FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORTS
JUSTICE ALMA WILSON SEEWORTH ACADEMY
NO. E-2
OKLAHOMA COUNTY, OKLAHOMA
JUNE 30, 2015

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA
JUNE 30, 2015

TABLE OF CONTENTS

Academy Officials

Independent Auditor's Report

Combined Financial Statements

Combined Balance Sheet - Regulatory Basis
All Fund Types and Account Groups ..... Schedule 1-00

Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Regulatory Basis
All Governmental Fund Types ..... Schedule 2-00

Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual -
Regulatory Basis- Budgeted and Governmental Fund Types ..... Schedule 3-00

Notes to Combined Financial Statements

SUPPORTING SCHEDULES

Supplementary Information

Schedule of Expenditures of Federal Awards ..... Schedule 4-00

Reports on Internal Control and on Compliance

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

Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance Required by OMB Circular A-133

Schedule of Findings and Questioned Costs

Audit Comments

Schedule of Accountant's Professional Liability Insurance Affidavit

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA
SCHOOL DISTRICT OFFICIALS
JULY 1, 2014 THROUGH JUNE 30, 2015

Governing Body

President	Beverly Patchell
Vice-President	Barbara Swinton
Secretary	Patricia Kelley
Member	Kay Floyd
Member	John Mayfield
Member	Kari Moeller
Member	Lee Anne Wilson
Member	Greg Dewey

Director

Janet Grigg

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
RICK D. MILLER

204 E. FRANKLIN - P.O. BOX 507
WEATHERFORD, OK 73096
580-772-3596
FAX 580-772-3085

BRANCH OFFICE:
106 N. COLLEGE - P.O. BOX 266
CORDELL, OK 73632
580-832-5313
FAX 580-832-5314

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Justice Alma Wilson Seeworth Academy No. E-2
Oklahoma County, Oklahoma

Report on the Financial Statements

We have audited the accompanying fund type and account group financial statements-regulatory basis of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education as described in Note 1. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1, Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, prepares its financial statements in conformity with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The differences between the regulatory basis of accounting and accounting principles generally accepted in the United States of America are also described in Note 1. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the School's policy to prepare its financial statements on the basis of accounting discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, as of June 30, 2015, or the results of its operations for the year then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 1, the financial statements referred to above do not include the General Fixed Asset Account Group, which is a departure from the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education. The amount that should be recorded in the General Fixed Asset Account Group is not known.

Qualified Opinion on Regulatory Basis of Accounting

However, in our opinion, except for the omission of the general fixed asset account group as discussed in the Basis for Qualified Opinion on Regulatory Basis of Accounting paragraph, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances arising from regulatory basis transactions of each fund type and account group of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, as of June 30, 2015, and the revenues it received and expenditures it paid and encumbered for the year then ended, on the regulatory basis of accounting described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the fund type and account group financial statements that collectively comprise Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's basic financial statements. The Combining Financial Statements are presented for purposes of additional analysis and are not a required part of the basis financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements.

The Combining Financial Statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the fund type and account group 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, except for the financial statements being prepared in compliance with the regulatory basis as prescribed by the Oklahoma State Department of Education as discussed in Note 1, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 21, 2016, on our consideration of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma'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 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 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 Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's internal control over financial reporting and compliance.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL & MILLER
Certified Public Accountants

Weatherford, Oklahoma
March 21, 2016

COMBINED FINANCIAL STATEMENTS

OF

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA

Schedule 1-00

JUSTICE ALMA WILSON SEEWORTH ACADEMY
OKLAHOMA COUNTY, OKLAHOMA
COMBINED BALANCE SHEET - REGULATORY BASIS -
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2015

	Governmental Fund Types
	General
ASSETS	
Cash and Investments	$ 488,576.30
Total Assets	$ 488,576.30
LIABILITIES AND FUND BALANCE	
Liabilities:	
Warrants payable	$ 100,971.09
Encumbrances	
Total Liabilities	100,971.09
Fund Equity:	
Unreserved:	
Undesignated	387,605.21
Total fund balances	387,605.21
Total Liabilities and Fund Balances	$ 488,576.30

