



**OKLAHOMA CLEAN WATER STATE REVOLVING  
FUND LOAN ACCOUNT ADMINISTRATIVE FUND**

---

**ANNUAL FINANCIAL STATEMENTS  
AS OF AND FOR THE FISCAL YEARS ENDED JUNE 30, 2012 AND 2011  
AND INDEPENDENT AUDITOR'S REPORTS**

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

---

**TABLE OF CONTENTS**

---

	<b>Page</b>
<b>Independent Auditor's Report on Financial Statements.....</b>	<b>3-4</b>
<b>Management's Discussion and Analysis .....</b>	<b>5-9</b>
<b>The Basic Financial Statements</b>	
Statements of Net Assets.....	11
Statements of Revenues, Expenses, and Changes in Net Assets .....	12
Statements of Cash Flows .....	13
Footnotes to Statements .....	14-18
 <b>Internal Control over Financial Reporting and Compliance.....</b>	 <b>20-21</b>
 Independent Auditor's Report on Internal Control and Compliance	

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Our discussion and analysis of the Oklahoma Clean Water State Revolving Fund Loan Account Administrative Fund's (the "Fund") financial performance provides an overview of the Fund's financial activities for the fiscal year ended June 30, 2011. Please read it in conjunction with the Fund's financial statements, which begin on page 10. The Oklahoma Water Resources Board (the "Board") administers the Fund in conjunction with the Oklahoma Clean Water State Revolving Fund Loan Account Program (the "Program").

### **Financial Highlights**

- The Fund's net assets increased 15.9% from FY 2011 to FY 2012. Ending net assets increased from \$1,320,610 to \$1,529,916 from 2011 to 2012.
- The Fund's net assets increased 35.2%. Ending net assets increased from \$976,697 to \$1,320,610 from 2010 to 2011.

### **Using This Annual Report**

This annual report is presented in a format that substantially meets the presentation requirements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles. The Fund is accounted for and presented similar to a special-purpose government engaged solely in business-type activities.

The financial statements for the Fund are presented after the Management's Discussion and Analysis in this annual report and then followed by the footnotes in this order:

- Management's Discussion and Analysis – that provides useful analysis that facilitates a better understanding of the Fund's financial condition and changes therein.
- Basic Financial Statements
  - Statements of Net Assets
  - Statements of Revenues, Expenses and Changes in Net Assets
  - Statements of Cash Flows
- Footnotes - that elaborate on the accounting principles used in the preparation of the financial statements and further explain financial statement elements.

### **A Financial Analysis of the Fund**

One of the most frequently asked questions about the Fund's finances is, "Has the overall financial condition improved, declined or remained steady over the past year?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Fund as a whole and about its activities in a way that helps answer this question. The following tables present a condensed comparative presentation of net assets and changes therein.

(Unaudited. See accompanying auditor's report.)

**OKLAHOMA WATER RESOURCES BOARD**  
**OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT**  
**ADMINISTRATIVE FUND**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Years Ended June 30, 2012 and 2011**

---

**Oklahoma Water Resources Board**  
**CWSRF Loan Account Administrative Fund**  
**Net Assets**

	<b>Business-Type</b>		
	<b>Activities</b>		
	<b>June 30</b>		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
Current assets	\$ 1,785,736	\$ 1,282,719	\$ 1,069,638
Capital assets, net	57,345	68,109	5,964
<b>Total assets</b>	<u>1,843,081</u>	<u>1,350,828</u>	<u>1,075,602</u>
Current liabilities	313,165	30,218	98,905
<b>Total liabilities</b>	<u>313,165</u>	<u>30,218</u>	<u>98,905</u>
Net assets			
Invested in capital assets, net	57,345	68,109	5,964
Unrestricted	1,472,571	1,252,501	970,733
<b>Total net assets</b>	<u>\$ 1,529,916</u>	<u>\$ 1,320,610</u>	<u>\$ 976,697</u>

Significant variances between 2011 and 2012 related to current assets due to an increase in administrative income. Increase in capital assets is due to the addition of software and an automobile purchased in FY 2011 and a printer purchased in FY 2012.

(Unaudited. See accompanying auditor's report.)

