FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
NO. 55E003
OKLAHOMA COUNTY, OKLAHOMA
JUNE 30, 2014

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
JUNE 30, 2014

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STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
SCHOOL DISTRICT OFFICIALS
JULY 1, 2013 THROUGH JUNE 30, 2014

Board of Education

Chairman	Bruce Lawrence
Ex-Officio	Stan Hupfeld
Treasurer	Barbara Dean
Secretary	Ruthie Rayner
Asst Secretary	Beth Pauchnik
Director	Jason Eliot
Director	Tobi Campbell
Director	Keith Cassell
Director	Nancy Hollingsworth
Director	David Jackson
Director	Ken Lawson
Director	Charles Peoples
Director	Lindsey Rodman
Director	Mike Schwartz
Director	Rosalynn Wade
Director	Dara Wanzer

Director of Schools

Tobi Campbell

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

JAMES M. KUYKENDALL
RICK D. MILLER

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INDEPENDENT AUDITOR'S REPORT ON THE BASIC FINANCIAL STATEMENTS

The Honorable Board of Education
Stanley Hupfeld Academy at Western Village
Oklahoma City, Oklahoma County, Oklahoma

Report on the Financial Statements

We have audited the accompanying fund type and account group financial statements of Stanley Hupfeld Academy at Western Village as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Stanley Hupfeld Academy at Western Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As discussed in Note 1, Stanley Hupfeld Academy at Western Village prepares its financial statements in conformity with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The differences between the regulatory basis of accounting and accounting principles generally accepted in the United States of America are also described in Note 1. In addition, the financial statements of the School are intended to provide the financial position and changes in financial position of the Independent School District No. 89 of Oklahoma County, Oklahoma, also known as the Oklahoma City Public Schools, of only that portion of the governmental activities attributable to the transactions of the School.

As discussed in Note 1, the financial statements referred to above do not include the general fixed asset account group. The amount that should be recorded in the general fixed asset account group is not known.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the School's policy to prepare its financial statements on the basis of accounting discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Stanley Hupfeld Academy at Western Village as of June 30, 2014, or the results of its operations for the year then ended.

Opinion on Regulatory Basis of Accounting

However, in our opinion, except for the omission of the general fixed asset account group as discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraphs, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances arising from regulatory basis transactions of each fund type and account group of Stanley Hupfeld Academy at Western Village as of June 30, 2014, and the revenues it received and expenditures it paid for the year then ended, on the regulatory basis of accounting described in Note 1.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the fund type and account group financial statements that collectively comprise Stanley Hupfeld Academy at Western Village's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards as listed in the accompanying Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the financial statements being prepared in compliance with the regulatory basis as prescribed by the Oklahoma State Department of Education as discussed in Note 1, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 24, 2014, on our consideration of Stanley Hupfeld Academy at Western Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Stanley Hupfeld Academy at Western Village's internal control over financial reporting and compliance.

Britton Kuykendall & Miller

BRITTON, KUYKENDALL & MILLER
Certified Public Accountants

Weatherford, Oklahoma
November 24, 2014

COMBINED FINANCIAL STATEMENTS

OF

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA

Schedule 1-00

STANLEY HUPFELD ACADEMY AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
COMBINED BALANCE SHEET - REGULATORY BASIS -
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2014

	Governmental Fund Types
	General
ASSETS	
Cash and Investments	$ 204,118.09
Total Assets	$ 204,118.09
LIABILITIES AND FUND BALANCE	
Liabilities:	
Warrants payable	$ 91,112.37
Encumbrances	20,327.25
Total Liabilities	111,439.62
Fund Equity:	
Unreserved:	
Undesignated	92,678.47
Total fund balances	92,678.47
Total Liabilities and Fund Balances	$ 204,118.09

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

Schedule 2-00

STANLEY HUPFELD ACADEMY AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - REGULATORY BASIS -
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2014