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

Schedule 2-00

JUSTICE ALMA WILSON SEEWORTH ACADEMY
OKLAHOMA COUNTY, OKLAHOMA
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - REGULATORY BASIS -
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund
Revenues:	
Local sources	$
Intermediate sources	207,223.28
State sources	3,284,988.14
Federal sources	944,709.30
Total Revenues Collected	4,436,920.72
Expenditures:	
Instruction	1,697,664.37
Support services	2,621,544.13
Non - Instructional services	146,668.49
Capital outlay	0.00
Other outlays	0.00
Total Expenditures	4,465,876.99
Excess of revenue over (under) expenditures	(28,956.27)
Adjustments to prior year encumbrances	
Prior Period Adjustment	0.00
Excess of revenues and other sources over (under) expenditures and other uses	(28,956.27)
Beginning fund balance	416,561.48
Ending fund balance	$ 387,605.21

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

Schedule 3-00

JUSTICE ALMA WILSON SEEWORTH ACADEMY
OKLAHOMA COUNTY, OKLAHOMA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - REGULATORY BASIS
BUDGETED GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund		
	Original Budget	Final Budget	Actual
Beginning fund balances, budgetary basis	$ 416,561.48	$ 416,561.48	$ 416,561.48
Revenues:			
Local sources	145,000.00	145,000.00	
Intermediate sources	0.00	0.00	207,223.28
State sources	3,428,082.20	3,428,082.20	3,284,988.14
Federal sources	833,547.19	833,547.19	944,709.30
Total Revenue, budgetary basis	4,406,629.39	4,406,629.39	4,436,920.72
Expenditures:			
Instruction	2,054,978.25	2,054,978.25	1,697,664.37
Support services	2,621,544.13	2,621,544.13	2,621,544.13
Non - Instructional services	146,668.49	146,668.49	146,668.49
Capital Outlay	0.00	0.00	0.00
Other Outlays			0.00
Debt Service:			
Principal retirement	0.00	0.00	0.00
Interest and fiscal agent charges	0.00	0.00	0.00
Judgments paid	0.00	0.00	0.00
Total Expenditures, budgetary basis	4,823,190.87	4,823,190.87	4,465,876.99
Excess of revenue and beginning fund balances over (under) expenditures - budgetary basis	0.00	0.00	387,605.21
Other financing sources (uses):			
Bond sale proceeds	0.00	0.00	0.00
Operating Transfers	0.00	0.00	0.00
Excess of revenues and other sources over (under) expenditures and other uses	0.00	0.00	387,605.21
Adjustments to prior year encumbrances	0.00	0.00	
Prior Period Adjustments	0.00	0.00	0.00
Ending fund balances	$ 0.00	$ 0.00	$ 387,605.21

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

NOTES TO COMBINED FINANCIAL STATEMENTS

OF

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

1. Nature of organization and Summary of Significant Accounting Policies

The basic financial statements of the Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma (the "District") have been prepared in conformity with another comprehensive basis of accounting as prescribed by the Oklahoma State Department of Education. The more significant of the District's accounting policies are described below.

A. Reporting Entity

The District 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 District 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 state of Oklahoma 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 District is the Board of Education composed of elected members. The appointed director is the executive officer of the District.

In evaluating how to define the district, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The basic -- but not the only -- criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the District and/or its citizens, or whether the activity is conducted within the geographic boundaries of the District and is generally available to its patrons. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no potential component units included in the District's reporting entity.

Summary of Significant Accounting Policies, (Continued)

B. Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain district functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." The District has the following fund types and account groups:

Governmental Fund Types

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

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 the Foundation and Incentive Aid Program. 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. The general fund includes federal and state restricted monies that must be expended for specific programs.

Summary of Significant Accounting Policies, (Continued)

Fund Accounting, (Continued)

Account Groups
Account groups are not funds and consist of a self-balancing set of accounts used only to establish accounting control over long-term debt and general fixed assets not accounted for in proprietary funds.

General Fixed Asset Account Group - This account group is used to account for property, plant and equipment of the school district. The District has not maintained the cost of fixed assets purchased in previous years. Thus the General Fixed Asset Account Group is not presented.

