

REPORT OF AUDIT
NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY – OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

OFFICERS

DEAN MEYER	PRESIDENT
THOMAS V. RUSSELL	VICE-PRESIDENT
STANLEY KLINE	CLERK
ELDEN "BUTCH" EDENGFELD	MEMBER
MAX W. OTT	MEMBER
DAVID MANNING, COUNTY TREASUER	TREASURER
JANE BOWEN	SUPERINTENDENT
DAREN SLATER	ASST. SUPERINTENDENT
GERALD W. HARRIS	ASST. SUPERINTENDENT
GINA MARTIN	BUSINESS MANAGER

AUDIT BY

PATRICK W. CARROLL
CERTIFIED PUBLIC ACCOUNTANT

CERTIFICATE #4081

NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

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NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

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NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

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Chas. W. Carroll, P.A.

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114 E. Broadway

Enid, Oklahoma 73701
Phone 580-234-5468
Fax 580-234-5425

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Northwest Technology Center #V-10
Woods County, Oklahoma

I have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Northwest Technology Center #V-10, Woods County, Oklahoma, as of and for the year ended June 30, 2011, as listed in the Table of Contents. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the 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 Northwest Technology Center #V-10, Woods County, Oklahoma, as of June 30, 2011, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated March 5, 2012 on my consideration of the District's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and results of that testing, and not to provide an opinion. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and do not express an opinion on it.

My audit was conducted for the purpose of forming opinions on the basic financial statements of the Northwest Technology Center #V-10, Woods County, Oklahoma taken as a whole. The combining and individual fund financial statements and the schedule of expenditures of federal awards are presented for purposes of additional analysis, and are not a required part of the basic financial statements of the District. Also, the accompanying schedule of expenditures of federal awards is required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Sincerely,



Chas. W. Carroll, P.A.
March 5, 2012

NORTHWEST TECHNOLOGY CENTER
ALVA/FAIRVIEW
Management's Discussion and Analysis
June 30, 2011

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Northwest Technology Center (the District)

The District is a part of the public CareerTech system of Oklahoma, under the direction and control of the Oklahoma State Board of Career and Technology Education. The District has two campuses – Alva and Fairview. The District serves seven public school districts, including Aline-Cleo, Alva, Canton, Fairview, Freedom and Waynoka. The District encompasses all of Woods County plus parts of Alfalfa, Blaine, Dewey, Harper, Major and Woodward counties.

The District has three basic areas or types of instruction:

Full-Time Programs – The District offers 11 full-time programs. These programs are designed to lead to industry certifications, licenses, employment, and/or continuing education.

Adult and Career Development – These classes are designed around specific curriculum and are designed to provide an introduction to or enhance knowledge of specific topics.

Business and Industry Services – This division strives to meet the training and development needs of business and industry.

During fiscal year 2010-2011, the District served 211 students in full-time programs. There were 8,864 people served through industry specific, safety, training for industry programs, existing industry and firefighter training and 3,434 adults in adult and career training classes.

Financial Highlights

During fiscal year 2011 there were not any significant increases or decreases in the income or expenditures of the district. In relation to 2010 figures the total revenues were up 4.63 % and total expenditures up 4.54 %.

Overview of the Financial Statements

The financial statements consist of three parts – Management’s Discussion and Analysis, the Basic Financial Statements, and Required Supplementary Information. The three parts together provide a comprehensive overview of the financial condition of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

Government-wide Financial Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of New Assets includes all of the District’s assets and liabilities, with the difference reported as net assets. All of the current year’s revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the District’s net assets and how they have changed. Net assets, the difference between the assets and the liabilities, are one way to measure the District’s financial health or position.

Over time, increases or decreases in the District net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the District, you need to consider additional non-financial factors such as changes in enrollment, changes in the property tax base, changes in funding by the federal and state governments, and the conditions of facilities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District’s *funds*, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. State law requires the use of certain funds.

The District has two kinds of funds:

Government Funds - Most of the District’s activities are included in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. The governmental fund statements provide a detailed short-term view of the District operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. The relationship (or differences) between governmental activities (reported in the State of Net Assets and the

Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary Funds – The District is the trustee, or fiduciary, for the assets that belong to others. The District is responsible for ensuring that assets reported as these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operation.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

Financial Analysis of the District as a Whole

Net Assets

The District’s total net assets were \$ 7,572,059.34 at June 30, 2011.

**Net Assets
Fiscal Year Ended June 30, 2011**

GOVERNMENTAL ACTIVITIES

Assets:		
	Cash	1,888,273.17
	Investments	1,363,300.00
	Other	175,308.92
	Capital Assets	<u>4,605,385.40</u>
	Total Assets	8,032,268.49
Liabilities:		
	Accounts Payable	407,325.69
	Accrued Compensated Absences	<u>52,883.46</u>
	Total Liabilities	460,209.15
Net Assets		
	Capital Assets	4,605,386.40
	Unrestricted	<u>2,966,672.94</u>
	TOTAL NET ASSETS	7,572,059.34

Most of the District’s net assets are invested in capital assets (buildings, land, and equipment). The restricted assets are reserved for purchase commitments already made. The remaining net assets are unrestricted. These unrestricted funds are used to fund the cash flow needs during the first half of the fiscal year as well as to accumulate funds for future building and improvement projects.

Changes in Net Assets

Changes in Net Assets Fiscal Year Ended June 30, 2011

	Governmental Activities
Beginning Net Assets (July 1, 2010)	\$ 6,792,735.85
Net assets – June 30, 2011	<u>7,572,059.34</u>
Change in Net Assets - Increase/(Decrease)	779,323.49

Government Activities

There were no significant differences in revenues or expenditures FY10 versus FY11. This is seventh year using GAAP basis of accounting. Northwest Technology Center continues to provide Existing Industry funding to promote economic development in the area and Firefighter Training for area Fire Departments. The ODCTE has continued to allocate more funds than originally budgeted in both these categories. During FY 2011 Northwest Technology Center had a significant TIP Project to train truck drivers.

To aid in the understanding of the Statement of Activities, some additional explanation is provided. Of particular interest is the format that is significantly different than a typical State of Revenue, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expenses)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the District's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

District Sources of Revenue:

Ad Valorem property tax:	Taxes for current year and prior years, and revenue in lieu of taxes
Interest:	Interest earning on investments and taxes
Tuition:	Tuition for full-time adult classes, short-term adult classes, safety training, and industry specific training
Other Local Sources:	Rental of school facilities and property other than school facilities, sale of real estate and surplus equipment, bookstore livework revenue, insurance loss recoveries, miscellaneous refunds/reimbursements, interest, and district contracts for shared services

State Revenue: Formula operations, Student Financial Aid (OTAG), Existing Industry Initiative, Fire Fighter Training, Training for Industry Program, Safety Training, Welfare to Work, CNA II, Lottery funds, TANF state money and reimbursement from the State Department of Ed for National Board Teacher stipends.

Federal Revenue: TANF, Carl Perkins Secondary, Carl Perkins Tech Prep, Carl Perkins Tech Centers That Work, and Student Financial Aid (PELL Grants), and VA reporting fees.

THE DISTRICT'S FUNDS

The following schedule presents a summary of general, special revenue (building fund), and expenditures for the fiscal year ended June 30, 2010, and the amount and percentage of increases and decreases in relation to the prior year.

