reported in the prior audit's schedule of findings and questioned costs relative to federal awards.

The Center had no prior year audit findings relative to federal award programs.

**INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF COMMENTS
JULY 1, 2022 TO JUNE 30, 2023**

Based on our tests of accounting records and related procedures, we found nothing to indicate that Indian Capital Technology Center No. 4 had not complied with significant compliance rules and regulations of the Oklahoma State Department of Career & Technology Education.

Previous Year's Audit Comments

There were no items in the school's 2021-2022 audit report, which required correction.

We would like to express our appreciation for the courtesies and cooperation extended to us by Center administrators and employees during the course of this audit.

INDIAN CAPITAL TECHNOLOGY CENTER NO. 4
MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2022 TO JUNE 30, 2023

State of Oklahoma)
County of Tulsa)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Indian Capital Technology Center for the audit year 2022-2023.

Patten & Odom, CPAs, PLLC
AUDITING FIRM

BY *Kerry John Patten*
AUTHORIZED AGENT

Subscribed and sworn to before me on this

29th day of February, 2024

Alicia Haught
NOTARY PUBLIC

My commission expires on:

26th day of September, 2027