	General Fund
Revenues:	
Local sources	$ 277,093.73
Intermediate sources	0.00
State sources	1,765,755.42
Federal sources	398,765.50
Total Revenues Collected	2,441,614.65
Expenditures:	
Instruction	1,464,348.51
Support services	833,570.11
Non - Instructional services	209,915.97
Capital outlay	0.00
Other outlays	37,336.80
Total Expenditures	2,545,171.39
Excess of revenue over (under) expenditures	(103,556.74)
Adjustments to prior year encumbrances	773.01
Excess of revenues and other sources over (under) expenditures and other uses	(102,783.73)
Beginning fund balance	195,462.20
Ending fund balance	$ 92,678.47

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

Schedule 3-00

STANLEY HUPFELD ACADEMY AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - REGULATORY BASIS
BUDGETED GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2014

	General Fund		
	Original Budget	Final Budget	Actual
Beginning fund balances, budgetary basis	$ 195,462.20	$ 195,462.20	$ 195,462.20
Revenues:			
Local sources	508,500.00	508,500.00	277,093.73
Intermediate sources	0.00	0.00	0.00
State sources	1,686,165.36	1,686,165.36	1,765,755.42
Federal sources	375,439.46	375,439.46	398,765.50
Total Revenue, budgetary basis	2,570,104.82	2,570,104.82	2,441,614.65
Expenditures:			
Instruction	1,684,744.14	1,684,744.14	1,464,348.51
Support services	833,570.11	833,570.11	833,570.11
Non - Instructional services	209,915.97	209,915.97	209,915.97
Capital Outlay	0.00	0.00	0.00
Other Outlays	37,336.80	37,336.80	37,336.80
Debt Service:			
Principal retirement	0.00	0.00	0.00
Interest and fiscal agent charges	0.00	0.00	0.00
Judgments paid	0.00	0.00	0.00
Total Expenditures, budgetary basis	2,765,567.02	2,765,567.02	2,545,171.39
Excess of revenue and beginning fund balances over (under) expenditures - budgetary basis	0.00	0.00	91,905.46
Other financing sources (uses):			
Bond sale proceeds	0.00	0.00	0.00
Operating Transfers	0.00	0.00	0.00
Excess of revenues and other sources over (under) expenditures and other uses	0.00	0.00	91,905.46
Adjustments to prior year encumbrances	0.00	0.00	773.01
Prior Period Adjustments	0.00	0.00	0.00
Ending fund balances	$ 0.00	$ 0.00	$ 92,678.47

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

NOTES TO COMBINED FINANCIAL STATEMENTS

OF

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

1. Nature of Organization and Summary of Significant Accounting Policies

The basic financial statements of the Stanley Hupfeld Academy at Western Village (the "School") have been prepared in conformity with another comprehensive basis of accounting as prescribed by the Oklahoma State Department of Education. The more significant of the School's accounting policies are described below.

Independent School District No. 89 of Oklahoma County, Oklahoma, also known as the Oklahoma City Public Schools (the "District"), has contracted with Stanley Hupfeld Academy at Western Village, Inc. ("WVA, Inc.") for the operation of the School, a charter school under the Oklahoma Charter School Act.

Stanley Hupfeld Academy at Western Village, Inc. is an Oklahoma not-for-profit corporation.

The original contract between the District and WVA, Inc. was effective for the fiscal year ended June 30, 2001 and has been renewed through June 30, 2014.

The school receives funding from county, state, and federal government sources and must comply with the applicable requirements of these funding source entities.

The School campus, together with all of the related personal property and equipment, is owned by the District and is leased by WVA, Inc. for $250 per month on a month-to-month basis.

A. Reporting Entity

The School is governed by the board of directors of WVA, Inc. The financial data of the School is also reported within the general fund of the District's financial statements. The accompanying financial statements are intended to present only the results of the operations of the School and not that of the general fund of the District.

The School's activities are reported for federal and Oklahoma tax purposes by WVA, Inc. WVA Inc. is an organization described in Internal Revenue Code Section 501(c)(3). As such, the income of the School is subject to federal or state income taxes only to the extent it generates income from unrelated activities. The School had no unrelated income in the year ended June 30, 2014.

Summary of Significant Accounting Policies, (Continued)

B. **Fund Accounting**

The School uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school 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 School has only governmental funds.

Governmental Fund Types

Governmental Funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Funds), the acquisition or construction of general fixed assets (Capital Projects Funds), and the servicing of general long-term debt (Debt Service Funds).

General Fund - The General Fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under the Foundation and Incentive Aid Program. Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt. The General Fund includes federal and state restricted monies that must be expended for specific programs.

Summary of Significant Accounting Policies, (Continued)

Fund Accounting, (Continued)

Account Groups

Account groups are not funds and consist of a self-balancing set of accounts used only to establish accounting control over long-term debt and general fixed assets not accounted for in proprietary funds. The only account group applicable to the School is the general fixed assets account group. As the School does not maintain a record of general fixed assets, the general fixed assets account group is not presented at June 30, 2014.

C. **Basis of Accounting**

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

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

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

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

Summary of Significant Accounting Policies, (Continued)

D. **Budgets and Budgetary Accounting**

Budgets are maintained in the OCAS system of accounting and are included in the financial statements.

E. **Assets, Liabilities and Fund Equity**

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

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

Inventories - The value of consumable inventories at June 30, 2014, is not material to the financial statements.

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

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

Compensated Absences - As the School reports under the regulatory basis of accounting, expenditures are generally recognized when encumbered/reserved rather than at the time the related fund liability is incurred. Thus, compensated absences have not been presented.

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

Summary of Significant Accounting Policies, (Continued)

F. **Revenue, Expenses and Expenditures**

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

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

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

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

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

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

Summary of Significant Accounting Policies, (Continued)

Revenue, Expenses and Expenditures, (Continued)

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

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. There were no operating transfers or residual equity transfers during fiscal year 2012.

G. **Statement of Cash Flows**

Since the School does not currently have any Proprietary Fund Types, the statement of cash flows has not been presented in the fiscal 2014 accompanying financial statements.

2. **Cash and Investments**

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

Cash and Investments, (Continued)

Deposits - The District's cash deposits at June 30, 2014, are categorized to give an indication of the level of risk assumed by the School at year end as follows:

Deposit Categories of Credit Risk

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

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

(C) Uncollateralized.

	Category			
	(A)	(B)	(C)	Bank Balance
Cash	$ 204,118.09	$ 0.00	$ 0.00	$ 204,118.09
Investments	0.00	0.00	0.00	0.00
Totals	$ 204,118.09	$ 0.00	$ 0.00	$ 204,118.09

3. **Employee Retirement System**

The School 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 School, 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 School has no responsibility or authority for the operation and administration of the System nor has it any liability, except for the current contribution requirements.

Employee Retirement System, (Continued)

A participant with ten 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. 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.

The contribution rates for the School, which are not actuarial determined, and its employees are established by statute and applied to the employee's earnings, plus employer-paid fringe benefits. The School is required by statute to contribute 9.50% of applicable compensation effective January 1, 2010. The School is allowed by the Oklahoma Teacher's Retirement System to make the required contributions on behalf of the participating members. The required contribution for participating members is 7.0% of each member's total compensation.

For the year ended June 30, 2014, the total compensation covered by the Teacher Retirement System was $1,265,311.12. The School's contributions to the System for the years ending June 30, 2014, 2013 and 2012 were $133,058.37, $126,740.76, and $128,821.20, respectively.

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, 2013. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. The Oklahoma Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53524, Oklahoma City, OK 73152 or by calling (405) 521-2387.

4. **Health Care Coverage**

During the year ended June 30, 2014, employees of the Stanley Hupfeld Academy at Western Village, Oklahoma, were covered by a health insurance plan (the plan). The teachers and support personnel may elect to be covered by the plan. The plan was authorized by House Bill 1731, 1988 Oklahoma Legislature (74 O.S. 1988, Supp. Section 1301-1322) with the Oklahoma State and Education Employers Group Insurance Board.

5. **Investment Income**

Investment income deposits are receipted as allocated by the School. School funds are required to be invested in accordance with Title 70 of the Oklahoma Statutes. Interest income on cash funds totaled $16.50.

6. **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 School expects such amounts, if any, to be immaterial.

7. **Risk Management**

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

8. **Surety Bonds**

The School has a public employee dishonesty bond with Western Surety Company, bond number 61623465, which covers the Secretary/Treasurer for the penal sum of $100,000.00 from March 12, 2014 until March 11, 2015. The School has a position's bond with Western Surety Company, bond number 61620170, which covers the director for the penal sum of $50,000.00 as well as the principal for $50,000.00, encumbrance clerk for $1,000.00, and minutes clerk for $1,000.00 for the same period from March 12, 2014 until March 11, 2015.

9. Subsequent Events

Management has evaluated subsequent events through November 24, 2014, which is the date the financial statements were available to be issued and have determined that no additional information needs to be added to the financial statements.

SUPPORTING SCHEDULES

OF

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA

STANLEY HUPFELD ACADEMY AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA #	Grantor's Number	Approved Amount	Balance at July 1, 2013	Receipts	Expenditures	Balance at June 30, 2014
Passed-through State Department of Education:							
2012-2013 Programs							
Title I	84.010	511	0.00	(32,227.56)	32,227.56	0.00	0.00
Flow Through, IDEA-Part B	84.027	621	0.00	(2,588.06)	2,588.06	0.00	0.00
2013-2014 Programs							
Title I	84.010	511	144,488.50	0.00	127,470.93	144,488.50	(17,017.57)
Title I, Part A	84.367	541	0.00	0.00	0.00	0.00	0.00
Flow Through, IDEA-Part B	84.027	621	56,424.07	0.00	52,210.62	56,424.07	(4,213.45)
Preschool, IDEA-Part B	84.173	641	681.45	0.00	681.45	681.45	0.00
Total Dept. of Education			201,594.02	(34,815.62)	215,178.62	201,594.02	(21,231.02)
U.S. Department of Agriculture Passed Through State Dept. of Education:							
Cash Assistance:							
National School Lunch Progran	10.555	763	120,206.46	0.00	120,206.46	120,206.46	0.00
School Breakfast Program	10.553	764	48,984.67	0.00	48,984.67	48,984.67	0.00
Summer Food Service Progran	10.559	766	744.21	(1,345.00)	1,345.00	744.21	(744.21)
Fresh Fruit/Vegetable Program	10.582	768	13,050.75	0.00	13,050.75	13,050.75	0.00
Non-Cash Assistance (Commodities):							
National School Lunch Progran	10.555	n/a	7,909.18	0.00	7,909.18	7,909.18	0.00
Total USDA			190,895.27	(1,345.00)	191,496.06	190,895.27	(744.21)
Total Federal Assistance			$ 392,489.29	$ (36,160.62)	$ 406,674.68	$ 392,489.29	$ (21,975.23)

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

REPORT ON INTERNAL CONTROL AND ON COMPLIANCE

OF

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA

BRITTON, KUYKENDALL, & MILLER
CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Board of Education
Stanley Hupfeld Academy at Western Village
Oklahoma City, Oklahoma County, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the fund type and account group financial statements of Stanley Hupfeld Academy at Western Village, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Stanley Hupfeld Academy at Western Village's basic financial statements, and have issued our report thereon dated November 24, 2014. As stated in our report, the financial statements were prepared in compliance with the cash basis as prescribed by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. In our report, our opinion was qualified because the omission of the General Fixed Assets Account Group results in an incomplete presentation.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Britton Kuykendall & Miller

BRITTON, KUYKENDALL AND MILLER
Certified Public Accountants

Weatherford, Oklahoma
November 24, 2014

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
AUDIT COMMENTS
JUNE 30, 2014

CURRENT YEAR

1. None Noted.

PRIOR YEAR

1. None Noted.

STANLEY HUPFELD ACADEMY
AT WESTERN VILLAGE
OKLAHOMA COUNTY, OKLAHOMA
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL
LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2013 THROUGH JUNE 30, 2014

State of Oklahoma)
) ss
County of Custer)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountants' Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Stanley Hupfeld Academy at Western Village, Oklahoma, for the audit year 2013-14.

Britton, Kuykendall & Miller

BRITTON, KUYKENDALL & MILLER
Certified Public Accountants

By James Kuykendall

Subscribed and sworn to before me this 24th day of November, 2014.

Darlene McKellips
NOTARY PUBLIC

DARLENE McKELLIPS
NOTARY PUBLIC
#09001623
EXP. 2-18-17
IN AND FOR
STATE OF OKLAHOMA
CUSTER COUNTY