**OKLAHOMA WATER RESOURCES BOARD**  
**OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT**  
**ADMINISTRATIVE FUND**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Years Ended June 30, 2012 and 2011**

---

**Oklahoma Water Resources Board**  
**CWSRF Loan Account Administrative Fund**  
**Revenues, Expenses, and Changes in Net Assets**

	<b>Business-Type Activities</b>		
	<b>Years Ended June 30,</b>		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Revenues</b>			
Operating revenues	\$ 1,844,514	\$ 1,407,688	\$ 1,153,510
Non-operating revenues	16,510	12,297	16,904
<b>Total revenues</b>	<u>1,861,024</u>	<u>1,419,985</u>	<u>1,170,414</u>
<b>Expenses</b>			
Personnel expense	994,906	651,867	695,130
Indirect cost expense	416,470	310,389	175,646
Other administrative expenses	177,308	91,636	143,682
Depreciation expense	12,764	9,364	12,032
<b>Total expenses</b>	<u>1,601,448</u>	<u>1,063,256</u>	<u>1,026,490</u>
Net Income (loss) before transfers	259,576	356,729	143,924
Transfers to other programs	(50,270)	(12,816)	(29,407)
<b>Increase (decrease) in net assets</b>	<u>209,306</u>	<u>343,913</u>	<u>114,517</u>
<b>Total net assets - beginning</b>	1,320,610	976,697	862,180
<b>Total net assets - ending</b>	<u>\$ 1,529,916</u>	<u>\$ 1,320,610</u>	<u>\$ 976,697</u>

Operating revenue and indirect costs both increased due to the ARRA funds received and the increase in loan activity of the program.

**Capital Assets**

At the end of June 30, 2012, the Fund had \$57,345 invested in capital assets, net of depreciation, including computer software and an automobile. This represents a net decrease of \$10,764 over the prior year.

(Unaudited. See accompanying auditor's report.)

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**Oklahoma Water Resources Board  
CWSRF Loan Account Administrative Fund  
Capital Assets  
(Net of accumulated depreciation)**

	<b>Business-Type Activities</b>		
	<b>Years Ended June 30,</b>		
	<u>2012</u>	<u>2011</u>	<u>2010</u>
Software	\$ 48,477	\$ 57,290	\$ -
Printer	2,000	-	-
Automobile	6,868	10,819	5,964
<b>Totals</b>	<u>\$ 57,345</u>	<u>\$ 68,109</u>	<u>\$ 5,964</u>

Increase in capital assets is due to the addition of software and an automobile purchased in FY 2011.

See Note 3 to the financial statements for more detailed information on the Fund's capital assets and changes therein.

**Economic Factors and Next Year's Outlook**

The Oklahoma Clean Water State Revolving Fund has been extremely popular with communities that borrow from the program. The Program's financing strategy of providing long-term loans at 60% of market rate has been consistent since program start up in 1990. No additional staff is planned at this time, therefore Fund expenses should be fairly consistent with the amount expended in FY 2012.

**Contacting the Fund's Financial Management**

This financial report is designed to provide the Board's accountability of the Fund. If you have questions about this report or need additional financial information, contact the Financial Assistance Division of the Oklahoma Water Resources Board at 3800 N. Classen Blvd, Oklahoma City, OK 73118.

(Unaudited. See accompanying auditor's report.)

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

<b>BASIC FINANCIAL STATEMENTS</b>
-----------------------------------

**OKLAHOMA WATER RESOURCES BOARD**  
**OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT**  
**ADMINISTRATIVE FUND**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Years Ended June 30, 2012 and 2011**