Revenues:	FYE 11 Amount	Percent Of Total	FYE 10 Amount	Percent Of Total	Increase (Decrease) From FYE 10
Property Taxes	2,891,628.84	49.77%	2,817,388.52	50.84%	74,240.32
Tuition & Fees	208,936.34	3.59%	232,898.34	4.20%	(23,962.00)
Investment Income	70,051.15	1.20%	38,833.71	.71%	31,217.44
State Sources	1,882,161.49	32.39%	1,879,530.83	33.92%	2,630.66
Federal Sources	271,046.65	4.67%	280,704.86	5.07%	(9,658.21)
Federal Financial Aid	222,016.00	3.83%	180,903.78	3.26%	41,112.22
Miscellaneous	263,860.26	4.55%	110,862.23	2.00%	152,998.03
TOTAL REVENUE	5,809,700.73	100.00%	5,541,122.27	100.00%	268,578.46

The net cost of all governmental activities this year was \$5,026,087.04. The governmental activities of the District include instruction, support services, operation of noninstructional programs, site improvements, and other uses. Examples of the types of expenses that can be found in these categories include:

Instruction – expenditures for direct classroom activities.

Support Services – expenditures to provide administrative, technical, and logistical support to facilitate and enhance instruction.

Noninstructional Services – Activities concerned with providing non-instructional services to students, staff, and community.

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

Expenditures:	FYE 11 Amount	Percent Of Total	FYE 10 Amount	Percent Of Total	Increase (Decrease) From FYE 10
Instruction	2,085,041.51	41.48%	2,516,466.85	47.62%	(431,425.34)
Support Services	2,186,024.65	43.49%	1,879,386.31	35.79%	306,638.34
Non- Instructional Services	26,263.55	0.52%	38,424.69	.72%	(12,161.14)
Facilities Acquisition & Construction	67,533.93	1.34%	473,163.65	8.93%	(405,629.72)
Unallocated Depreciation	232,021.39	4.63%	164,133.47	3.29%	67,887.92
Other Outlay & Uses	429,202.01	8.54%	193,523.09	3.65%	235,678.92
Total Expenditures	5,026,087.04	100.00%	5,265,098.06	100.00%	(239,011.02)

Financial Analysis of Northwest Technology Center's Funds

As of June 30, 2011, the District's governmental funds reported a combined fund balance of \$2,654,976.31. The primary source of revenue for the governmental funds is ad valorem property tax, which is not received evenly throughout the fiscal year. The majority of property tax revenues are received between January 1 and April 30 of each year. The governmental funds must carry forward a fund balance large enough to finance the first six months of the fiscal year.

General Fund

The General Fund year-end balance is \$1,871,164.70 net of encumbrances. These unrestricted funds are required to meet the labor intensive and operating expenses for the first six months of the fiscal year 2012. \$52,883.46 is reserved for compensated leave.

Building Fund

The Building Fund year-end balance is \$783,811.61 net of encumbrances. The remaining unrestricted funds are targeted for remodeling of current facilities, site improvements, new construction projects, equipment for the programs and building furniture needs.

Fiduciary Funds

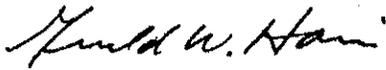
The Fiduciary Funds (Activity Funds) reported a total net restricted fund balance of \$29,974.11.

Capital Assets

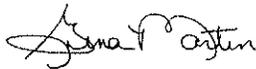
As of June 30, 2011, the District had \$ 4,605,386.40 (net of depreciation) in governmental funds invested in a broad range of capital assets, including land, buildings, furniture, and equipment.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of Northwest Technology Center's financial position to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Superintendent's Office at Northwest Technology Center, 1801 Eleventh Street, Alva, OK 73717.



Dr. Gerald W. Harris, Superintendent



Gina Martin, Business Manager

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY, OKLAHOMA
Statement of Net Assets
For the Year Ending June 30, 2011

EXHIBIT A

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$1,888,273.17
Investments	1,363,300.00
Property taxes receivable	11,714.83
Due from other governments	162,954.09
Other receivables	640.00
Total Current Assets	3,426,882.09
Noncurrent Assets:	
Capital Assets:	
Land	183,860.00
Building	5,395,198.20
Construction in progress	0.00
Furniture and Equipment	1,191,656.79
Automobiles	296,640.80
Less: Accumulated Depreciation	(2,461,969.39)
Capital assets, net of accumulated depreciation	4,605,386.40
Total Assets	8,032,268.49
LIABILITIES	
Accounts Payable and accrued liabilities	407,325.69
Other Payables	52,883.46
Total Liabilities	460,209.15
Net Assets	
Invested in capital assets, net of related debt	4,605,386.40
Unrestricted	2,966,672.94
Total Net Assets	\$7,572,059.34

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY, OKLAHOMA
Statements of Activities
For the Year Ending June 30, 2011

EXHIBIT B

Function/Programs	Expenses	Program Revenues			Net(Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$2,085,041.51	\$208,936.34	\$63,524.96		(\$1,812,580.21)
Support Services-Operational	2,186,024.65				(2,186,024.65)
Non-instructional services	26,263.55				(26,263.55)
Facilities acquisition and construction	67,533.93				(67,533.93)
Depreciation unallocated	232,021.39				(232,021.39)
Other Outlay	29,676.33				(29,676.33)
Other Uses	399,525.68		158,491.04		(241,034.64)
Total governmental activities	5,026,087.04	208,936.34	222,016.00	0.00	(4,595,134.70)
General Revenues:					
Taxes:					
Property Taxes, levied for general purposes					2,891,628.84
Federal Aid					271,046.65
State Aid					1,882,161.49
Interest from investments					70,051.15
Other general revenues					263,860.26
Special items:					
Disposal of assets (Net)					(244.62)
Decrease in accrued compensation					(4,045.58)
Change net assets					779,323.49
Net Assets - Beginning					6,792,735.85
Net Assets - Ending					\$7,572,059.34

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

NORTHWEST TECHNOLOGY CENTER #V-10
 WOODS COUNTY, OKLAHOMA
 Balance Sheet-Governmental Funds
 For the Year Ending June 30, 2011

	General Fund	Building Fund	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$1,285,425.40	\$602,847.77	\$1,888,273.17
Investments	838,300.00	527,000.00	1,363,300.00
Property taxes receivable	8,511.83	3,203.00	11,714.83
Due from other governments	162,954.09	0.00	162,954.09
Other receivables	640.00	0.00	640.00
<i>Total Assets</i>	<u>2,293,831.32</u>	<u>1,133,050.77</u>	<u>3,426,882.09</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable and accrued liabilities	342,171.70	65,153.99	407,325.69
Other payables	0.00	0.00	\$0.00
<i>Total Liabilities</i>	<u>342,171.70</u>	<u>65,153.99</u>	<u>407,325.69</u>
Fund Balance			
Non-spendable	0.00	0.00	0.00
Restricted	0.00	1,067,896.78	1,067,896.78
Committed	617,475.13	0.00	617,475.13
Assigned	0.00	0.00	0.00
Unassigned	<u>1,334,184.49</u>	<u>0.00</u>	<u>1,334,184.49</u>
<i>Total Fund Balances</i>	<u>1,334,184.49</u>	<u>1,067,896.78</u>	<u>2,402,081.27</u>
Total Liabilities and Fund Balances	<u>\$1,676,356.19</u>	<u>\$1,133,050.77</u>	<u>\$2,809,406.96</u>
Reconciliation to Statement of Net Assets to Fund Balances:			
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities of \$7,067,355.79, net of accumulated depreciation of \$2,461,969.39, are not financial resources and, therefore, are not reported in the funds.			4,605,386.40
Other long-term assets are not available for current-period expenditures and therefore are deferred in the funds:			0.00
Other long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds. Accrued compensated absences:			(52,883.46)
Net assets of governmental activities			<u>\$6,954,584.21</u>