C. Basis of Accounting

The District prepares its financial statements in a presentation format that is prescribed by the Oklahoma State Department of Education. This format is essentially the generally accepted form of presentation used by state and local governments prior to the effective date of GASB Statement No. 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments*. This format differs significantly from that required by GASB Statement No. 34.

The basic financial statements are essentially prepared on a basis of cash receipts and disbursements modified as required by the regulations of the Oklahoma State Department of Education as follows:

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies are recorded as expenditures when approved.
- Investments are recorded as assets when purchased.
- Warrants payable are recorded as liabilities when issued.
- Long-term debt is recorded when incurred.

This regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable, or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred for governmental fund types.

Summary of Significant Accounting Policies, (Continued)

D. Budgets and Budgetary Accounting

The District is required by state law to prepare an annual budget. Under current Oklahoma Statutes, a formal budget is required for all funds except for agency funds. A budget is presented for the general fund that includes the originally approved budget appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations.

Encumbrances represent commitments to unperformed contracts for goods and services. Encumbrance accounting – under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund – is utilized in all governmental funds of the District. Under Oklahoma law, unencumbered appropriations lapse at the end of the year.

E. Assets, Liabilities and Fund Equity

Cash and Cash Equivalents - The District considers all cash on hand, demand deposits and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments - Investments consist of direct obligations of the United States Government and Agencies or certificates of deposit with maturities greater than three months when purchased. All investments are recorded at cost, which approximates market value.

Inventories - The value of consumable inventories at June 30, 2015, is not material to the financial statements.

Warrants Payable – Warrants are issued to meet the obligations for goods and services provided to the District. The District recognizes a liability for the amount of outstanding warrants that have yet to be redeemed the District's treasurer.

Fixed Assets and Property, Plant and Equipment – The District has not maintained a record of its general fixed assets, and, accordingly, a General Fixed Asset Account Group is not presented in the financial statements. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchases.

Compensated Absences - The school does not calculate a dollar value of compensated absences. Thus, compensated absences have not been presented.

Cash Fund Balance - Cash fund balance represents the funds not encumbered by purchase order, legal contracts, and outstanding warrants.

Summary of Significant Accounting Policies, (Continued)

F. Revenue, Expenses and Expenditures

Local Revenues - Revenue from local sources is the money generated from within the boundaries of the School and available to the School for its use. Local sources of revenues for the School include contributions, supplies, materials sold, commissions, and reimbursements.

Local sources also include funds from Oklahoma City Public School generated by the District's enrollment as calculated by the State Department of Education and the terms of the District's contract with Oklahoma City Public Schools.

Intermediate Revenues - Revenues from intermediate sources are the amounts of money from funds collected by an intermediate administrative unit, or a political subdivision between the School and the State, and distributed to schools in amounts that differ in proportion to those collected within such systems.

State Revenues - Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the districts.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally, such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made.

The District 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 Education requires that categorical, educational program revenues be accounted for in the general fund.

Federal Revenues - Federal revenues consist of revenues from the federal government in the form of operating grants or entitlements. An operating grant is a contribution to be used for a specific purpose, activity or facility. A grant may be received either directly from the federal government or indirectly as a pass-through from another government, such as the State.

Summary of Significant Accounting Policies, (Continued)

Revenue, Expenses and Expenditures, (Continued)

Non-revenue Receipts - Nonrevenue receipts represent receipts deposited into a fund that are not considered new revenues to the School, but rather the return of assets that also includes miscellaneous receipts.

Interfund Transactions - Quasi-external 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.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. There were no operating transfers or residual equity transfers during fiscal year 2015.

G. Statement of Cash Flows

Since the District does not currently have any Proprietary Fund Types, the statement of cash flows has not been presented in the fiscal 2015 accompanying financial statements.

2. General Long Term Debt

At June 30, 2015 the District had not incurred any long-term debt.

Summary of Significant Accounting Policies, (Continued)

3. **Cash and Investments**

The District's investment policies are governed by state statute. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations, and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance.

Deposits - The District's cash deposits at June 30, 2015, are categorized to give an indication of the level of risk assumed by the District at year end as follows:

Deposit Categories of Credit Risk

(A) Insured or collateralized with securities held by the District or by its agent in the District's name.

(B) Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.

(C) Uncollateralized.

	Category			Bank
	(A)	(B)	(C)	Balance
Cash	$ 250,000.00	$ 238,576.30	$ 0.00	$ 488,576.30
Investments	0.00	0.00	0.00	0.00
Total	$ 250,000.00	$ 238,576.30	$ 0.00	$ 488,576.30

4. **Other Information**

A. **Investment Income**

Investment income deposits to the General Fund account are receipted as allocated by the School Treasurer. School Funds are required to be invested in accordance with Title 70 of the Oklahoma Statutes, Article 5, Section 115. Interest income on investments totaled $243.06 for the year ended June 30, 2015.

Summary of Significant Accounting Policies, (Continued)

Other Information, (Continued)

B. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, employees' health and life, and natural disasters. The District manages these various risks of loss through the purchase of commercial insurance. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

C. Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already received, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

D. Employee Retirement System and Plan

The District has chosen not to participate in the Oklahoma Teachers Retirement System.

E. Surety Bonds

The Academy has a bond covering the Treasurer by RLI Insurance Company, bond number LSM0479670, for the term March 5, 2014 to March 5, 2015 and for the term of March 5, 2015 to March 5, 2016. The bond is for the penal sum of $100,000.00

The Academy has a bond covering the Encumbrance Clerk by RLI Insurance Company, bond number LSM0372123, for the term of May 18, 2014 to May 18, 2015 and bond number LSM0736059 for the term of April 12, 2015 to April 12, 2016. The bond is for the penal sum of $1,000.00.

The Academy has a bond covering the Superintendent by RLI Insurance Company, bond number LSM0372122, for the term of May 18, 2014 to May 18, 2015 and bond number LSM0736061 for the term of April 12, 2015 to April 12, 2016. The bond is in the penal sum of $100,000.00.

5. Subsequent Events

Management has evaluated subsequent events through March 21, 2016, which is the date the financial statements were available to be issued and have determined that no additional information needs to be added to the financial statements.

SUPPORTING SCHEDULES

OF

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA

SUPPLEMENTARY INFORMATION

OF

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA

JUSTICE ALMA WILSON SEEWORTH ACADEMY
OKLAHOMA COUNTY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA #	Project Reporting Number	Program Approved Amount	Balance at July 1, 2014	Receipts	Expenditures	Balance at June 30, 2015
Passed-through State Department of Education:							
2013-2014 Programs							
Title I, Part A Basic Program	84.010	511	$ 0.00	$ (10,786.66)	$ 10,786.66	$ 0.00	$ 0.00
Title I - Supplemental School Improvemen	84.377	519	0.00	(3,981.16)	3,981.16	0.00	0.00
Title II, Part A	84.367	541	0.00	(14,120.62)	14,120.62	0.00	0.00
2014-2015 Programs							
Title I, Part A Basic Program	84.010	511	215,496.52	0.00	208,574.05	211,484.75	(2,910.70)
Title I - Supplemental School Improvemen	84.377	519	431,660.09	0.00	431,660.09	431,660.09	0.00
Title II, Part A	84.367	541	57,484.23	0.00	20,750.00	35,043.13	(14,293.13)
IDEA-B Part B, Flow Through	84.027	621	114,736.37	0.00	114,736.37	114,736.37	0.00
							0.00
Total State Department of Education			819,377.21	(28,888.44)	804,608.95	792,924.34	(17,203.83)
U.S. Department of Agriculture							
Pased Through State Department of Education							
Cash Assistance:							
National School Lunch Program	10.555	763	97,456.04	17,640.32	97,456.04	97,448.78	17,647.58
National School Breakfast Program	10.553	764	42,644.31	7,933.60	42,644.31	42,299.13	8,278.78
Non-Cash Assistance (Commodities):							
National School Lunch Program	10.555	n/a	9,706.50	0.00	9,706.50	9,706.50	0.00
TOTAL FEDERAL ASSISTANCE			$ 969,184.06	$ (3,314.52)	$ 954,415.80	$ 942,378.75	$ 8,722.53

Note - The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Nonmonetary assistance in the form of commodities is reported in the schedule at the fair market value of the commodities received and disbursed.

REPORTS ON INTERNAL CONTROL AND ON COMPLIANCE

OF

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
RICK D. MILLER

204 E. FRANKLIN - P.O. BOX 507
WEATHERFORD, OK 73096
580-772-3596
FAX 580-772-3085

BRANCH OFFICE:
106 N. COLLEGE - P.O. BOX 266
CORDELL, OK 73632
580-832-5313
FAX 580-832-5314

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
Justice Alma Wilson Seeworth Academy No. E-2
Oklahoma 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 fund type and account group financial statements of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's basic financial statements, and have issued our report thereon dated March 21, 2016. As stated in our report, the financial statements were prepared in compliance with the cash basis as prescribed by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In our report, our opinion was qualified because the omission of the General Fixed Assets Account Group results in an incomplete presentation.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity'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 a 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 Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's financial statements are free from 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* in the United States of America.

Purpose of this Report

The purpose of 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.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants
Weatherford, Oklahoma

March 21, 2016

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
RICK D. MILLER

204 E. FRANKLIN - P.O. BOX 507
WEATHERFORD, OK 73096
580-772-3596
FAX 580-772-3085

BRANCH OFFICE:
106 N. COLLEGE - P.O. BOX 266
CORDELL, OK 73632
580-832-5313
FAX 580-832-5314

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

The Honorable Board of Education
Justice Alma Wilson Seeworth Academy No. E-2
Oklahoma County, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's major federal programs for the year ended June 30, 2015. Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's compliance.

Opinion on Each Major Federal Program

In our opinion, Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, complied, in all material respects, with the types of 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, 2015.

Report on Internal Control over Compliance

Management of Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the entity's 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 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 a 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants

Weatherford, Oklahoma
March 21, 2016

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

SUMMARY OF AUDITOR'S RESULTS

TYPE OF REPORT ISSUED ON THE FINANCIAL STATEMENTS:	Adverse
MATERIAL WEAKNESSES IDENTIFIED IN INTERNAL CONTROL OVER FINANCIAL REPORTING:	No
SIGNIFICANT DEFICIENCIES IDENTIFIED IN INTERNAL CONTROL OVER FINANCIAL REPORTING THAT ARE NOT CONSIDERED TO BE MATERIAL WEAKNESSES:	No
DISCLOSURES OF NONCOMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS:	None Reported
MATERIAL WEAKNESSES IDENTIFIED IN INTERNAL CONTROL OVER MAJOR FEDERAL AWARD PROGRAMS:	No
SIGNIFICANT DEFICIENCIES IDENTIFIED IN INTERNAL CONTROL OVER MAJOR FEDERAL AWARD PROGRAMS THAT ARE NOT CONSIDERED TO BE MATERIAL WEAKNESSES:	No
TYPE OF REPORT ISSUED ON COMPLIANCE FOR MAJOR PROGRAMS:	Unqualified
AUDIT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH SECTION 510(A) OF OMB CIRCULAR A-133:	No
MAJOR PROGRAMS:	84.377 Title I – Supplemental School Impr. 84.010 Title I, Part A
DOLLAR THRESHOLD USED TO DISTINGUISH BETWEEN TYPE A AND B PROGRAMS:	$300,000
QUALIFIED LOW-RISK AUDITEE:	No
FINDINGS & QUESTIONED COSTS FOR FEDERAL AWARDS	None Reported

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA
AUDIT COMMENTS
FOR THE YEAR ENDED JUNE 30, 2015

CURRENT YEAR

None

PRIOR YEAR

None

JUSTICE ALMA WILSON SEEWORTH ACADEMY NO. E-2
OKLAHOMA COUNTY, OKLAHOMA
SCHEDULE OF ACCOUNTANTS' PROFESSIONAL
LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2014 THROUGH JUNE 30, 2015

State of Oklahoma)
) ss
County of Custer)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountants' 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 Justice Alma Wilson Seeworth Academy No. E-2, Oklahoma County, Oklahoma, for the audit year 2014-2015.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL & MILLER
Certified Public Accountants

By James Kuykendall

Subscribed and sworn to before me this 28th day of March, 2016.

Patty Klein
NOTARY PUBLIC

PATTY KLEIN
NOTARY PUBLIC
#07007593
EXP. 8-9-19
IN AND FOR
STATE OF OKLAHOMA
CUSTER COUNTY