**Statements of Net Assets – June 30, 2012 and 2011**

	<b><u>2012</u></b>	<b><u>2011</u></b>
<b>ASSETS:</b>		
Current Assets:		
Cash and cash equivalents	\$1,195,581	\$491,309
Administrative fee receivable	584,272	481,997
Interest receivable	2,164	1,074
Due from CWSRF	3,719	308,339
Total current assets	<u>1,785,736</u>	<u>1,282,719</u>
Noncurrent Assets:		
Depreciable capital assets, net	57,345	68,109
Total noncurrent assets	<u>57,345</u>	<u>68,109</u>
Total assets	<u>1,843,081</u>	<u>1,350,828</u>
<b>LIABILITIES:</b>		
Current Liabilities:		
Due to Oklahoma Water Resources Board	313,165	30,218
Total current liabilities	<u>313,165</u>	<u>30,218</u>
<b>NET ASSETS:</b>		
Invested in capital assets, net of related debt	57,345	68,109
Unrestricted	1,472,571	1,252,501
Total net assets	<u>\$1,529,916</u>	<u>\$1,320,610</u>

See accompanying notes to the basic financial statements.

**OKLAHOMA WATER RESOURCES BOARD**  
**OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT**  
**ADMINISTRATIVE FUND**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Years Ended June 30, 2012 and 2011**

**Statements of Revenues, Expenses, and Changes in Net Assets – Years Ended June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>OPERATING REVENUES:</b>		
Administrative fee income	\$ 1,841,514	\$ 1,400,438
Application fee income	3,000	7,250
	<u>1,844,514</u>	<u>1,407,688</u>
Total operating revenues		
<b>OPERATING EXPENSES:</b>		
Personnel expense	994,906	651,867
Indirect cost expense	416,470	310,389
Other administrative expenses	177,308	91,636
Depreciation expense	12,764	9,364
	<u>1,601,448</u>	<u>1,063,256</u>
Total operating expenses		
<b>OPERATING INCOME</b>	243,066	344,432
<b>NON-OPERATING REVENUES:</b>		
Interest income	16,510	11,995
Other income	-	302
	<u>16,510</u>	<u>12,297</u>
Total non-operating revenues		
Net income before transfers	259,576	356,729
Transfers to Oklahoma Clean Water State Revolving Loan Account Program	(50,270)	(12,816)
	<u>209,306</u>	<u>343,913</u>
Change in net assets		
<b>Total net assets - beginning</b>	1,320,610	976,697
<b>Total net assets - ending</b>	<u>\$1,529,916</u>	<u>\$1,320,610</u>

See accompanying notes to the basic financial statements.

**OKLAHOMA WATER RESOURCES BOARD**  
**OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT**  
**ADMINISTRATIVE FUND**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Years Ended June 30, 2012 and 2011**

**Statements of Cash Flows – Years Ended June 30, 2012 and 2011**

	<u>2011</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Administrative fee income	\$ 1,739,239	\$ 982,254
Application fee income	3,000	7,250
Payments to employees	(994,906)	(651,867)
Payments to other suppliers	(6,211)	(470,712)
Other income	-	302
Net Cash Provided by (Used in) Operating Activities	<u>741,122</u>	<u>(132,773)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers to Oklahoma Clean Water State Revolving Loan Account Program	(50,270)	(12,816)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(50,270)</u>	<u>(12,816)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of capital assets	(2,000)	(71,509)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(2,000)</u>	<u>(71,509)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	15,420	12,781
Net Cash Provided by Investing Activities	<u>15,420</u>	<u>12,781</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	704,272	(204,317)
<b>Balances - beginning of the year</b>	<u>491,309</u>	<u>695,626</u>
<b>Balances - end of the year</b>	<u>\$ 1,195,581</u>	<u>\$ 491,309</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ 243,066	\$ 344,432
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation	12,764	9,364
Other income	-	302
Change in assets and liabilities:		
Decrease (Increase) in administration fee receivable	(102,275)	(109,845)
Decrease (Increase) in due to CWSRF	304,620	(308,339)
Increase (Decrease) in accounts payable	-	(68,687)
Increase (Decrease) in Due to DW Admin fund	282,947	-
Increase (Decrease) in Due to OWRB	-	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ 741,122</u>	<u>\$ (132,773)</u>

See accompanying notes to the basic financial statements.