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY, OKLAHOMA
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Activities
Year Ending June 30, 2011

Net Changes in fund balances-total governmental funds	\$522,338.76
Amounts reported for governmental activities in the Statement of Activities are different because:	
-Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	4,045.58
-Capital assets reported in governmental activities are also shown as balance sheet items and assets disposed of are to be removed from net assets:	
Disposal of capital assets(net of depreciation)	(244.62)
-Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. The amount which capital outlays exceed depreciation for the year is:	
Capital outlays which were capitalized	489,006.12
Depreciation expense	(235,822.35)
-----	253,183.77
Change in Net Assets of Governmental Activities	\$779,323.49
	=====

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY, OKLAHOMA
Statements of Net Assets
Fiduciary Funds
June 30, 2011

EXHIBIT E

	Agency Funds
	Total Activity Funds
ASSETS	
Cash and cash equivalents	\$29,954.74
Investments	0.00
Accounts receivable	19.37
	\$29,974.11
Total Assets	\$29,974.11
LIABILITIES AND NET ASSETS	
Liabilities:	
Warrants/checks payable	\$15,461.89
Due to student accounts	14,512.52
	29,974.41
Total Liabilities	29,974.41
Net Assets:	
Reserved	0.00
Unreserved/undesignated	0.00
	0.00
Total Net Assets	0.00
Total Liabilities and Net Assets	\$29,974.41

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

NOTES TO BASIC FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The financial statements of Northwest Technology Center, (the "District") complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statement for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless the pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

I.A. Financial 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 Career and Technology 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 (Board) composed of five elected members. The appointed superintendent is the executive officer of the District.

The Board constituting an on-going entity is the level of government, which has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the local Independent School District. The Board receives funding from local, state, and federal government sources and must comply with the requirements of these funding sources entities.

However, the Board is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

The School Education Foundation is not included in the reporting entity. The District does not appoint any of the board members or exercise any over sight authority over the Foundation.

The District's financial reporting entity comprises the following:

Primary Government: Northwest Technology Center #V-10

Component Units: There are no component units

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 34, "The Financial Reporting Entity," and includes component units of which the District appointed a voting majority of the units' board; the District is either able to impose its will on the unit or a financial benefit or burden relationship exists. Based upon the application of these criteria, there are no potential component units included in the District reporting entity.

NOTES TO BASIC FINANCIAL STATEMENTS

I.B. Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental proprietary categories. A fund is considered major if it is the primary operating fund of the school or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds or that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expense of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Governmental 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 school 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.

Special Revenue Fund - The special revenue fund is the District's Building Fund. The Building Fund consists of monies derived from property taxes levied for the purpose of erecting, remodeling, or repairing buildings and other expenditures permitted by statute.

Fiduciary Fund Type (not included in government-wide statements)

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 District. When these assets are held under the terms of a formal trust agreement, either a non-expendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the District is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operations.

NOTES TO BASIC FINANCIAL STATEMENTS

I.B. Basis of Presentation (continued)

Agency Fund - The Agency fund is the School Activity Fund which is used to account for monies collected principally through fundraising efforts of the students and District-sponsored groups. The administration is responsible, under the authority of the Board, of collecting, disbursing and accounting for these activity funds.

Major and Non-major Funds

The funds are further classified as major or non-major as follows:

Major Funds	Brief Description
General Fund	See above for description
Special Revenue Fund: Building Fund	See above for description
Non-major Funds	
None	The District has no non-major fund to report

I.C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Propriety fund equity is classified as net assets.
- c. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Assets and the Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expense, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

NOTES TO BASIC FINANCIAL STATEMENTS

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I.C. Measurement Focus and Basis of Accounting (continued)

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expense are recorded when the liability is incurred or economic asset used.

I.D. Assets, Liabilities and Fund Equity

Cash and Investments - For the purpose of the Statement of Net Assets, "cash, including time deposits" includes all demand, savings accounts, and certificates of deposits of the District. For the purpose of the proprietary fund Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investment with an original maturity of three months or less.

Investments are carried at fair value. Fair value is based on quoted market price. Additional cash investment disclosures are presented in Notes 2.C and 3.A

Inter-fund Receivables and Payables - There were not any inter-fund receivables or payables.

Receivables - In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. All accounts receivable are considered collectable at year-end. Major receivable balances for the governmental activities include property taxes, grants, and contracts.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property tax, grants and contracts and other similar intergovernmental revenue since they are usually both measurable and available. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Inventories - The value of consumable inventories at June 30, 2011 is not material to the financial statements. Purchases for inventory items are considered expenditures at the time of purchase.

Fixed Assets - The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to report the majority of the buildings and infrastructures. Historical cost was used to report land, furniture, and equipment.

NOTES TO BASIC FINANCIAL STATEMENTS

I.D. Assets, Liabilities and Fund Equity (continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

- Buildings	25-40 years
- Improvements	7-40 years
- Machinery and Equipment	7-40 years

In the government-wide financial statements, all machinery, equipment, furniture, and automobiles costing \$2,500 or more have been capitalized and depreciated over the estimated useful life. Repairs, remodeling and/or construction costing \$25,000 or more has been capitalized and depreciated over the estimated useful life.

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Restricted Assets - The District had no restricted assets.

Long-term Debt - The District has no bonded indebtedness.

Compensated Absences - The District's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

Fund Equity

Government-Wide Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets - consists of capital assets, net of accumulated depreciation.
- b. Restricted net assets - consists of net assets with constraints on the use either by (1) external groups or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets".

Fund 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 District is bound to honor constraints on specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

NOTES TO BASIC FINANCIAL STATEMENTS

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I.D. Assets, Liabilities and Fund Equity (continued)

- **Non-spendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- **Restricted:** This classification includes amount for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the general obligation bonds and are restricted through debt covenants. Capital project revenue from bond proceeds is restricted by State Statute and is legally segregated for funding of voter approved uses.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has assigned interest earnings to the funds where earned for the purposes defined by the fund.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other government fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

I.E. Revenues, Expenditures and Expenses

Property Tax Revenue - The District is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the District. 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 one-half of taxes are 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. Second half taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property.

NOTES TO BASIC FINANCIAL STATEMENTS

I.E. Revenues, Expenditures and Expenses (continued)

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 Career and Technology Education administer 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 Career and Technology Education rules require that revenue ear-marked 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 program. The State Board of Career and Technology Education require that categorical educational program revenues be accounted for in the General Fund.

Expenditures/Expenses - In the government-wide financial statements, expenses are classified by function of governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - by Character: Current (further classified by function)
Debt Service
Capital Outlay

2. Detail Notes on Transaction Classes/Accounts

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expense.

2.A. Cash Fund Balance

The District's investments 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, 2011 are categorized to give an indication of the level of risk assumed by the District at year end as follows:

NOTES TO BASIC FINANCIAL STATEMENTS

2.A. Cash Fund Balance (continued)

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.

	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>Bank Balance</u>
Cash and cash equivalents	\$279,974.41	\$1,643,922.63	\$ 0.00	\$1,923,897.04
Investments	<u>250,000.00</u>	<u>1,113,000.00</u>	<u>0.00</u>	<u>1,363,000.00</u>
	<u>\$529,974.41</u>	<u>\$2,756,922.63</u>	<u>\$ 0.00</u>	<u>\$3,286,897.04</u>

Reconciliation to Government-wide Statement of Net Assets:

Unrestricted cash, including time deposits	\$3,256,922.63
Agency fund cash, including time deposits (not included in government-wide statement) (Activity Fund)	<u>29,974.41</u>
	<u>\$3,286,897.04</u>

2.B. Other Receivables

Other receivables of the governmental activities consist of contract reimbursement. Receivables detail at June 30, 2011 was as follows:

	<u>Governmental Activities</u>
Tuition and fees receivable	\$ <u>640.00</u>

2.C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2011 was as follows:

	<u>Balance at 7/01/10</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at 6/30/11</u>
<u>Governmental activities:</u>				
Land	\$ 183,860.00	\$ 0.00	\$ 0.00	\$ 183,860.00
Construction in progress	0.00	0.00	0.00	0.00
Buildings	4,982,465.00	813,672.13	0.00	5,796,137.13
Equipment & Autos	<u>1,411,404.00</u>	<u>268,897.29</u>	<u>(3,425.00)</u>	<u>1,676,876.29</u>
Totals at historical cost	<u>6,577,729.00</u>	<u>1,082,569.42</u>	<u>(3,425.00)</u>	<u>7,656,873.42</u>
Less accumulated depreciation				
Buildings	(1,604,168.98)	(134,686.91)	0.00	(1,738,855.89)
Equipment Autos	<u>(624,913.82)</u>	<u>(104,560.44)</u>	<u>3,180.38</u>	<u>(726,293.88)</u>
Total accumulated depreciation	<u>(2,229,082.80)</u>	<u>(239,247.35)</u>	<u>3,180.38</u>	<u>(2,465,149.77)</u>
Governmental activities capital assets, net	<u>\$ 4,348,646.20</u>	<u>\$ 843,322.07</u>	<u>\$ (244.62)</u>	<u>\$ 5,191,723.65</u>

NOTES TO BASIC FINANCIAL STATEMENTS

2.C. Capital Assets

Depreciation expense was charged to governmental activities as unallocated. Activity types would be as follows:

	<u>Equipment, Furniture, Fixtures and Automobiles</u>	<u>Buildings</u>	<u>Total</u>
General government:			
Instruction	\$ 73,192.30	\$ 101,015.18	\$ 174,207.48
Support	31,368.14	33,671.73	65,039.87
Non-instructional	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total depreciation expense-			
Governmental activities	<u>\$ 104,560.44</u>	<u>\$ 134,686.91</u>	<u>\$ 239,247.35</u>

2.D. Accounts Payable

Accounts payables in the general fund and building fund are composed of payables to vendors. There are no accrued salaries or benefits as of year end.

Inter-fund Receivables and Payables - There were no inter-fund receivables or payables at June 30, 2011.

2.E. Other Payables

Other payables in the general fund and building fund are composed of outstanding warrants. These warrants have been released as of June 30, 2011. There were not any "other payables" in the Enterprise Funds.

2.F. Long-term Debt

Governmental Activities - As of June 30, 2011 the governmental long-term debt of the financial reporting entity consisted of:

Accrued Compensated Absences	\$ <u>52,883.46</u>
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2.G. Capital Leases

The District has entered into no lease-purchase agreements as lessee for financing the acquisition of equipment.

2.H. Operating Leases

The District has elected not to present a liability for operating leases. All operating leases contain a mutual ratification clause for both parties; therefore, the District does not consider the obligation to be for a period extending beyond the current fiscal year.

NOTES TO BASIC FINANCIAL STATEMENTS

3. Other Notes

3.A. Inter-fund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursement to a fund for 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 inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers. There were no operating transfers or residual equity transfers during fiscal year 2011.

3.B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

3.C. Other Post Employment Benefits

The District does not offer any early retirement incentive plans.

3.D. Employee Retirement System

The District participates in the state-administered Oklahoma Teachers' Retirement System (the "System"), which is a cost-sharing, multiple-employer public employee retirement system (PERS). Under the System, contributions are made by the District, the State of Oklahoma, and the participating employees. Participation is required for all teachers and other certified employees and is optional for all other regular employees of public educational institutions who work at least 20 hours per week. A participant's date of membership is the date the first contribution is made to the System. The System is administered by a board of trustees which acts as a fiduciary for investing the funds and governing the administration of the System. The District has no responsibility or authority for the operation and administration of the System nor has it any liability, except for the current contribution requirements.

The System issues and independent financial report, financial statements and required supplementary information that can be obtained in writing at the Teachers' Retirement System of Oklahoma, P. O. Box 53524, Oklahoma City, OK 73152 or by calling (405) 521-2387.

A participant with 5 years of creditable service may retire with a normal retirement allowance at the age of sixty-two or with reduced benefits as early as age fifty-five. The normal retirement allowance paid monthly for life and then to beneficiaries, if certain options are exercised, equals two percent of the average of the highest three earning years of contributory service multiplied by the number of years of credited service. A participant leaving employment before attaining retirement age, but completing ten years of service, may elect to vest his accumulated contributions and defer receipt of a retirement annuity until a later date. When a participant dies in active service and has completed ten years of credited service, the beneficiary is entitled to a death benefit and the participant's contributions plus interest. If the beneficiary is a surviving spouse, the surviving spouse may, in lieu of the death benefit, elect to receive, subject to the surviving spousal options, the participant's retirement benefits accrued at the time of death.

NOTES TO BASIC FINANCIAL STATEMENTS

3.D. Employee Retirement System (continued)

The 2010-11 contribution rates for the Districts, which are not actuarially determined, and its employees are established by statute and applied to the employee's earnings, plus employer-paid fringe benefits. The District is required by statute to contribute 9.5% of applicable compensation for the year ended June 30, 2011. The District is allowed by the Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. The required contribution for participating member is 7% up to a maximum compensation level.

The total contributions for employees of Northwest Technology Center #V-10 covered by the System for the year 2011, 2010 and 2009 were \$351,125.02, \$340,340.50, and \$336,832.15, respectively.

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 non-funded pension benefit obligation of the System as determined as part of the latest actuarial valuation dated June 30, 2010, is as follows:

Total pension obligation	\$19,980,640,592
Net assets available for benefits, at cost	<u>9,566,683,405</u>
Non-funded pension benefit obligation	<u>\$10,413,957,187</u>

The System's accounting records are maintained on the cash basis of accounting, except for accruals of interest income.

Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2010. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they come due.

3.E. Budgets and Budgetary Accounting

The District is required by state law to prepare an annual budget. A preliminary budget must be submitted to the Board of Education by December 31 for the fiscal year beginning the following July 1. If the preliminary budget requires an additional levy, the District must hold an election on the first Tuesday in February to approve the levy. If the preliminary budget does not require an additional levy, it becomes the legal budget. If an election is held and the taxes are approved, then the preliminary budget becomes the legal budget. If voters reject the additional taxes, the District must adopt a budget within the approved tax rate.

A budget is legally adopted by the Board of Education for the General Fund and Special Revenue Fund that includes revenues and expenditures.

Encumbrances represent commitments related to unperformed contracts for goods or 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.

The unencumbered balance of current fiscal year appropriations and the unexpended reserve appropriations of the previous fiscal year are lapsed and become a part of the beginning fund balance for the succeeding fiscal year.

NOTES TO BASIC FINANCIAL STATEMENTS

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3.F. Risk Management

Insurance Coverage

The District's Commercial Liability Insurance agreements cover claims against municipalities for all government functions and services. These include bodily injury, property damage, wrongful acts, personal injury, and related torts under the State tort claims law and federal civil rights laws.

Insurance Coverage

All government functions and services, public officials and employees are covered unless they are specifically listed.

The title to all assets acquired by the Plan are vested in the Group. In the event of termination of the Group, such property shall belong to the then members of the Group in equal shares. Each participating District pays all cost, premiums, or other fees attributable to its respective participation in the Plan, and is responsible for its obligation under any contract entered into with the Plan.

Reserves for claim losses include provisions for reported claims on a case basis and an estimate of claims incurred but not reported limited by aggregate and individual loss levels as specified by the Plan's reinsurance contracts. These credits, if any, represent contingent liabilities of the Plan if the reinsurer was unable to meet its obligations under the reinsurance agreement.

The Plan's insurance agreements are reinsured for excess losses based upon the contract year. The significant components of each reinsurance contract can be obtained from the Plan's annual financial report.

Surety Bonds - District and Activity

The Woods County Treasurer is designated as the Official School District Treasurer and Depository and no additional surety bond is required other than the statutory provisions of that elected office.

The District maintains a Public Official Position Schedule Bond with the Western Surety Company in the amount of \$100,000.00 per position. The bond number is 15342027, dated July 1, 2010 to July 1, 2011. Coverage is for the following positions:

Superintendent
Business Manager

The District maintains an Employee Dishonesty Bond with United Educators Insurance Company RRG, through Oklahoma Schools Insurance Group, in the amount of \$10,000.00 per occurrence. The policy number is RCN20100359401, dated July 1, 2010 to July 1, 2011. Coverage includes the following positions:

Activity Fund Custodian - Alva
Activity Fund Custodian - Fairview
Financial Aid Director
Encumbrance & Minute Clerk

NOTES TO BASIC FINANCIAL STATEMENTS

4. Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, 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.

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY, OKLAHOMA
Budgetary Comparison Schedule-Regulatory Basis
General Fund
For the Year Ending June 30, 2011

SCHEDULE A-1

Revenues	General Fund		Actual Amounts	Variance with Final Budget Positive(Negative)
	----- Budgeted Amounts			
	Original	Final		
Local sources	\$2,518,836.62	\$2,518,836.62	\$2,899,167.82	\$380,331.20
Intermediate Sources	0.00	0.00	0.00	0.00
State Sources	1,679,676.50	1,679,676.50	1,860,348.63	180672.13
Federal Sources	467,907.00	467,907.00	505,467.28	37560.28
Other	0.00	0.00	14,174.34	14174.34
	-----	-----	-----	-----
Total Revenue	\$4,666,420.12	\$4,666,420.12	\$5,279,158.07	\$612,737.95
	-----	-----	-----	-----
Expenditures				
Instruction	2,049,829.76	2,049,829.76	1,765,511.37	284,318.39
Support Services	2,999,891.34	2,999,891.34	2,609,326.94	390,564.40
Operation of non-instructional services	97,241.38	97,241.38	26,534.55	70,706.83
Facilities acquisition and construction	477,522.98	477,522.98	410,229.01	67,293.97
Other Outlay	47,755.52	47,755.52	29,551.53	18,203.99
Other Uses	299,511.68	299,511.68	247,396.50	52,115.18
	-----	-----	-----	-----
Total Expenditures	\$5,971,752.66	\$5,971,752.66	\$5,088,549.90	\$883,202.76
	-----	-----	-----	-----
Excess (-deficiency) of revenues over expenditures	(\$1,305,332.54)	(\$1,305,332.54)	\$190,608.17	\$1,495,940.71
	-----	-----	-----	-----
Other Financing Sources (Uses)				
Transfer In				0.00
Transfer Out	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
Total Other Financing Sources (Uses)	0.00	0.00	0.00	0.00
	-----	-----	-----	-----
Net change in fund Balances	(1,305,332.54)	(1,305,332.54)	190,608.17	1,495,940.71
Fund Balance - Beginning of Year	1,305,332.54	1,305,332.54	1,305,332.54	0.00
	-----	-----	-----	-----
Fund Balance - End of Year	\$0.00	\$0.00	\$1,495,940.71	\$1,495,940.71
	=====	=====	=====	=====

Amounts reported for budgetary comparison schedule-regulatory basis to the GAAP basis presentation is different because:

Accounts receivable not recognized as revenue:	
Property tax	8,511.83
Receivables from other governments	162,954.09
Other receivables	640.00
Liabilities payable recognized as expenditures	
Encumbrances Payable	283,612.99
Other payables	

Fund Balance - June 30 - GAAP Basis	\$1,951,659.62
	=====

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY, OKLAHOMA
Budgetary Comparison Schedule-Regulatory Basis
Building Fund
For the Year Ending June 30, 2011

SCHEDULE A-2

Revenues	Building Fund		Actual Amounts	Variance with Final Budget Positive(Negative)
	Budgeted Amounts			
	Original	Final		
Local sources	\$653,658.13	\$653,658.13	\$735,572.84	\$81,914.71
Intermediate Sources	0.00	0.00	0.00	0.00
State Sources	0.00	0.00	2,738.22	2738.22
Federal Sources	0.00	0.00	0.00	0.00
Other	0.00	0.00	124.80	124.80
Total Revenue	653,658.13	653,658.13	738,435.86	84,777.73
Expenditures				
Instruction	0.02	0.02	0.00	0.02
Support Services	301,500.00	301,500.00	146,261.82	155,238.18
Operation of non-instructional services	0.00	0.00	0.00	0.00
Facilities acquisition and construction	1,165,690.55	1,165,690.55	341,387.90	824,302.65
Other Outlay	500.00	500.00	124.80	375.20
Other Uses	0.00	0.00	0.00	0.00
Total Expenditures	1,467,690.57	1,467,690.57	487,774.52	979,916.05
Excess (-deficiency) of revenues over expenditures	(814,032.44)	(814,032.44)	250,661.34	1,064,693.78
Other Financing Sources (Uses)				
Transfer In	0.00	0.00	0.00	0.00
Transfer Out	0.00	0.00	0.00	0.00
Total Other Financing Sources (Uses)	0.00	0.00	0.00	0.00
Net change in fund Balances	(814,032.44)	(814,032.44)	250,661.34	1,064,693.78
Fund Balance - Beginning of Year	814,032.44	814,032.44	814,032.44	0.00
Fund Balance - End of Year	(\$0.00)	(\$0.00)	\$1,064,693.78	\$1,064,693.78

Amounts reported for budgetary comparison schedule-regulatory basis to the GAAP basis presentation is different because:

Accounts receivable not recognized as revenue:
Property tax
Liabilities payable recognized as expenditures:

3,203.00
0.00

Fund Balance - June 30 - GAAP Basis

\$1,067,896.78

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY, OKLAHOMA
Combining Balance Sheet-Fiduciary Funds
For the Year Ending June 30, 2011

SCHEDULE B-1

	Fiduciary Funds (Agency)		
	Alva Student Activity Fund	Fairview Student Activity Fund	Total Agency Funds
ASSETS			
Cash and Cash Equivalents	\$20,426.76	\$9,528.28	\$29,955.04
Investments	0.00	0.00	0.00
Receivables	<u>0.00</u>	<u>19.37</u>	<u>19.37</u>
<i>Total Assets</i>	20,426.76	9,547.65	29,974.41
	=====	=====	=====
LIABILITIES AND FUND BALANCE			
Liabilities:			
Warrants/checks payable	12,246.89	3,215.00	15,461.89
Due to Student Accounts	<u>8,179.87</u>	<u>6,332.65</u>	<u>14,512.52</u>
<i>Total Liabilities</i>	<u>20,426.76</u>	<u>9,547.65</u>	<u>29,974.41</u>
Fund Balance			
Unreserved	\$0.00	\$0.00	\$0.00
Unreserved, unrestricted, reported in:	\$0.00	\$0.00	\$0.00
Special revenue funds	\$0.00	\$0.00	\$0.00
<i>Total Fund Balances</i>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total Liabilities and Fund Balances	\$20,426.76	\$9,547.65	\$29,974.41
	=====	=====	=====

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

WOODS COUNTY, OKLAHOMA

Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Fiduciary Funds

For the Year Ending June 30, 2011

	Fiduciary Funds (Agency)		
	Alva Student Activity Fund	Fairview Student Activity Fund	Total Agency Funds
Revenues			
Local sources	\$129,085.06	\$136,830.91	\$265,915.97
Investments Income	<u>350.14</u>	<u>243.96</u>	<u>\$594.10</u>
<i>Total Revenue</i>	<u>129,435.20</u>	<u>137,074.87</u>	<u>266,510.07</u>
Expenditures			
Current:			
Instruction	114,188.38	132,469.28	246,657.66
Other Uses	<u>1,272.27</u>	<u>412.52</u>	<u>1,684.79</u>
<i>Total Expenditures</i>	<u>115,460.65</u>	<u>132,881.80</u>	<u>248,342.45</u>
<i>Excess (deficiency) of revenues over expenditures</i>	13,974.55	4,193.07	18,167.62
Adjustments to prior year cash fund balances			
Lapsed reserves	0.00	0.00	0.00
Estopped warrants/checks	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<i>Total adjustments</i>	0.00	0.00	0.00
<i>Net Change In Fund Balances</i>	13,974.55	4,193.07	18,167.62
<i>Fund Balance - Beginning of Year</i>	<u>6,190.23</u>	<u>5,354.58</u>	<u>11,544.81</u>
<i>Fund Balance - End of Year</i>	<u>\$20,164.78</u>	<u>\$9,547.65</u>	<u>\$29,712.43</u>

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
ALLOCATIONS & EXPENDITURES
07/01/10 TO 06/30/11

SCHEDULE 1-00

FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED OR (DEFERRED) REVENUE AT JULY 1, 2010	RECEIPTS OR REVENUE RECOGNIZED	DISBURSEMENTS/ EXPENDITURES	CASH/ACCRUED OR (DEFERRED) REVENUE AT JUNE 30, 2011
Oklahoma Department of Career and Technology Education -							
Carl Perkins Secondary	84.048	421	\$45,511.00	\$16,499.31	\$45,117.09	\$45,511.00	\$16,893.22
Tech Prep Education Cluster							
Carl Perkins Tech Prep	84.243	428	45,525.00	15,670.12	49,202.28	42,657.32	9,125.16
Carl Perkins Tech Centers That Work	84.243	429	12,000.00	3,238.14	7,385.54	12,000.00	7,852.60
Total for Program Cluster				18,908.26	56,587.82	54,657.32	16,977.76
TANF							
	93.558	452	214,668.13	69,867.71	178,974.40	170,008.33	60,901.64
College Alliance ARRA							
	17.259	693	842.00	0.00	842.00	842.00	0.00
U.S Department of Education -							
Direct Programs							
PELL Grant	84.063	474	221,671.00	5,541.43	223,572.97	221,671.00	3,639.46
PELL Grant Administrative Fee	84.063	474	345.00	5.00	345.00	345.00	5.00
Total Student Financial Assistance Cluster				5,546.43	223,917.97	222,016.00	3,644.46
Veterans Administration Fee	64.111	468	28.00	0.00	28.00	28.00	0.00
TOTAL FEDERAL FINANCIAL ASSISTANCE				\$110,821.71	\$505,467.28	\$493,062.65	\$98,417.08

NOTE A: Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of Northwest Technology Center and is presented on a regulatory basis of accounting conforming with the accounting practices prescribed by the Oklahoma Department of Education and budget laws of the State of Oklahoma which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this method expenditures are recognized when an approved purchase order is issued.

NOTE B: The were no amounts passed to subrecipients.

NOTE C: Grantor provides adequate insurance coverage against loss on assets purchased with Federal Awards.

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
STUDENT FINANCIAL ASSISTANCE EXPENDITURES
07/01/10 TO 06/30/11

SCHEDULE 1-01

	<u>DETAIL</u>	<u>TOTALS</u>
<u>PELL GRANT PROGRAMS -</u>		
Beginning Accrued Balance Receivalbe at 6/30/10		(\$5,546.43)
<u>Allocation Received</u>		
Student Grants (10)	5,541.43	
Student Grants (11)	218,031.54	
Administrative Allocation (10)	5.00	
Administrative Allocation (11)	<u>340.00</u>	<u>223,917.97</u>
TOTAL		218,371.54
<u>Expenditures</u>		
Student Grants	221,671.00	
Administrative Cost Allowance	<u>345.00</u>	
TOTAL		<u>222,016.00</u>
Accrued Balance Receivable at 6/30/11		<u><u>(\$3,644.46)</u></u>

NORTHWEST TECHNOLOGY CENTER DISTRICT NO. V-10
 COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND EQUITY
 ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS
 JUNE 30, 2011

	Governmental Fund Types		Fiduciary Fund Types	Total (Memorandum Only - Note 1) 2011
	General	Special Revenue	Trust and Agency	
<u>ASSETS</u>				
Cash and cash equivalents	\$ 1,291,074.86	\$ 602,847.77	\$ 29,974.41	\$ 1,923,897.04
Investments	836,000.00	527,000.00	0.00	1,363,000.00
Total assets	\$ 2,127,074.86	\$ 1,129,847.77	\$ 29,974.41	\$ 3,286,897.04
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Warrants/Checks payable	\$ 303,967.58	\$ 65,153.99	\$ 15,461.89	\$ 384,583.46
Encumbrances	327,166.57	0.00	0.00	327,166.57
Due to others	0.00	0.00	14,512.52	14,512.52
Total liabilities	631,134.15	65,153.99	29,974.41	726,262.55
Fund equity:				
Unreserved:				
Undesignated	1,495,940.71	1,064,693.78	0.00	2,560,634.49
Total cash fund balances	1,495,940.71	1,064,693.78	0.00	2,560,634.49
Total liabilities and fund equity	\$ 2,127,074.86	\$ 1,129,847.77	\$ 29,974.41	\$ 3,286,897.04

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

NORTHWEST TECHNOLOGY CENTER DISTRICT NO. V-10
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND
 CHANGES IN CASH FUND BALANCES -
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2011

	Governmental Fund Types		Total (Memorandum Only - Note 1)
	General	Special Revenue	
Revenues collected:			
Local sources	\$ 521,936.36	\$ 20,696.33	\$ 542,632.69
Intermediate sources	2,382,504.65	715,001.31	3,097,505.96
State sources	1,860,348.63	2,738.22	1,863,086.85
Federal sources	505,467.28	0.00	505,467.28
Total revenues collected	<u>5,270,256.92</u>	<u>738,435.86</u>	<u>6,008,692.78</u>
Expenditures paid:			
Instruction	1,765,511.37	0.00	1,765,511.37
Support services	2,609,326.94	146,261.82	2,755,588.76
Non-Instructional services	26,534.55	0.00	26,534.55
Capital outlay	410,229.01	341,387.90	751,616.91
Other outlays	276,948.03	124.80	277,072.83
Total expenditures	<u>5,088,549.90</u>	<u>487,774.52</u>	<u>5,576,324.42</u>
Excess of revenues over (under) expenditures	<u>181,707.02</u>	<u>250,661.34</u>	<u>432,368.36</u>
Adjustments to prior year encumbrances	<u>8,901.15</u>	<u>0.00</u>	<u>8,901.15</u>
Other financing sources (uses):	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>190,608.17</u>	<u>250,661.34</u>	<u>441,269.51</u>
Cash fund balances, beginning of year	<u>1,305,332.54</u>	<u>814,032.44</u>	<u>2,119,364.98</u>
Cash fund balances, end of year	<u><u>\$ 1,495,940.71</u></u>	<u><u>\$ 1,064,693.78</u></u>	<u><u>\$ 2,560,634.49</u></u>

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

Special Revenue Funds

Original Budget	Final Budget	Actual
\$51,879.72	\$51,879.72	\$20,696.33
601,778.41	601,778.41	715,001.31
0.00	0.00	2,738.22
0.00	0.00	0.00
653,658.13	653,658.13	738,435.86
0.02	0.02	0.00
301,500.00	301,500.00	146,261.82
0.00	0.00	0.00
1,165,690.55	1,165,690.55	341,387.90
500.00	500.00	124.80
1,467,690.57	1,467,690.57	487,774.52
(814,032.44)	(814,032.44)	250,661.34
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
0.00	0.00	0.00
(814,032.44)	(814,032.44)	250,661.34
814,032.44	814,032.44	814,032.44
\$0.00	\$0.00	\$1,064,693.78

NORTHWEST TECHNOLOGY CENTER DISTRICT NO. V-10
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND EQUITY
 ALL ACTIVITY FUNDS - REGULATORY BASIS
 JUNE 30, 2011

	ALVA ACTIVITY Fund	FAIRVIEW ACTIVITY Fund	Totals 2011
<u>ASSETS</u>			
Cash and cash equivalents	\$ 20,426.76	\$ 9,547.65	\$ 29,974.41
Investments	0.00	0.00	0.00
Total assets	\$ 20,426.76	\$ 9,547.65	\$ 29,974.41
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Checks payable	\$ 12,246.89	\$ 3,215.00	\$ 15,461.89
Encumbrances	0.00	0.00	0.00
Due to student groups	8,179.87	6,332.65	14,512.52
Total liabilities	20,426.76	9,547.65	29,974.41
Fund equity:			
Unreserved:			
Undesignated	0.00	0.00	0.00
Total cash fund balances	0.00	0.00	0.00
Total liabilities and fund equity	\$ 20,426.76	\$ 9,547.65	\$ 29,974.41

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
ALVA CAMPUS ACTIVITY FUND
REVENUES, EXPENDITURES, AND BALANCES
07/01/10 TO 06/30/11

<u>ACCOUNT</u>	<u>07/01/10</u>	<u>REVENUES</u>	<u>ADJUSTMENTS</u>	<u>TRANSFERS</u>	<u>EXPENDITURES</u>	<u>06/30/11</u>
ADULT DAY TUITION (ID)	\$0.00	\$18,614.00	\$0.00	(\$150.00)	\$18,464.00	\$0.00
SHORT TERM TUITION	0.00	61,405.22		(40.00)	61,365.22	0.00
DAY TUITION (OD)	0.00	0.00			0.00	0.00
DAY TUITION (OD) SECONDARY FEES	0.00	0.00			0.00	0.00
INTEREST	0.00	21,469.00		125.00	21,594.00	0.00
RENTAL OF SCHOOL FACILITIES	0.00	350.14			350.14	0.00
BOOKSTORE REVENUE	0.00	5,129.00			5,129.00	0.00
LIVEWORK	0.00	4,547.20		25.00	4,572.20	0.00
VENDING	0.00	10,473.67			10,473.67	0.00
STUDENT ORGANIZATIONS	1,304.78	3,100.60			2,205.33	2,200.05
STUDENT AID	4,885.45	2,221.37		40.00	1,167.00	5,979.82
PETTY CASH	0.00	1,900.00			1,900.00	0.00
NWOSU/ALVA CHAMBER PARTNERSHIP	0.00	225.00			225.00	0.00
	0.00	0.00			0.00	0.00
TOTALS	\$6,190.23	\$129,435.20	\$0.00	\$0.00	\$127,445.56	\$8,179.87

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
ALVA CAMPUS ACTIVITY FUND
RECONCILIATION STATEMENT
07/01/10 TO 06/30/11

<u>DEPOSITORY</u>	<u>DETAIL</u>	<u>TOTALS</u>
CASH	<u>20,426.76</u>	
TOTAL DEPOSITORY		<u>\$20,426.76</u>
<u>FUND</u>		
LEDGER BALANCE	8,179.87	
ADD: 2010-11 OUTSTANDING	11,984.91	
2009-10 OUTSTANDING	31.50	
2008-09 OUTSTANDING	194.00	
2005-06 OUTSTANDING	<u>36.48</u>	
TOTAL DEPOSITORY		<u>\$20,426.76</u>

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
ALVA CAMPUS ACTIVITY FUND
CASH STATEMENT
07/01/10 TO 06/30/11

	<u>TOTAL</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>PRIOR</u>	<u>INVESTMENTS</u>
BEGINNING CASH AND INVESTMENTS	\$14,593.14	\$6,190.23	\$8,172.43	\$194.00	\$36.48	\$0.00
<u>REVENUES</u>						
DEPOSITS	129,085.06	129,085.06				
INTEREST	350.14	350.14				
REDEPOSITS	0.00	0.00				
CHECKS STOPPED	0.00	0.00				
TOTAL REVENUES	129,435.20	129,435.20	0.00	0.00	0.00	0.00
<u>EXPENDITURES</u>						
CHECKS PAID	122,329.31	114,188.38	8,140.93			
CREDIT CARD RETURNS	1,010.00	1,010.00				
CREDIT CARD FEES	262.27	262.27				
RETURNED CHECKS/FEES	0.00	0.00				
BANK FEES	0.00	0.00				
TOTAL EXPENDITURES	123,601.58	115,460.65	8,140.93	0.00	0.00	0.00
ENDING BALANCES	\$20,426.76	\$20,164.78	\$31.50	\$194.00	\$36.48	\$0.00

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
FAIRVIEW CAMPUS ACTIVITY FUND
REVENUES, EXPENDITURES, AND BALANCES
07/01/10 TO 06/30/11

ACCOUNT	07/01/10	REVENUES	ADJUSTMENTS	TRANSFERS	EXPENDITURES	06/30/11
ADULT DAY TUITION IN-DISTRICT	\$0.00	\$25,065.00	\$0.00	\$968.00	\$26,033.00	\$0.00
SHORT TERM TUITION	0.00	61,392.00		80.00	61,472.00	0.00
DAY TUITION OUT-OF-DISTRICT	0.00	4,080.00			4,080.00	0.00
SECONDARY OUT-OF-DISTRICT	0.00	0.00			0.00	0.00
FEES	0.00	23,147.00		(1,048.00)	22,099.00	0.00
INTEREST	0.00	224.59	39.99		264.58	0.00
RENTAL OF SCHOOL FACILITIES	0.00	625.00		(25.00)	600.00	0.00
BOOKSTORE REVENUE	0.00	3,517.00		25.00	3,542.00	0.00
LIVEWORK	0.00	6,554.43			6,554.43	0.00
VENDING	3,681.09	2,979.77		(607.35)	2,994.46	3,059.05
STUDENT ORGANIZATIONS	1,633.50	3,300.71		607.35	2,287.33	3,254.23
STUDENT AID	0.00	5,970.00			5,970.00	0.00
PETTY CASH	0.00	200.00			200.00	0.00
NWOSU/ALVA CHAMBER PARTNERSHIP	0.00	0.00			0.00	0.00
TOTALS	\$5,314.59	\$137,055.50	\$39.99	\$0.00	\$136,096.80	\$6,313.28

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
FAIRVIEW CAMPUS ACTIVITY FUND
RECONCILIATION STATEMENT
07/01/10 TO 06/30/11

<u>DEPOSITORY</u>	<u>DETAIL</u>	<u>TOTALS</u>
CASH	<u>9,547.65</u>	
TOTAL DEPOSITORY		<u><u>\$9,547.65</u></u>
 <u>FUND</u>		
LEDGER BALANCE	6,313.28	
ADD: 2010-11 OUTSTANDING	3,215.00	
ADJ: JUNE 2011 INTEREST NOT POSTED	<u>19.37</u>	
TOTAL DEPOSITORY		<u><u>\$9,547.65</u></u>

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY - OKLAHOMA
FAIRVIEW CAMPUS ACTIVITY FUND
CASH STATEMENT
07/01/10 TO 06/30/11

	<u>TOTAL</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>	<u>PRIOR</u>	<u>INVESTMENTS</u>
BEGINNING CASH AND INVESTMENTS	\$8,748.58	\$5,354.58	\$3,394.00	\$0.00	\$0.00	\$0.00
<u>REVENUES</u>						
DEPOSITS	136,830.91	136,830.91				
INTEREST	243.96	243.96				
CHECKS STOPPED	0.00	0.00				
TOTAL REVENUES	137,074.87	137,074.87	0.00	0.00	0.00	0.00
<u>EXPENDITURES</u>						
CHECKS PAID	135,863.28	132,469.28	3,394.00			
CREDIT CARD RETURNS	69.00	69.00				
CREDIT CARD FEES	343.52	343.52				
BANK FEES/CK PRNT CHGS	0.00	0.00				
TOTAL EXPENDITURES	136,275.80	132,881.80	3,394.00	0.00	0.00	0.00
ENDING BALANCES	\$9,547.65	\$9,547.65	\$0.00	\$0.00	\$0.00	\$0.00

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

NORTHWEST TECHNOLOGY CENTER #V-10
WOODS COUNTY – OKLAHOMA
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL
LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2010 TO JUNE 30, 2011

STATE OF OKLAHOMA)
)
COUNTY OF GARFIELD)

The undersigned auditing firm of lawful age, being first duly sworn on oath says that said firm had in full force and effect Accountant' Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of the audit contract and during the entire audit engagement with the Northwest Technology Center #V-10, Woods County, Oklahoma, for the audit year 2010-11.

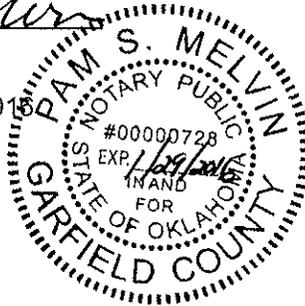
Chas. W. Carroll, P.A.
Auditing Firm

By: *Chas. W. Carroll*

Subscribed and sworn to before me this 5th day of March 2012.

Pam S. Melvin
Notary Public

My Commission expires January 29, 2016



NOTES FOR OTHER SUPPLEMENTARY INFORMATION

The other supplemental schedules of Northwest Technology Center #V-10 have been prepared on a statutory basis of accounting. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. The accounting policies are prescribed by the State Board of Career and Technology Education and conform to the system of accounting authorized by the State of Oklahoma. The following is a summary of the more significant accounting policies:

A. Fund Accounting

The Schedules use funds and account groups to present the District's 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 following funds are utilized by the Northwest Technology Center #V-10.

Governmental Fund Types -

Fiduciary Fund Types -

General Fund

Trust and Agency Fund

Special Revenue Fund

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 Fixed Asset Account Group - This account group is used to account for property, plant and equipment of the District. Land, buildings, nonstructural improvements, and all other physical assets in all funds are considered expenditures in the year of acquisition and are not recorded as assets for financial statements purposes. The District does not present the General Fixed Asset Account Group.

Memorandum Only - Total Column

The total column on the general purpose financial statements is captioned "memorandum only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

NOTES FOR OTHER SUPPLEMENTARY INFORMATION

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B. Basis of Presentation

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental and expendable trust funds are accounted for using the statutory basis of accounting. Revenues, except for certain grant revenues, are recognized when they are received rather than earned. Under the Statutory basis of accounting, expenditures are generally recognized when encumbered/reserved rather than at the time the related fund liability is incurred. Fiduciary type funds are accounted for using the cash basis of accounting. These practices differ from generally accepted accounting principles.

C. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or 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. Appropriations not used or encumbered lapse at the end of the year.

D. 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 certificates of deposits issued by banks 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, 2011 are not presented in accordance with the statutory basis of accounting.

Fixed Assets and Property, Plant and Equipment - The General Fixed Asset Account Group is not presented.

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

Honorable Board of Education
Northwest Technology Center #V-10
Woods County, Oklahoma

I have audited the financial statements of Northwest Technology Center #V-10, Woods County, Oklahoma, as of and for the year ended June 30, 2011, and have issued my unqualified report thereon dated March 5, 2012. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the District's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is a reasonable possibility that a misstatement of the District's financial statements that is more than inconsequential will not be prevented, or detected and corrected by the District's internal control on a timely basis.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the School Board, management, federal awarding agencies and pass-through entities and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink, appearing to read "Chas. W. Carroll, P.A.", written in a cursive style.

Chas. W. Carroll, P.A.
March 5, 2012

NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

DISPOSITION OF PRIOR YEAR FINDINGS
JUNE 30, 2011

No reportable conditions were noted during the 2009-10 fiscal.

NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

SCHEDULE OF FINDINGS
JUNE 30, 2011

Section 1 - Summary of Auditor's Results

- A) No reportable conditions, either material or immaterial, were noted or brought to my attention during 2010-11 fiscal year.

NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

CURRENT YEAR AUDIT EXCEPTIONS AND RECOMMENDATIONS

No material exceptions were noted or brought to my attention for the 2010-11 fiscal year.

NORTHWEST TECHNOLOGY CENTER #V-10
ALVA - WOODS COUNTY - OKLAHOMA
JULY 1, 2010 TO JUNE 30, 2011

PRIOR YEAR AUDIT EXCEPTIONS AND RECOMMENDATIONS

All prior year audit exceptions have since been resolved unless they are presented in the current year audit exceptions and recommendations followed by "A similar exception was presented in the previous years audit report".