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**Footnotes to the Basic Financial Statements:**

**1. Summary of Significant Accounting Policies**

Reporting Entity

The Oklahoma Water Resources Board/Oklahoma Wastewater Facility Construction Revolving Loan Account Program (the "Program") was created pursuant to the 1987 Amendments (P.L. 100-4) to the "Clean Water Act" (P.L. 92-500) to provide a perpetual fund for financing the construction of wastewater treatment facilities for municipalities and other public entities. The Program funds loans with Federal grants, State matching funds, principal repayments, bond proceeds, and interest received on loans and invested cash balances. State matching funds are provided through State appropriations or through the issuance of notes payable.

The Oklahoma Water Resources Board/Oklahoma Wastewater Facility Construction Revolving Loan Account (the "Program"), Title 82 Oklahoma Statutes, Sections 1085.51 et seq. was created pursuant to the 1987 Amendments (P.L. 100-4) to the Federal Clean Water Act (P.L. 92-500) set apart from all other Oklahoma Water Resources Board accounts and programs to be permanent and perpetual; not subject to fiscal year limitations. Title 82, Section 1085.64 created the Oklahoma Water Resources Board/Oklahoma Wastewater Facility Construction Revolving Loan Administrative Fund (the "Fund") for the purpose of administering the Program, transferring monies into the Program and for other purposes authorized by the Federal Clean Water Act. The Fund consists of revenues primarily from loan administrative fees, Fund investment earnings and loan processing and application processing fees.

Administrative fees are assessed on loans made from the Program. Fees are assessed to each participating borrower at the rate of one-half of one percent (0.5%) per annum of the amount of each borrower's loan balance outstanding, and loan application fees.

The significant accounting principles and practices followed by the Fund are presented below:

Basis of Accounting and Measurement Focus

The Fund is accounted for and presented similar to a special-purpose government engaged solely in business type activities.

The Fund uses the accrual basis of accounting whereby expenses are recognized when the liability is incurred and revenues are recognized when earned.

The Fund uses the economic resources measurement focus where all assets, liabilities, net assets, revenues, expenses and transfers relating to the Program and net income and capital maintenance are measured.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB"). Under the guidelines of GASB Statement 20, the Fund has elected not to apply

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**1. Summary of Significant Accounting Policies (cont'd)**

Financial Accounting Standards Board Statements and Interpretations issued after November 30, 1989.

Cash and Cash Equivalents

The Fund considers all highly liquid debt instruments purchased with an original maturity of three months or less and money market funds to be cash equivalents.

Capital Assets

Capital assets are stated at cost, less accumulated depreciation. Depreciation is charged to operating expense and is computed using the straight-line method. The useful life of software and printers has been estimated at 7 years. The useful life of automobiles has been estimated at 6 years. Maintenance and repairs are charged to operations when incurred and improvements are capitalized. The Fund's policy is to capitalize purchases in excess of \$5,000. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts and the resulting gain or loss is reflected in operations.

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. Actual results could differ from those estimates.

Due To/From Other Funds

The \$30,218 Due to OWRB at June 30, 2011 represents an OWRB drawdown that was incorrectly deposited into the Clean Water State Revolving Fund Loan Account Administrative fund. The amount was repaid in fiscal year 2012. During the fiscal year 2011, the Clean Water State Revolving Fund Loan Account Program received administrative fee deposits totaling \$308,339 that, due to an administrative error, were not transferred to the Clean Water State Revolving Fund Loan Account Administrative Fund during the year. The amount was paid over in fiscal year 2012.

The \$228,440 Due to OWRB at June 30, 2012 represents an OWRB drawdown that was incorrectly deposited into the Clean Water State Revolving Fund Loan Account Administrative fund. The amount will be repaid in fiscal year 2013.

At June 30, 2012 the fund owed the State of Oklahoma for indirect cost of \$84,725 that were incurred but not paid. These fees will be paid in fiscal year 2013.

**OKLAHOMA WATER RESOURCES BOARD**  
**OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT**  
**ADMINISTRATIVE FUND**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Years Ended June 30, 2012 and 2011**

---

## **2. Cash Deposits and Investment Risk**

Cash of \$1,195,581 and \$491,309 at June 30, 2012 and 2011 respectively, was on deposit in the State Treasurer's office's internal investment pool – *OK Invest*.

*Investment Interest Rate Risk* – the Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Investment Credit Risk and Custodial Credit Risk* – the Fund has no investment policy that limits its investment choices other than the limitation of state law imposed on the State Treasurer as follows:

- a. U.S. Treasury Bills, Notes and Bonds and U.S. Government Agency Securities with certain ratings and maturity limitations.
- b. Collateralized or insured certificates of deposit and other evidences of deposit issued by a bank, savings bank, savings and loan association or credit union located in the state.
- c. With certain ratings and maturity limitations, negotiable certificates of deposit, bankers acceptances and commercial paper.
- d. Obligations of state and local governments, including obligations of Oklahoma state public trusts, with certain ratings and maturity limitations.
- e. Collateralized repurchase agreements tri-party repurchase agreements.
- f. Money market mutual funds and short term bond funds regulated by the SEC and in which investments consist of obligations of the U.S. Government and its agencies and instrumentalities and repurchase agreements collateralized by obligations of the U.S. Government and its agencies and instrumentalities.

The state treasurer has determined that current holdings in *OK Invest* should be limited to obligations of the United States government, its agencies and instrumentalities, tri-party repurchase agreements collateralized at 102% with the collateral held by a third party in the name of the Oklahoma State Treasurer and money market mutual funds which either directly or indirectly invest in U.S. Treasury and/or Agency securities and repurchase agreements related to such securities. *OK Invest* is not rated by a national rating agency. The overall weighted average maturity of *OK Invest* is less than 2 years. *OK Invest* is not insured or guaranteed by the State of Oklahoma, the Federal Deposit Insurance Corporation or any other government agency.

*Concentration of Investment Credit Risk* – the Fund places no limit on the amount it may invest in any one issuer. Limits are indirectly imposed through the Fund's participation in *OK Invest*. The Fund has the following concentration of credit risk: 100% or \$1,195,581 is invested in *OK Invest*.

**OKLAHOMA WATER RESOURCES BOARD**  
**OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT**  
**ADMINISTRATIVE FUND**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Years Ended June 30, 2012 and 2011**

**3. Capital Assets**

A summary of equipment activity follows:

	Beginning Balance July 1, 2010	Additions	Deletions	Ending Balance June 30, 2011
Other capital assets:				
Computer software	\$ 56,400	61,697	-	\$ 118,097
Automobile	19,875	9,812	-	29,687
Total other capital assets, historical cost	<u>76,275</u>	<u>71,509</u>	<u>-</u>	<u>147,784</u>
Less: accumulated depreciation for:				
Computer software	56,400	4,407	-	60,807
Automobile	13,911	4,957	-	18,868
Total accumulated depreciation	<u>70,311</u>	<u>9,364</u>	<u>-</u>	<u>79,675</u>
Other capital assets, net	<u>\$ 5,964</u>	<u>62,145</u>	<u>-</u>	<u>\$ 68,109</u>

	Beginning Balance July 1, 2011	Additions	Deletions	Ending Balance June 30, 2012
Other capital assets:				
Computer software	\$ 56,400	61,697	-	\$ 118,097
Printer		2,000		2,000
Automobile	19,875	9,812	-	29,687
Total other capital assets, historical cost	<u>76,275</u>	<u>73,509</u>	<u>-</u>	<u>149,784</u>
Less: accumulated depreciation for:				
Computer software	56,400	8,814	-	65,214
Printer	-	-	-	-
Automobile	13,911	3,950	-	17,861
Total accumulated depreciation	<u>70,311</u>	<u>12,764</u>	<u>-</u>	<u>83,075</u>

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**4. Indirect Costs**

Indirect costs represent recoverable personnel costs charged to the Program by the Fund in connection with administering and accounting for activities of the Program. The amount allocated to the Program is based on a percentage of the Fund personnel costs as established in an indirect cost allocation plan. The indirect cost rate for the year ended June 30, 2012 and 2011 was 75.76% and 83.59%.

**OKLAHOMA WATER RESOURCES BOARD  
OKLAHOMA CLEAN WATER STATE REVOLVING FUND LOAN ACCOUNT  
ADMINISTRATIVE FUND  
ANNUAL FINANCIAL REPORT  
As of and for the Years Ended June 30, 2012 and 2011**

---

**INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE**