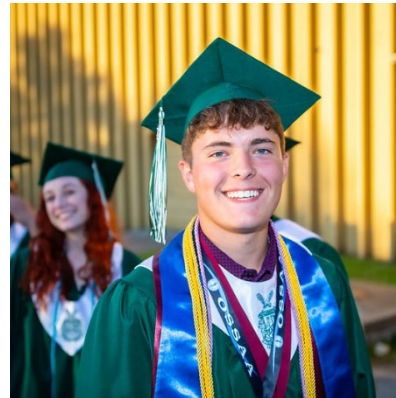




# Tulsa Public Schools

## Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021



### DESTINATION EXCELLENCE

INDEPENDENT SCHOOL DISTRICT NO. I-1,  
TULSA COUNTY, OKLAHOMA

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INDEPENDENT SCHOOL DISTRICT NO. I-1,  
TULSA COUNTY, OKLAHOMA

## Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2021

Prepared by the  
Department of Financial Services

*Tulsa Public Schools does not discriminate on the basis of race, religion, color, national origin, sex, sexual orientation, gender expression, gender identity, pregnancy, disability, genetic information, veteran status, marital status, age or any other classification protected by applicable law with respect to employment, programs and activities. The district also provides equal access to the Boy Scouts of America and other designated youth groups.*

*The district prohibits discrimination. The district also prohibits retaliation, intimidation, threats, or coercion against any individual who complains about discrimination or participates in the district's discrimination complaint process.*

*The following person is designated to handle complaints and inquiries regarding Tulsa Public Schools' non-discrimination policies:*

*Eva Vindas, Human Rights & Title IX Coordinator  
Tulsa Public Schools, General Counsel's Office  
3027 S. New Haven Ave.  
Tulsa, Oklahoma 74114-6131  
918-746-6158*

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# Introductory Section

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**Board of Education**  
***During Fiscal Year 2020-2021***

**President**

Stacey Woolley

**Members**

John Croisant  
Jerry Griffin  
Shawna Keller  
Jennettie Marshall  
Judith Barba Perez (February 2021 through current)  
Suzanne Schreiber  
Jania Wester (through April 2021)

**Deborah A. Gist, Ed.D.**

Superintendent

**Nolberto Delgadillo**

Chief Financial Officer (to March 2021)

**Jorge Robles**

Chief Finance and Operations Officer (March 2021 and ongoing)

**George P. Stoepelwerth**

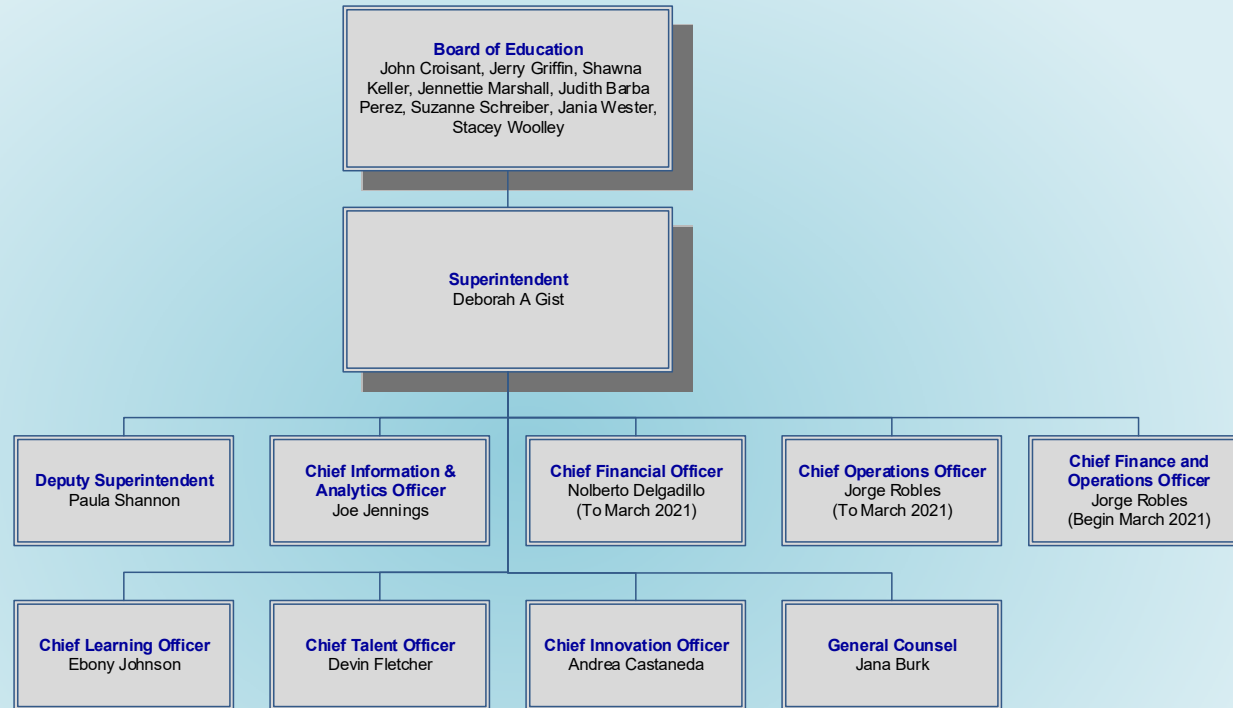
Director of Finance  
Treasurer

**Alicia A. Srader**

Director of Accounting  
Encumbrance Clerk



## Tulsa Public Schools Superintendent's 2020-2021 Cabinet



**Deborah A. Gist, Ed.D. (Superintendent)**

Dr. Deborah Gist is the superintendent of Tulsa Public Schools, an urban district serving 33,000 students across 78 schools and charter partners.

Dr. Gist's career as an educator started in a classroom at Kirkpatrick Elementary School in Fort Worth, Texas in 1988. Over the next 33 years, she served as a senior policy analyst for the United States Department of Education, executive director of Serve DC in the Executive Office of the Mayor, and was named as the first State Superintendent of Education for Washington, DC.

From 2009-2015, Dr. Gist served as Commissioner of Education for the State of Rhode Island overseeing the redesign of the state's education funding formula, a historic increase in high school graduation rates, two successful applications for \$125 million in federal Race to the Top grant funding, implementation of new college- and career-ready standards, and expanded access to high-quality early childhood programming. As a result of her work in Rhode Island, she was named as one of *Time Magazine's* 100 Most Influential People in the World and as one of *The Atlantic's* Brave Thinkers.

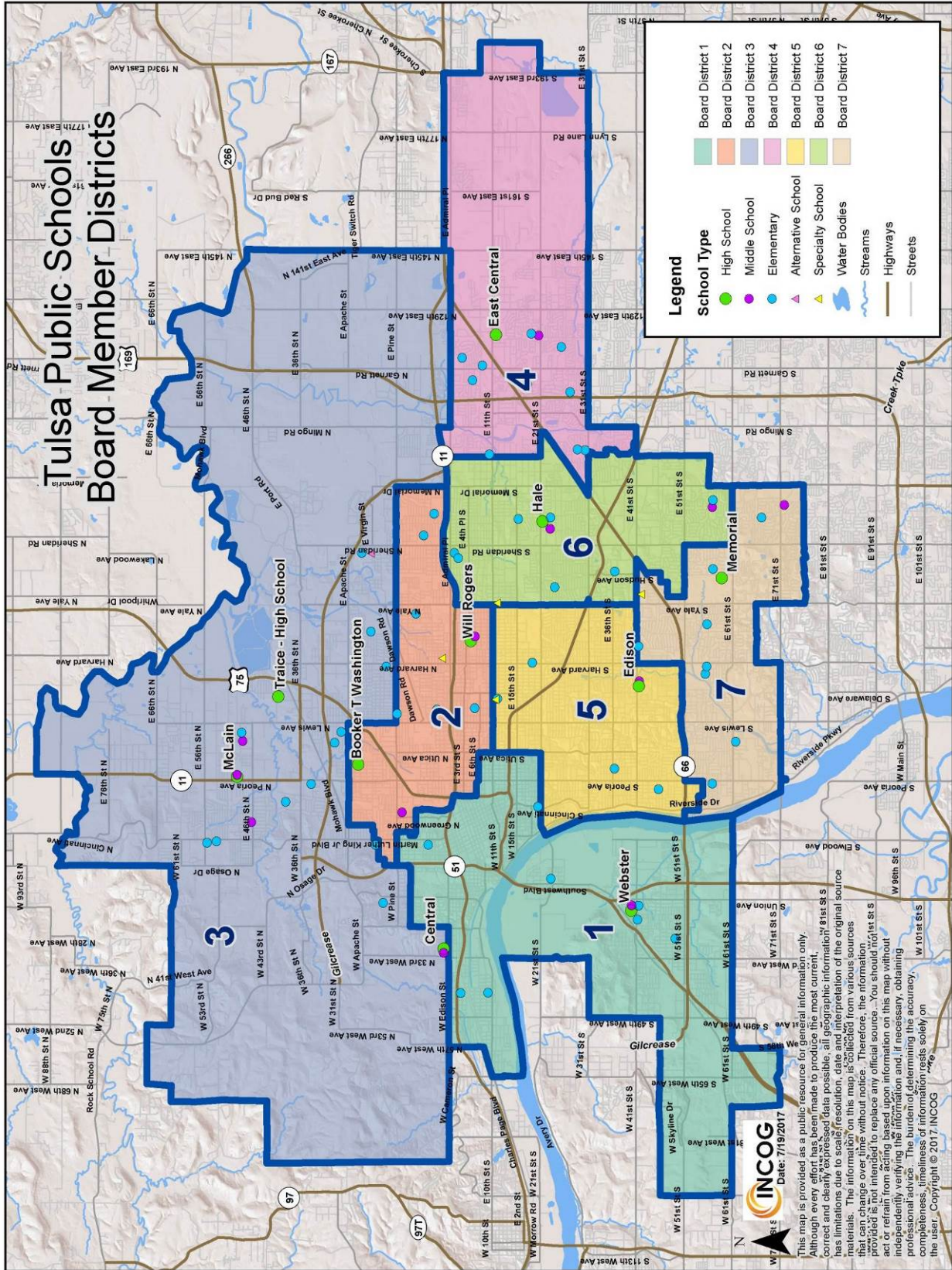


During Superintendent Gist's tenure, the district has seen sustained increases in high school graduation rates, novice teacher retention, employee engagement, and the percentage of students meeting projected reading and math growth. Tulsa Public Schools has expanded its dual language programming, opened the only two public Montessori programs in the state, implemented the Seal of Biliteracy for high school students demonstrating proficiency in at least two languages, launched an improved enrollment system, and successfully passed a five-year \$414 million bond that will transform teaching and learning experiences across the city.








The district has also been recognized nationally for its work around social emotional learning, expanded learning, and response to the COVID-19 pandemic and is considered a national leader in developing and implementing culturally relevant and sustaining curricula about the 1921 Tulsa Race Massacre.

Dr. Gist holds a bachelor's degree in early childhood education from the University of Oklahoma, a master's degree in elementary education and curriculum from the University of South Florida, a master's of public administration from the John F. Kennedy School of Government at Harvard University, and a doctorate from the University of Pennsylvania.

Tulsa Public Schools Board Member Districts



**Color Legend for Board Member Districts Map**

- |  |  |
|--|--|
|  District 1 – Stacey Woolley  |  District 5 – John Croisant     |
|  District 2 –<br>Jania Wester (thru Apr 2021)<br>Judith Barba Perez (Feb 2021 to Current) |  District 6 – Jerry Griffin     |
|  District 3 – Jennettie Marshall  |  District 7 – Suzanne Schreiber |
|  District 4 – Shawna Keller   |  |

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**District 1 – Stacey Woolley (President)**

Ms. Stacey Woolley was elected to the board in April of 2019. Her term expires in April 2023. A mother of five and public school advocate, Ms. Woolley has a Master’s of Science from the University of Central Oklahoma in Communication Sciences and Disorders as well as a Bachelor’s of Art in Communication from Southeastern Oklahoma State University. Stacey holds a teaching certificate in the State of Oklahoma and is a certified Speech-Language Pathologist. One of Ms. Woolley’s many passions is early childhood literacy. Ms. Woolley and her family have lived in Tulsa for 11 years, and though they are relatively new to town, they think of it as home.



Schools in Ms. Woolley’s election district include Wayman Tisdale Fine Arts Academy, Clinton West, Council Oak, Emerson Montessori, Eugene Field, and Robertson elementary schools; and Webster Middle and Webster High School.

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**District 2 –  
Jania Wester (thru April 2021)**

Ms. Jania Wester was elected to the board in April of 2017. Her term expires in April 2021. Born and raised on the island of Puerto Rico, Jania Wester came to the United States to attend college. She received her Bachelor’s in Education from Oral Roberts University and her Master’s in Educational Leadership from Oklahoma State University. She was first hired as part of the founding faculty of Kendall-Whittier Elementary in Tulsa Public Schools, where she spent 14 years, the last two of those years as one of their assistant principals. She then became the first Latinx principal of Henry Zarrow International Elementary School, a Tulsa Public Schools language immersion magnet program, for four years. Her passion for bilingual education and community engagement is clearly evident in her work and in the high bar that she sets both for herself and those she has led. Jania and her family intentionally moved into the Kendall-Whittier neighborhood in 1998, when it was known as the Red Light District and they have not only joined their neighbors in the transformation of their neighborhood but have truly embraced the beauty that comes with living in a multi-cultural and mixed income neighborhood.



**District 2 –**

**Judith Barba Perez (February 2021 to Current)**

Ms. Judith Barba Perez was elected to the board in February of 2021. Her term expires in February 2025. Born and raised on Zapotlan Del Rey, Jalisco, Mexico, Ms. Barba Perez emigrated to the United States in 2014, first arriving to California, and then moving to Tulsa, OK in 2015. Board Member Barba Perez worked for the YWCA Tulsa where she discovered and experienced the diversity of the community. She then worked as a success coach and field coordinator for a research program at OSU called “Unidos Se Puede” (Together We Can). Additionally, Ms. Barba Perez has worked as a Hispanic program coordinator for Camp Fire Green Country developing curriculum for youth, and she currently works at Growing Together as a community leadership and mobilization manager. Ms. Judith Barba Perez holds a bachelor’s degree in psychology from the Universidad de Guadalajara and a certification on Community Peer Educator from Tulsa Community College. In 2019, Ms. Barba Perez and her family moved to the Kendall-Whittier neighborhood to a Tulsa Habitat Home (now named Green Country Habitat for Humanity). They have enjoyed serving as volunteers in various organizations since they arrived in Tulsa and she is excited to be representing the families of Board District 2.



Schools in Ms. Barba Perez’s election district include Kendall-Whittier, McKinley, Mitchell, Owen, Sequoyah, and Springdale elementary schools; Carver Middle School and Rogers College Middle School; Phoenix Rising 9-12; and Rogers College and Booker T. Washington high schools.

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**District 3 – Jennettie Marshall**

Ms. Marshall was re-elected to her post in April 2021. Her term will expire in February 2025. Ms. Marshall has a strong history of serving people through her ministerial duties, funeral service duties and volunteer work. Ms. Marshall retired from the State of Oklahoma where she worked for the Department of Corrections and the Department of Human Services. She also served the City of Tulsa as a police and fire chaplain and was trained in emergency disaster response and hostage negotiation. In 1994, Ms. Marshall established Reclaim Inc., a program that specializes in serving as a "vehicle of change and redirection" for families, juveniles and adults. Ms. Marshall holds an associates in political science, bachelor of science in corrections, masters of science in business management, associates in applied science in funeral service, attended Phillips Theological Seminary and is completing her seminary coursework through Andersonville Theological Seminary. She is the founding pastor of Living Sanctuary Evangelistic Ministries and previously served as Senior Pastor of Snowden Chapel and Macedonia Christian Methodist Episcopal churches.



Schools in Ms. Marshall’s election district include Anderson, Burroughs, Celia Clinton, Dual Language Academy, Greenwood Leadership Academy (Pre-K-5<sup>th</sup>), Hamilton, Hawthorne, John Hope Franklin, Project Accept (Traice Elementary), Unity Learning Academy, and Whitman elementary schools; TRAICE Middle School, Tulsa Met Junior High, Monroe Demonstration Academy; Central Middle School; Central High Schools; McLain High School; Tulsa Learning Academy, TRAICE High School, and Tulsa Met High School.

**District 4 – Shawna Keller**

Ms. Keller was elected to her post in February 2018. Her term will expire in February 2022. As a fourth generation East Tulsa resident, Ms. Keller attended Disney Elementary School, Foster Middle Schools (currently East Central Junior High School) and East Central High School. Ms. Keller graduated from the University of Tulsa with a bachelor’s degree in history and received her teaching certification from Northeastern State University. Ms. Keller also has a master’s degree in history from the University of Tulsa. Ms. Keller began teaching at Owasso Ram Academy in 2006 as a history teacher. She was selected as Teacher of the Year at the Ram Academy in 2011. Ms. Keller is an active member of the Oklahoma Education Association.



Schools in Ms. Keller's election district include: Cooper, Disney, Huerta, Kerr, Lewis and Clark, Lindbergh, Peary, and Skelly elementary schools; East Central Jr. High and East Central High School.

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**District 5 – John Croisant**

Mr. John Croisant was elected to his post in June 2020. His term will expire in April 2024. Born and raised in Tulsa, Mr. Croisant attended Jenks Public Schools (K thru 12) and later received his degree in political science from the University of Tulsa. After completing his pre-law certificate and secondary education requirements, Mr. Croisant decided to focus his career on education. With more than a decade in the classroom, he has seen first-hand the effects of under-funded schools on both the students and community. After completing his teacher certification, Mr. Croisant moved to Louisiana and began his career in public schools in the New Orleans metro area. He returned to Tulsa after Hurricane Katrina and became a coach and teacher at Edison Preparatory. He taught 6th grade geography and was the head girls soccer coach for 12 years, before retiring in 2018 to open his own insurance agency. However, with the help of Allstate and UpliftEd Mr. Croisant has remained involved with TPS with several grants to help students and teachers across the district. He is also a member of the Tulsa Rotary Club and the Tulsa Regional Chamber. He says, “Education is the foundation which we build our community on. It is time for strong leadership that is going to put education first today, to ensure the success of Tulsa tomorrow. Tulsa’s next generation of leaders and citizens are in Tulsa Public Schools right now, so let’s make sure they have the tools and opportunities to succeed.”



Schools in Mr. Croisant’s election district include Eliot, Lanier, Mayo elementary schools; and Edison Middle School and Edison High School.

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**District 6 – Dr. Jerry Griffin**

Dr. Jerry Griffin was elected to his post in June 2020. His term will expire in April 2024. He has lived in Tulsa more than 40 years and is a proud graduate of Edison High School. Following high school graduation, he joined the United States Marine Corps. During his Marine Corps service, he was stationed many places including a stint with HMM-364 (The Purple Foxes) in the Republic of South Vietnam and Okinawa. He received an honorable discharge and returned to Tulsa where he served as a Tulsa police officer, while attending the University of Tulsa where he earned his bachelor's degree in business administration. Subsequent educational experiences earned him a master's degree in business administration from Southern Methodist University, a doctoral degree in education from the University of Tulsa, and an Executive Juris Doctorate from Purdue University Global. He has written several books of which one has been translated into Japanese and Portuguese and he has authored several journal articles. One of his most exciting acts of service was serving in the United States Peace Corps for two years where he was sent to Botswana, Africa. While in Botswana he was a Senior Consultant and traveled to other countries, including Lesotho and Swaziland. Dr. Griffin is certified in Oklahoma to teach middle level social studies. He has over 40 years of teaching experience and has taught at Texas State University – San Marcos, Wichita State University and in the virtual program at Oklahoma University. His philosophy of education centers around learning as a life-long process, and that learning (at all ages) must be an active process and become a value of the learner. He believes learners must have the basic foundational skills taught in an environment of critical thinking before moving on to higher-order learning. Dr. Griffin has traveled the country teaching others to take personal responsibility for their learning. His research interests include Organizational Development, Critical Thinking, and Servant-Leader Policing.



Schools in Dr. Griffin's election district include Bell, Hoover, MacArthur, Salk, and Zarrow International elementary schools; Hale Junior High and Memorial Middle School; Hale High School and Street School.

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**District 7 – Suzanne Schreiber (Interim Vice President)**

Ms. Schreiber was elected to her post in February 2018. Her term will expire February 2022. She has lived in Tulsa more than 20 years. Her passion for public education is fueled by the belief that every child can learn and our community is stronger when all children have access to a quality education. Ms. Schreiber has always been active in civic life, participating in everything from student government, leadership organizations and charitable boards to middle school mentor and homeroom mother at Grimes Elementary. She is a graduate of the University of Tulsa and the University of Tulsa Law School. She works for the George Kaiser Family Foundation on a variety of community improvement projects. Prior to her position at George Kaiser Family Foundation, Ms. Schreiber practiced law in the private sector and served as a federal law clerk at both the district and appellate levels.



Schools in Ms. Schreiber's election district include Carnegie, Eisenhower International, Grissom, Key, Marshall, McClure, and Patrick Henry elementary schools; Thoreau Demonstration Academy; and Memorial High School.

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February 1, 2022

To the Board of Education Members and the  
Citizens of the Independent School District No. I-1, Tulsa County:

The Annual Comprehensive Financial Report (ACFR) of the Independent School District No. I-1, Tulsa Public Schools, ("district"), for the fiscal year ended June 30, 2021, is hereby submitted. The ACFR has been prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental entities. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to fairly present the financial position as well as the financial condition of the district. Disclosures necessary to enable the reader to gain understanding of such financial operations have been included. The management's discussion and analysis (MD&A) section provides a brief overview of these financial reports. This transmittal letter is designed to be read in conjunction with the MD&A.

Oklahoma Public School Audit law (Title 70-22-101) requires the district to submit an annual report of the financial records and transactions audited by independent certified public accountants. This document is submitted in fulfillment of that requirement. An audit was also conducted to meet the requirements of Title 2 U.S. Office Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards.

The role of the auditors is to audit the financial statements to determine if the basic financial statements are free of material misstatements and to assess the accounting principles followed. Based on their findings, they express an opinion on the fairness of the statements and disclose any material weaknesses. Responsibility for the accuracy and completeness of the data presented, as well as the fairness of presentation of this report, rests with district management.

## **PROFILE OF THE TULSA PUBLIC SCHOOLS**

The district is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and is, accordingly, a separate entity for operating and financial reporting purposes. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes. The district is part of the public school system of Oklahoma under the general direction and control of the state Board of Education. The district is the primary government that has a separately elected governing body, is legally separate and is fiscally independent of other state or local governments.

The governing body of the district is the Board of Education, which is composed of seven elected members who serve four-year terms. The appointed superintendent is the executive officer of the district. The district is fully accredited by the Oklahoma Department of Education and by the North Central Association.

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## INTRODUCTORY SECTION: LETTER OF TRANSMITTAL

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Tulsa Public Schools is a 173 square mile school district serving the city of Tulsa, the county seat of Tulsa County and the surrounding area in Tulsa, Creek, Osage and Wagoner Counties. The Tulsa metropolitan area (MSA) supports a population of 991,561 with an average household income of \$68,425 (2018 estimate, Tulsa Regional Chamber). Approximately 94 percent of the district is located inside the city limits of the city of Tulsa, Oklahoma. The remaining six percent lies in surrounding portions of Tulsa, Creek, Osage and Wagoner Counties.

Tulsa was first settled in the 1830's by the Lachapoka Band of the Creek Native American tribe. For most of the 20<sup>th</sup> century, the city held the nickname "Oil Capital of the World" and played a major role as one of the most important hubs for the American oil industry. Tulsa, along with several other cities, claims to be the birthplace of U.S. Route 66 and is also known for its western swing music.

During fiscal year 2020-21, Tulsa Public Schools was the second largest public school district in the State of Oklahoma, with an enrollment (ADM at national collection date October 1, 2020) of 32,569 students. The district is projecting an increase in student enrollment to 33,211 in fiscal year 2021-22.

As of June 30, 2021, the district employed 5,770 employees, of which:

Type	Count
Classroom teachers	2,079
Principals and Assistant Principals	123
Paraprofessionals/teacher assistants	466
School-based support (e.g. office clerks, registrars, secretaries, coaches etc.)	373
District-level certified (e.g. nurses, speech pathologists, mentors, etc.)	415
District-level support (e.g. transportation, executive staff, facilities, child nutrition, maintenance, etc.)	1,711
Part-time staff	603

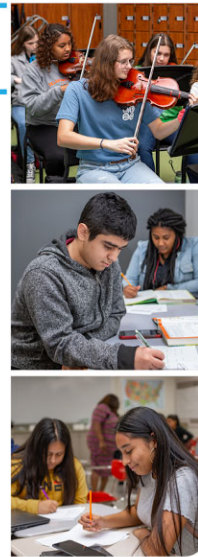
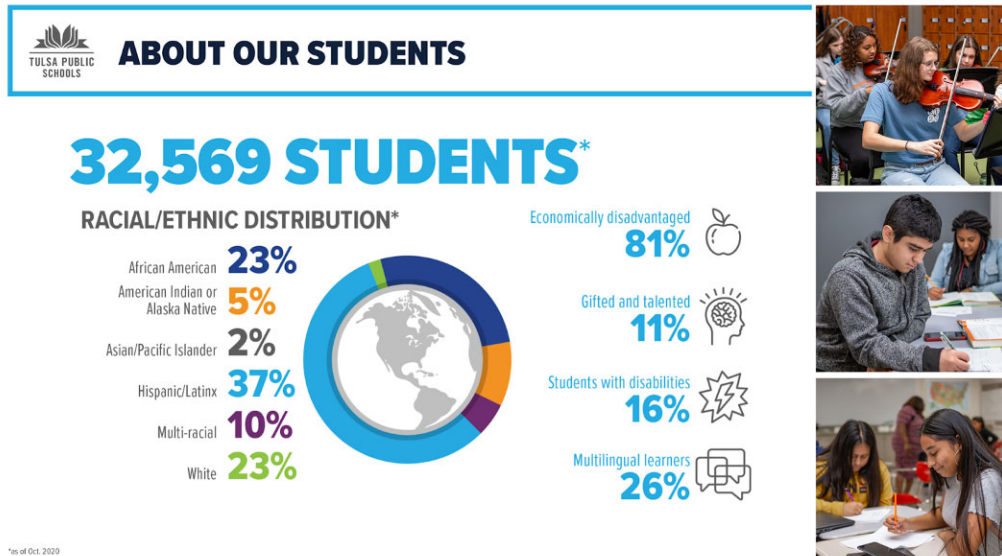
Tulsa Public Schools provides early childhood and elementary schools (pre-kindergarten for four-year old students through 5<sup>th</sup> grade), middle schools (grades 6 through 8) and high schools (serving grades 9 through 12).

During FY 2020-21 programs were delivered through 44 elementary schools, 10 middle/junior high schools, 9 high schools, 9 alternative school sites, and 1 partnership (elementary) school. The district continues to authorize 6 charter schools within its boundaries. In addition, 8 early childhood programs are delivered at school sites operated by not-for-profits or partnerships with county agencies working in cooperation with the district.

Program delivery occurs during the regular school calendar of 166 days of instruction annually. The district also delivers programs through evening school operating year-round and through summer school. In the school year 2020-21 the district launched the Tulsa Virtual Academy serving students from grades pre-kinder through 12 using a blended learning model.

Student demographics for the 2020-21 school year are summarized in the table and image below:

Students	Number	Percent
African American	7,445	23%
American Indian or Alaska Native	1,545	5%
Asian/Pacific Islander	651	2%
Hispanic/Latinx	11,939	37%
Multi-racial	3,257	10%
White	7,506	23%



### ECONOMIC OUTLOOK

This year was unprecedented, and after all the work done by Tulsa Public Schools during the Shaping Our Future initiative to address the budget structural deficit, COVID introduced another financial challenge. The fiscal impact due to the COVID-19 pandemic was material: the State of Oklahoma’s FY21 budget of \$7.7 billion is approximately \$280 million or about 3.5% less compared to the initial FY20 State budget. The State’s FY21 budget has resulted in a 2.5% reduction in school funding, resulting in about \$78 million less for schools. For Tulsa Public Schools this resulted in an estimated cut between six and seven million dollars.

The safety of our students and team members was a priority for Tulsa Public Schools during the pandemic, particularly throughout school year 2020-21. For that reason, and following the advice of healthcare experts, Tulsa Public Schools was in a distance learning modality from the start of the school year 2020-21 through November 2020 when students began to return to in person learning. The dramatic increase of new positive Covid-19 cases in the Tulsa County area pushed the district to distance learning again in December. In February 2021 the entire school district was able to return to in person learning and remained in this modality through the end of the school year.

During this period of time many businesses such as restaurants, stores, gyms and many other service organizations were not able to provide services in person given pandemic-triggered safety restrictions. The City of Tulsa and Tulsa County experienced lowered economic outpoint similar to the rest of the country. The federal recovery funding provided throughout this period of time helped Tulsa Public Schools weather the economic and budgetary impact of the pandemic during FY 2020-21. Tulsa Public Schools did not furlough or implement a reduction in force and therefore did not contribute to local unemployment numbers.

During the school year 2020-21, Tulsa Public Schools was allocated 2 rounds of federal recovery funds. These funds are reimbursed by the state after submission of claims that meet the Elementary and Secondary School Emergency Relief (ESSER) investment criteria established by the federal government. Federal recovery expenditures have 3 levels of accountability for legal compliance with the grant: Tulsa Public Schools staff review, Oklahoma State Department of Education review, and external independent auditors. Per federal guidance, all of these funds must be used to "prevent, prepare for, and respond to Coronavirus." The guidance also outlines five basic uses of stimulus funding:

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**INTRODUCTORY SECTION: LETTER OF TRANSMITTAL**

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1. Physical health and safety: Investing in resources to implement CDC's K-12 operational strategy for in-person learning.
2. Family, Community, and Youth Empowerment: Funding crucial summer, afterschool, and other extended learning and enrichment programs.
3. Academic wellness and supports: Implementing strategies to meet the social, emotional, mental health, and academic needs of students hit hardest by the pandemic.
  - a. Supplemental direct student services
  - b. Organizational knowledge, skills, and mindset
4. Fiscal sustainability: Avoiding devastating layoffs and hiring additional educators to address learning loss.
5. Learning Technology: Funding for Wi-Fi hotspots and devices for students without connectivity for remote learning and supporting educators in the effective use of technology.

The table below shows a summary of the Federal recovery funds appropriated by Tulsa Public Schools since the start of the pandemic.

<b>Round of recovery funds</b>	<b>Amount awarded and availability date</b>
CARES/ESSER I - March 2020	~\$16.6M available through 9/30/22
ESSER II - December 2020	~\$58M available through 9/30/23
ESSER III - March 2021	~\$130M available through 9/30/24

In terms of economic outlook for the school year 2021-22 and its impact on Tulsa Public Schools budget, we anticipate the economic activity returning to normal levels, in great part due to the rollout of the Covid-19 vaccine. This should have a positive impact on both income and oil prices which represent the main source of revenue for the State of Oklahoma. However, major supply chain disruptions and shortage of key products are causing everything to rise in price, from new construction homes to toilet paper, which will have an impact and likely increase expenses for the district's operations.

The State of Oklahoma appropriated \$8.8 billion for the fiscal year 2022 budget, a 14% increase from 2021 and 23% below the fiscal year 2000 (adjusted by inflation & population). Also, the State has increased the education budget for FY22. The increase helps to close, only in part, the funding gap (reduction in state aid factor) from the last two years. State Aid factors are expected to increase \$104 per weighted average daily membership (WADM) but will still remain \$86 lower than the FY20 factor.

In FY22, Tulsa Public Schools believes it is essential that we focus on re-engaging our students and on supporting our schools as they deliver learning programs to help our students thrive post pandemic. The district will also work to recover most of the enrollment lost during the pandemic as vaccination rates increase and in-person learning continues providing all the necessary safety practices, protocols, and resources to keep students and team members safe.

Some risks and challenges that Tulsa Public Schools will monitor and manage are:

- The impact of HB 2078 passed on March 31, 2021 which changes the formula for distributing state aid to Oklahoma's public schools. The bill will be effective in school year 2022-23. HB 2078 removes financial safeguards meant to protect all students from the impact of abrupt changes in the local economy. Under current law, districts use the larger of their past two years' enrollments to calculate state aid and the larger of the past two years or the first nine weeks of the current year to determine mid-year adjustments. The two-year "look back" helps smooth out fluctuations in attendance for budgeting purposes and allow districts suffering large enrollment drops to adjust. HB 2078 shortens that "look-back" to one year, or the first nine weeks for the mid-year adjustment.

- Impact of inflation on cost structure and the continuation of supply chain issues. The district planned expenses could see a meaningful increase if inflation and supply chain challenges increase the cost of goods needed to operate schools.
- Local workforce and staffing shortages. During the pandemic we have seen higher than normal vacancy levels. If labor shortages increase due to the impact of the pandemic, it could have meaningful impact on the district's operations and classroom instruction. It can also generate budgetary pressures by the need to increase compensation in order to be competitive when recruiting in a labor market with less available work force.

## **MAJOR INITIATIVES**

### ***Covid-19 Re-entry and Recovery***

Since the COVID-19 pandemic intensified in March 2020, districts nationwide have faced the difficult task of reopening schools safely and keeping them open. For school year 2020-21, Tulsa Public Schools focused on, and deployed a vast amount of resources to ensure a safe re-entry to in-person learning, as well as initiatives to accelerate student learning and attend to the trauma and loss experienced by students and families. Tulsa Public Schools adopted a nimble and forward-looking recovery strategy encompassing social and emotional, as well as physical, safety. The district laid the groundwork for this strategy even before schools reopened to in-person instruction in late winter 2021, sustained these efforts through a safe and successful spring and summer, and continued them into the fall. From the beginning of the pandemic, Tulsa Public Schools established a methodical approach to reopening focused on data, communication, and transparency to allow the district to be nimble in responding to changing conditions. The district established strong partnerships with local and state public health organizations and created systems for tracking internal and external health and safety data to continually inform reopening efforts. Throughout the pandemic, the district committed to the use of data and to be informed by science, along with working closely with medical professionals.

Since the start of the pandemic and throughout school year 2020-21, Tulsa Public Schools developed and implemented several specific COVID-19 mitigation strategies leveraging ESSER and bond funding to implement them quickly and with high quality. Some of the key mitigation strategies the district invested on and implemented are vaccination clinics, free mask to all students and team members, upgraded ventilation systems with fresh air intake, Merv13 filters for HVAC system, air scrubbers for windowless rooms, operational windows in every classroom with windows, Covid-19 rapid testing for surveillance and symptomatic individuals, contact tracing at schools and office buildings, safety guidelines and quarantine procedures developed in partnership with the Tulsa Health Department, self-health screening system, cohorts and scheduling practices to maintain social distance, modification of meal services to support distance learning and safe in school eating, sanitation of surfaces and use of electrostatic sprayers for high quality deep disinfection, and ventilation plus mask and seating protocols in school buses.

Additionally, in response to the pandemic, Tulsa Public Schools launched Tulsa Virtual Academy in the fall of 2020, supported in part by Coronavirus Aid, Relief, and Economic Security (CARES) Act dollars. Tulsa Virtual Academy is the district's first full-time pre-k–12 virtual school. The district also established Wellness Teams and prioritized school community members' access to services and supports throughout the pandemic. Each school now has a Wellness Team, which includes some combination of an attendance clerk, social worker, nurse, teacher, principal, parent leader, and community partner. These teams existed prior to the pandemic, with a particular focus on student absenteeism, but they expanded during the pandemic to include more people and address additional metrics monitored using a newly developed Wellness Tracker. The Wellness Teams make direct phone calls and administer surveys to identify specific areas of need and mobilize resources, including referrals for mental health services, housing and food assistance, grief support groups, and other social services.

### ***Expanded Learning***

All students deserve access to a well-rounded and balanced education in learning environments that meet their holistic needs, support their diverse talents, and facilitate their growth into productive global citizens.

To meet these needs, every school ran a Tulsa Public Schools Summer Learning Academy/Summer Camp (July 2021) as a launch opportunity to pilot and test innovative, collaborative approaches to learning. Tulsa Public Schools' District Office funded community partners in their support of learning academies leveraging ESSER funds. Tulsa Public Schools Before & After Care was expanded in the fall to increase access to out-of-school time programming during the academic year. A High School Twilight Academy was launched to support our high school students with earning credits and graduating. The district is focused on leveraging partnerships, continuous improvement processes, and quality of out-of-school time (OST) programming during the school year as we build a true Expanded Learning model.

The expanded learning opportunities included spring, summer, and fall options available to all Tulsa Public Schools families, including:

- **Operation Graduation** - One-on-one support to fulfill graduation requirements and "Senior Bootcamps" to help with credit recovery. High school juniors and seniors were able to attend Tulsa Public Schools' new Twilight Academy, a flexible evening learning option for students looking to make up missed credits and receive the support they need to graduate with their peers.
- **Care and Connect** - Tulsa Public Schools continued offering targeted Care and Connect services on Wednesdays to provide small group, in-person academic, social, and emotional support to the students who need it most.
- **Ready. Set. Summer!** - From June to August, Tulsa Public Schools partnered with organizations across Tulsa to provide 11,000 students with summer enrichment activities across multiple sites.
- **Tutoring** - Small-group and one-on-one tutoring provided for free to students districtwide.

Through socio-emotional (SEL) support, expanded learning time, and before- and after-school partnerships, Tulsa Public Schools is leveraging federal recovery funding to put in place long-term recovery plans with effective mitigation strategies to protect against and recover from COVID-19, prioritizing acceleration and recovery while attending to the needs of the whole child.

### ***Improved Enrollment***

Three years ago, we set out to improve our enrollment system for families in Tulsa. Our vision is to provide Tulsans an enrollment system that is fair and easy, ensuring all students have equitable access to the available learning experiences of their choice, and to the opportunities to develop their full academic and social potential. Prior to the pandemic we had seen promising gains from a focus on in-person connection. Student participation increased significantly to more than double participation in 2019, students applied to more schools nearly doubling the number of applications per student, and the community is satisfied with the new system with 82% finding it extremely easy or somewhat easy, 88% satisfied with the application process, and 89% agreed they were able to get the information needed to choose the best school for their child.

The district put in place a number of efforts during school year 2020-21 to run a successful enrollment window in the middle of a pandemic when all kids are in distance learning, and when growing enrollment was very important.

Pandemic modifications to 20-21 enrollment:

- Shift to virtual enrollment events using Facebook live and Zoom
- Increased district support with parent communications and promotion
- Investment in paid advertising on television, radio, and social media

The efforts were successful. We saw more applicants overall even though the first enrollment window was two weeks shorter and without the advantage of face-to-face support, we saw an increase in applicants at key transitional grade levels, and 92% of families were placed in their first or second choice school.

### 2021 Bond for Tulsa Public Schools

On June 8, 2021, Tulsans approved the 2021 Bond for Tulsa Public Schools, a \$414 million investment in Tulsa children, teachers, and families that will make an impact in every school. Bonds have become a critical source for funding the day to day maintenance and operation of all district schools, which is why we have been so grateful for the support of Tulsa voters who passed the 2021 bond with a 73% approval.

**PROPOSITION 1:  
SAFE LEARNING  
ENVIRONMENTS -  
\$166.8 MILLION**  
Proposition 1 will keep all of our schools and buildings safe, accessible, and in good repair.

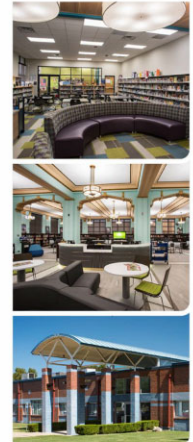
**PROPOSITION 2:  
STUDENT AND CLASSROOM  
TECHNOLOGY - \$90.7 MILLION**  
Proposition 2 ensures that all students and schools have the educational technology that 21st century learners need and deserve.

**PROPOSITION 3:  
TRANSPORTATION -  
\$17.3 MILLION**  
Proposition 3 will provide safe, comfortable, and environmentally sustainable transportation for every Tulsa student.

**PROPOSITION 4:  
QUALITY LEARNING  
MATERIALS AND PROGRAMS -  
\$139.3 MILLION**  
Proposition 4 will invest in providing exceptional learning experiences for every child.

## The 2021 Bond for Tulsa Public Schools is a \$414 million investment in Tulsa children, teachers, and families that will make an impact in every school:

- » Ensuring that every child learns in a safe, secure, healthy, and accessible environment;
- » Expanding access to programs that prepare every student to succeed in college and careers;
- » Strengthening science, technology, engineering, and math (STEM) programming in all schools;
- » Nurturing the whole child with investments in fine arts, athletics, physical education, wellness, and purposeful play; and
- » Providing state-of-the-art educational technology for every student and every teacher.



Learn more and find voter information at [TulsaSchools.org/2021Bond](https://TulsaSchools.org/2021Bond). The proposed 2021 bond package will not increase your tax rates.

2021 Citizen Bond Development Committee served as an advisory group and the voice of the community in developing the bond packages. The committee consisted of 36 citizens, nominated by board members from each district, along with community members from various organizations and citizen groups. Starting in June, 2020 the Citizen Bond Development Committee began a series of virtual meetings, working with district teams to review, recommend, and prioritize the extensive list of projects included in the four propositions being recommended to the Tulsa Board of Education for an election.

Bond investments are monitored and approved by our Citizens Bond Oversight Committee, a group of Tulsans who meet regularly to review progress on our 2021 bond projects. The committee includes board-appointed representatives from each school district and representatives from community groups and organizations. Citizens Bond Oversight Committee members will be appointed upon passage of the 2021 Bond. The Citizens Bond Oversight Committee meets bi-monthly throughout the bond's five-year life to monitor progress on bond projects and hold the district accountable for their completion. Any changes to bond projects are reviewed and approved by this oversight committee.

### STRATEGIC PLANNING

As the district is sun-setting its strategic plan, Destination Excellence, the Board of Education and the district administration has launched an effort to develop our 2022-2027 Strategic plan. Our Board of Education started the planning process in April 2021 with 35 listening sessions to understand what Tulsans expect and need from Tulsa Public Schools. Using the feedback they gathered, our Board

developed and voted to adopt a mission, vision, and set of goals and success measures. Across the summer of 2021, we worked with a 30-member community committee to co-develop what became Pathways to Opportunity, the 2022-2027 strategic plan for Tulsa Public Schools.

### **Board Goals**

The Tulsa Board of Education established three broad goals that represent the most important expectations our community holds for our school system. Between 2022-2027, these goals will be the measurable accomplishments upon which we will focus and that will serve as our collective North Star.

**Goal 1:** The percentage of K-5 students who are eligible for free/reduced lunch who are at/above the 50th percentile indicating grade-level proficiency in reading on MAP will increase from 23% in May 2021 to 40% by May 2027.

**Goal 2:** The percentage of 6-8 students who are eligible for free/reduced lunch who are at/above the 50th percentile indicating grade-level proficiency in reading on MAP will increase from 26% in May 2021 to 40% by May 2027.

**Goal 3:** The percentage of graduates earning post-secondary credits and qualifying credentials will increase from x% in May 2022 to y% by May 2027.

### **Our Strategies At-A-Glance**

**Strategy 1:** *Healthy schools in which students develop, achieve, and thrive*

Tulsa Public Schools will provide comprehensive social and emotional support for all students with skilled and supported team members.

**Strategy 2:** *Rich literacy that provides a lifetime of opportunity*

Tulsa Public Schools will develop students' ability to read, speak, think, and write in all content areas through evidence-based instructional materials and equitable practices.

**Strategy 3:** *Tulsa as a city of learning and opportunity*

Partner with our community to provide students with intentional learning opportunities in and out of school that spark curiosity and provide real-life experiences.

**Strategy 4:** *A rich, personalized, and real world-ready high school experience*

Tulsa Public Schools will offer high school courses that provide meaningful credits and credentials that help launch a choice-filled adult life.

**Strategy 5:** *A skilled team that reflects our community and is deeply valued for their contributions*

Tulsa Public Schools will cultivate a skilled, valued, and culturally responsive team that is motivated to stay and grow through multiple career pathways.

**Strategy 6:** *Welcome and value every family as their child's first, most important, and lifelong teachers*

Tulsa Public Schools will support, develop, and organize all of our team members to create an inclusive, engaging, and collaborative environment with families.

The strategies and initiatives in this plan are designed to align to goals, guardrails, and interim measures. The Board of Education and district administration will be measuring and tracking our progress periodically and discussing that monitoring during board meetings. More detailed information regarding Tulsa Public School's strategic plan can be found in the district's website at [www.tulsaschools.org](http://www.tulsaschools.org).



## **AWARDS**

In 2021, the Financial Services Department received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association (GFOA) for the June 30, 2020 Annual Comprehensive Financial Report (ACFR). To receive the Certificate of Achievement for Excellence, applicants must prepare an ACFR that meets rigorous program standards as well as generally accepted accounting principles and applicable statutory requirements. We believe that the ACFR for the year ended June 30, 2021 conforms to the Certificate of Achievement program requirements, and will submit this report to GFOA for review.

The Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting was also awarded for the June 30, 2020 Annual Comprehensive Financial Report (ACFR). This award recognizes school districts that produce an ACFR meeting the principles and standards of financial reporting as adopted by ASBO. We believe that the ACFR for the year ended June 30, 2021 meets these requirements and will submit this report to ASBO in application for this esteemed award.

## **REVENUES**

Tulsa Public School's 2020-21 general fund revenue totaled \$358.7 million. The primary funding source was the State of Oklahoma, with state revenue comprising 45.8 percent of the total, or \$164.2 million. The following table further illustrates the funding source breakdown (millions):

<b>Sources of Revenue</b>	<b>2021</b>	<b>Percent</b>
Local	\$ 109.8	30.6%
Intermediate	12.3	3.4%
State	164.2	45.8%
Federal	68.1	19.0%
Other	4.4	1.2%
Total	<u>\$ 358.7</u>	<u>100.0%</u>

Of those amounts, ad valorem tax revenue totaled \$101.1 million.

Ad valorem tax revenues account for 97 percent of the building fund deferred outflows and total \$14.4 million.

The child nutrition fund collects 72 percent of fund revenues from the federal nutrition program, administered through the U.S. Department of Agriculture.

## **CAPITAL PLANNING AND BOND FUNDS**

The district continues to follow a capital improvement plan developed in 1994 at the request of and with the input of the citizen's bond development committee. This plan addressed the needs of approximately 8 million square feet of space owned and maintained by Tulsa Public Schools.

The average age of the district's educational buildings is 63 years, and 98 percent of the buildings are 36 years old or older. Since 1996 and including the 2021 bond approved June 8, 2021, voters have approved bonds totaling \$1,727.4 million for new facilities, technology, media centers, school buses and textbooks for all students. Bond issues have received strong community support.

On June 8, 2021, Tulsans approved the 2021 Bond for Tulsa Public Schools, a \$414 million investment in Tulsa children, teachers, and families that will make an impact in every school. The four proposals included \$166.8 million for safe learning environments, \$90.7 million for student & classroom technology, \$17.3 million for transportation, and \$139.3 million for quality learning materials & programs. As of June 30, 2021 the district has \$32 million in bonds remaining to be issued as authorized by 2015 election. The

district's bonds are rated AA by Standard & Poor's. Furthermore, in fiscal year 2021, S&P Global Ratings views the outlook for this rating as stable.

## **FINANCIAL POLICIES AND CONTROLS**

District activities are governed by board-approved policies and regulations. The board's policy committee reviews all proposals for new or revised policies. After review, the policy recommendation is placed on the board agenda for information, and then consent. Policies are routinely reviewed by administrators to insure that they are consistent with current law. The paragraphs below summarize the key policies that address the financial activities of the district:

**Accounting system** – Defines the Oklahoma Cost Accounting System and its required compatibility with the budgetary control system. Also provides approval requirements for journal entries.

**Financial reports and statements** – Defines the periodic financial reporting requirements.

**Types of funds** – Establishes separate funds for accounting purposes.

**Depository of funds/banking services** – Establishes requirements for bidding and investment services.

**Purchasing** – Defines responsibilities and levels of authority in the Purchasing department.

**Solicitation requirements** – Defines requirements for solicitations and competitive procurement.

**Expense reimbursement** – Establishes authority for reimbursing employees for travel expenses.

**Audit** – Requires an independent annual audit be performed in accordance with governmental auditing standards.

**Inventories** – Requires an annual inventory of district assets, identifies capitalization thresholds, and identifies individuals responsible for maintaining inventory records.

**Budget transfer authority** – Defines levels of authority and required approvals for budget transfers.

**Statement of income and expenditures and the related budget process** – Establishes the timeline for preparing the annual statement of income and expenditures, and for preparing the annual school district budget plan.

In addition to these explicit policies, the district maintains a strong internal and budgetary control structure:

**Internal control structure** – District management is responsible for implementing and enforcing a system of internal controls to protect the assets from loss, theft, or misuse and to ensure that reliable accounting data are available for the timely preparation of financial statements in accordance with GAAP. The internal controls structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management. An evaluation of the internal control structure during the annual audit disclosed no material weaknesses.

**Budgetary control** – The objective of the district's budgetary controls is to ensure compliance with legal appropriation limitations and to provide an operating plan for the district's resources. The annual appropriated budget includes the general fund, special revenue funds for building and child nutrition, capital improvement funds, and debt services fund. Preliminary budgets are adopted at the commencement of the fiscal year with periodic amendments approved by the Board of Education. Budgetary control for accounts without a project is generally at the full account level. For accounts

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**INTRODUCTORY SECTION: LETTER OF TRANSMITTAL**

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within a project the budgetary control is generally maintained by fund, project and site. These appropriated budgets represent the legally adopted fiscal plan of the district. Board of Education approval is required for budgetary transfers totaling \$25,000 and greater. The district utilizes an encumbrance system as a budgetary control mechanism.

Under GASB Statement 68, beginning with the 2014-15 financial statements, the district is required to report the proportionate share of the unfunded liability for the state's Teacher's Retirement System. This represents a significant change in the district's financial statements and is described more fully in the notes to the financial statements. It is important to note, however, that (as established by existing case law) the pension liability is the legal obligation of the State of Oklahoma, not the local employer.

Under GASB Statement 72, beginning with the 2015-16 financial statements, the district, in order to enhance the comparability of financial statements, is using fair value measurement for certain investments.

Under GASB Statement 77, beginning with the 2016-17 financial statement, the district disclosed information regarding tax abatements in the notes to the financial statements.

Under GASB Statement 84, beginning with the 2018-19 financial statements, the district determined under the new guidance that our Student Activity Fund is not fiduciary activities. This fund is now reported with our other non-major funds in the basic financial statements.

Capital projects activity is controlled with approval of the bond plans and is monitored by individual bond project budgets. The citizen bond oversight committee reviews all bond project budgets and expenditure reports.

**ACKNOWLEDGEMENTS**

We would like to express appreciation to all the members of the Finance department who assisted with the preparation of this comprehensive annual financial report. Our goal is to continuously improve our financial accountability to our citizens.

We would also like to thank the members of the Board of Education for their interest and support in conducting the financial affairs of the district in a responsible and progressive manner.

Respectfully submitted,



Deborah A. Gist, Ed.D.  
Superintendent



Jorge Robles  
Chief Finance and Operations Officer

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Tulsa Public Schools  
Independent School District No. I-1  
Oklahoma**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

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ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Tulsa Public Schools,  
Independent School District I-1**

**for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director

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## Financial Section

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RSM US LLP

## Independent Auditor's Report

Board of Education  
Tulsa Public Schools  
Tulsa, Oklahoma

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tulsa Public Schools (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District'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 accounting principles generally accepted in the United States of America; this includes 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 opinions 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 District'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.

### Opinions

In our 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 District, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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AUDIT | TAX | CONSULTING

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the District's proportionate share of the net pension liability, the schedule of the District's pension plan contributions, the schedule of the District's proportionate share of the net OPEB liability (asset), the schedule of the District's OPEB plan contributions, the General Fund budgetary comparison schedule, the reconciliation of the General Fund statement of revenues, expenditures and changes in fund balances to the budgetary comparison schedule, and the related notes to required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental combining and individual fund financial statements and schedules and the introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying Introductory and Statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2022 (under separate cover), on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*RSM US LLP*

Oklahoma City, Oklahoma  
January 31, 2022

Our discussion and analysis of the financial performance of Independent School District No. I-1, Tulsa Public Schools, ("district"), provides an overview of the district's financial activities for the fiscal year ended June 30, 2021. The intent of this management discussion and analysis is to look at the district's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the district's financial performance.

## FINANCIAL HIGHLIGHTS

At fiscal 2021 year end, total fund balance of governmental funds was \$195.7 million, an increase of \$29.2 million, primarily due to a net decrease of \$25.5 million in liabilities and deferred inflows and a small increase in total assets of \$3.7 million. Bond proceeds of \$80 million was \$26 million more than proceeds in fiscal 2020. The district issues these debt offerings to further fund capital improvements and acquisitions while our overall credit rating remained strong. The district was given a "AA" rating by Standard and Poor's for the general obligation bonds issued during the year and furthermore, Moody's Investor Service, affirmed the district's outstanding Aa2 general obligation unlimited tax (GOULT) rating and revised the outlook from negative to stable.

## OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the district's basic financial statements, which comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide financial statements** – The *government-wide financial statements* are designed to provide readers with a broad overview of the district's finances.

The *statement of net position* presents information on all of the district's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The *statement of activities* presents information showing how the district's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements outline functions of the district that are principally supported by property taxes and intergovernmental revenues. The activities of the district include instruction, support services - student and staff, operation and maintenance of plant facilities, student transportation, and operation of non-instructional services. Examples of the types of expenses that can be found in these categories include:

*Instruction* – costs associated with activities that deal directly with the interaction between students and teachers.

*Support services – student and staff* – includes costs for activities that serve as adjuncts for fulfilling the objectives of instruction such as counseling, social work, testing, health services, psychological service, speech pathology, library, and professional development for instructional staff.

*Instructional and school leadership* – costs associated with the overall general administrative responsibility for a single school or group of schools, including principals, deans and assistant principals, and school office support.

*Administrative support services* – includes costs such as the superintendent's office, board of education and related support, legal, audit, budgeting, accounting and financial reporting, payroll, human resource functions, purchasing, warehouse support, information services and communications, centralized printing services, and community relations.

*Non-instructional services* – includes costs for child nutrition (cafeteria).

*Operation and maintenance of plant services* – costs for utilities, grounds upkeep, custodial, security, building repairs and maintenance that do not meet capitalization thresholds or criteria, and the servicing and maintenance of school vehicles other than school buses.

*Student transportation services* – costs associated with transporting students including drivers, bus maintenance and depreciation, fuel, and transportation administration.

The government-wide financial statements can be found on pages 43 and 44 of this report.

**Fund financial statements** – A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the district's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. These reconciliations are on pages 46 and 48, respectively.

The basic governmental fund financial statements can be found on pages 45 and 47 of this report.

**Notes to the financial statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49 through 84 of this report.

**Other information** – In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the district's budget process. The district adopts an annual expenditure budget for all governmental funds. A budgetary comparison schedule has been provided for the general fund as required supplementary information. Required supplementary information also includes the district's contributions to Oklahoma Teacher's Retirement System and the district's proportionate share of the net pension liability. The required supplementary information can be found on pages 87 through 93 of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve as a useful indicator of a government's financial position over time. In the case of the district, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$289.8 million as of June 30, 2021 compared to \$307.5 million as of June 30, 2020, a decrease of \$17.6 million, or 5.7%. This decrease is primarily due to a \$79.6 million increase in deferred outflows for pension and OPEB and a net increase of \$97.7 million in total liabilities and deferred inflows of resources. The change in liabilities is largely due to an increased net pension liability that was 53% higher than prior year.

The largest portion of the district's net position reflects its investment in capital assets (e.g. land, buildings, vehicles, fixtures and equipment, and construction in progress), net of accumulated depreciation plus deferred inflows/outflows of resources (if applicable) less any related debt used to acquire those assets still outstanding. The district uses these capital assets to provide services to its students; consequently, these assets are *not* available for future spending. Although the district's investment in its capital assets is reported net of related debt, it should be noted that the resources

**FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS**

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needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The district's financial position is the product of several types of financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

A summary of the district's net position is presented below:

	Statement of Net Position at June 30,	
	2021	2020
	(millions)	
Current assets	\$ 355.5	\$ 383.3
Noncurrent assets	88.4	58.8
Capital assets, net	631.6	634.4
Total assets	1,075.5	1,076.5
Deferred outflows of resources	128.1	46.9
Current liabilities	126.9	153.0
Long-term liabilities	568.5	434.3
Total liabilities	695.3	587.3
Succeeding year property taxes	190.2	187.9
Deferred pension and OPEB inflows	28.3	40.9
Total deferred inflows of resources	218.5	228.8
Net position:		
Net investment in capital assets	399.7	384.8
Restricted	96.7	100.6
Unrestricted	(206.6)	(177.9)
Total net position	\$ 289.8	\$ 307.5

Several significant current year transactions had an impact on the statement of net position, and include the following:

- Long-term liabilities increased \$134.1 million due to a large increase in the pension liability of \$127.5 million and a slight increase in bonds and capital leases of \$7.5 million.

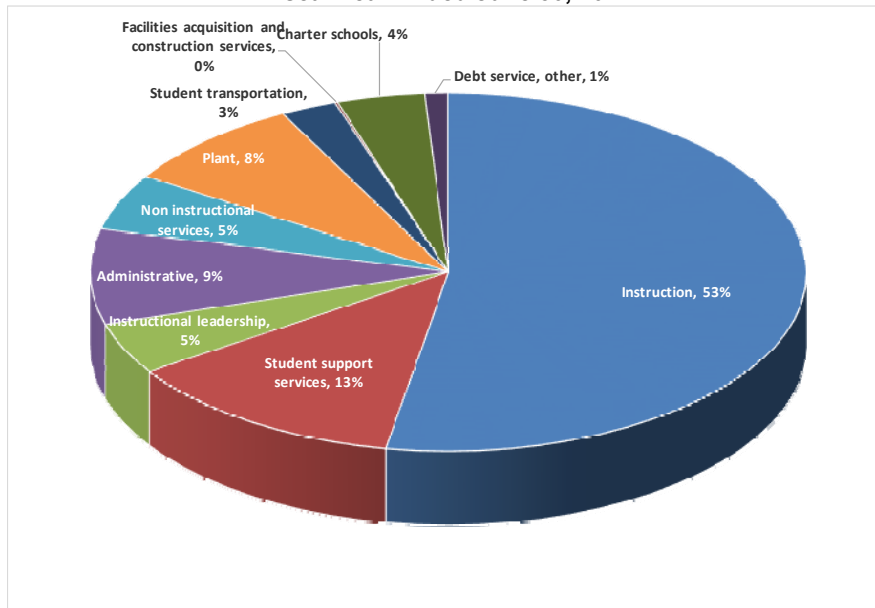
**Changes in net position.** The district's total revenues were \$456.8 million, a decrease of \$31.6 million from the prior fiscal year total of \$488.4 million primarily due to decreases in state aid of \$21.5 million and property taxes received of \$10.5 million. The total cost of all programs and services was \$474.5 million and \$449.0 million for the fiscal years ended June 30, 2021 and 2020, respectively. This increase of \$27.1 million largely reflects a continued increase of costs for instruction and related services and student/staff support services netting an increase of \$44.8 million. Decreases across administrative support, operational services and construction costs netting \$17.2 million helped to offset the costs needed for instruction.

**FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following table presents a summary of the change in net position for the fiscal years ended June 30, 2021 and 2020:

	Statement of Activities	
	2021	2020
	(millions)	
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 3.3	\$ 11.8
Operating grants and contributions	106.4	94.8
General revenues:		
Property taxes	179.0	189.5
State aid - formula grants	79.2	100.7
Dedicated state revenue	65.6	71.1
County revenue	12.3	11.3
Unrestricted investment earnings	0.5	2.9
Other local revenue	10.5	6.3
<b>Total revenues</b>	<b>456.8</b>	<b>488.4</b>
<b>Expenses:</b>		
Instruction and instruction-related services	250.4	211.8
Support services - student and staff	61.3	56.8
Instructional and school leadership	21.9	23.7
Administrative support services	40.6	45.6
Operation of non-instructional services	24.2	31.0
Operation and maintenance of plant services	39.8	38.7
Student transportation services	12.0	13.2
Facilities acquisition and construction services	0.6	6.0
Charter schools	18.8	17.7
Interest on long-term debt	4.9	4.5
<b>Total expenses</b>	<b>474.5</b>	<b>449.0</b>
<b>Increase/(Decrease) in net position</b>	<b>(17.7)</b>	<b>39.4</b>
<b>Net position - ending</b>	<b>\$ 289.8</b>	<b>\$ 307.5</b>

**District Expenses by Function – Governmental Funds  
Fiscal Year Ended June 30, 2021**





## FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS

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**Governmental activities** – The district reports its activities in the following functional categories: instruction and instruction-related services, support services – student and staff, instructional and school leadership, administrative support services, operation of non-instructional services, operation and maintenance of plant facilities, student transportation services, facilities acquisition and construction services, charter schools, and interest on long-term debt. The net expense shows the financial burden that was placed on the state and district's taxpayers by each of these functions and is net of program-specific revenues and grants:

	Total Expense	Net Expense (millions)	% Net Expense
Instruction and instruction-related services	\$ 250.4	\$ 158.2	43%
Support services - student and staff	61.3	59.1	16%
Instructional and school leadership	21.9	21.9	6%
Administrative support services	40.6	40.6	11%
Operation of non-instructional services	24.2	9.6	3%
Operation and maintenance of plant services	39.8	39.0	11%
Student transportation services	12.0	12.0	3%
Facilities acquisition and construction services	0.6	0.6	0%
Charter schools	18.8	18.8	5%
Interest on long-term debt	4.8	4.9	1%
<b>Total</b>	<b>\$ 474.4</b>	<b>\$ 364.7</b>	<b>100%</b>

### FINANCIAL ANALYSIS OF DISTRICT'S FUNDS

As noted earlier, the district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the district's governmental funds is to provide information on near-term inflow, outflows, and balances of expendable resources. Such information is useful in assessing the district's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the district's net resources available for spending at the end of the year.

These funds are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can be readily converted to cash. These statements provide a detailed short-term view of the school district's operations and the services it provides.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The district's fund financial statements provide detailed information about the most significant funds—not the district as a whole. The district's governmental funds use the following accounting approach. All of the district's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the district's operations and the services it provides.

The district maintains three major governmental funds: general, capital projects, and debt service. The following schedules present a summary of each major fund's revenues and other financing sources by

**FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS**

type and expenditures by program for the period ended June 30, 2021 as compared to June 30, 2020. They also depict the amount and percentage increases and decreases in relation to prior year revenues and other financing resources.

**General Fund**

**Revenues and Other Financing Sources  
(Millions)**

	2021 Amount	2020 Amount	2021 Percent Of Total	Increase (Decrease) From 2020	Percent Increase (Decrease) From 2020
Revenues:					
Property taxes	\$ 99.4	\$ 96.6	27.7%	2.8	2.9%
Other local sources	10.4	16.1	2.9%	(5.7)	-35.4%
Intermediate sources	12.3	11.3	3.4%	1.0	8.8%
Fees and charges	1.4	2.0	0.4%	(0.6)	-30.0%
State aid	164.2	191.5	45.8%	(27.3)	-14.3%
Federal aid	68.1	33.2	19.0%	34.9	105.1%
Earnings on investments	0.9	2.5	0.3%	(1.6)	-64.0%
Miscellaneous	2.0	2.4	0.6%	(0.4)	-16.7%
Revenues	<u>\$ 358.7</u>	<u>\$ 355.6</u>	<u>100.0%</u>	<u>3.1</u>	<u>0.9%</u>
Other financing sources	0.5	0.2	0.1%	0.3	150.0%
Total	<u>\$ 359.2</u>	<u>\$ 355.8</u>	<u>100.0%</u>	<u>3.4</u>	<u>1.0%</u>

Revenues increased by \$3.4 million. A large increase of \$34.9 million in federal aid due to pandemic assistance grants was offset by a large decrease of \$27.3 million in state aid.

**Expenditures  
(Millions)**

	2021 Amount	2020 Amount	2021 Percent Of Total	Increase (Decrease) From 2020	Percent Increase (Decrease) From 2020
Instruction and instruction-related services	\$ 181.8	\$ 193.3	53.0%	(11.5)	-5.9%
Support services - student and staff	54.9	51.0	16.0%	3.9	7.6%
Instructional and school leadership	21.9	23.7	6.4%	(1.8)	-7.6%
Administrative support services	25.7	27.2	7.5%	(1.5)	-5.5%
Operation of non-instructional services	4.7	1.8	1.4%	2.9	161.1%
Operation and maintenance of plant services	22.2	24.7	6.5%	(2.5)	-10.1%
Student transportation services	9.2	12.7	2.7%	(3.5)	-27.6%
Facilities acquisition and construction services	4.2	-	1.2%	4.2	0.0%
Charter schools	18.8	17.7	5.5%	1.1	6.2%
Debt Service	0.3	-	0.1%	0.3	0.0%
Total	<u>\$ 343.7</u>	<u>\$ 352.1</u>	<u>100.0%</u>	<u>(8.4)</u>	<u>-2.4%</u>
Change in fund balance	<u>\$ 15.5</u>	<u>\$ 3.7</u>			

Expenditures decreased by \$8.4 million primarily due to decreased spending in instruction and related services and student transportation of \$15 million due to the majority of the school year being in distance learning mode. Increased spending in the general fund of \$4.2 million for facilities acquisition and construction services and \$3.9 million for student and staff support services are reflective of how some of the pandemic federal aid funds were used for improvements to school safety for better air quality and outdoor spaces as well as expenses for providing internet access for students and teachers while at their homes.

**FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Capital Projects Fund**

**Revenues and Other Financing Sources  
(Millions)**

	2021	2020	2021	Increase	Percent
	Amount	Amount	Percent	(Decrease)	Increase
			Of Total	2020	(Decrease)
					From 2020
Revenues:					
Earnings (loss) on investments	(0.1)	-	-0.1%	(0.1)	0.0%
Other financing sources	85.4	60.7	100.1%	24.7	40.8%
Total	\$ 85.3	\$ 60.7	100.0%	\$ 24.6	40.6%

**Other financing sources** increased \$24.6 million from fiscal year 2020, due to the increase of \$24.7 million in bonds issued.

**Expenditures  
(Millions)**

	2021	2020	2021	Increase	Percent
	Amount	Amount	Percent	(Decrease)	Increase
			Of Total	From 2020	(Decrease)
					From 2020
Instruction and instruction-related services	\$ 17.3	\$ 8.4	24.9%	\$ 8.9	106.0%
Support services - student and staff	3.5	3.0	5.0%	0.5	16.7%
Administrative support services	7.4	12.2	10.6%	(4.8)	-39.3%
Operation and maintenance of plant services	1.2	1.4	1.7%	(0.2)	-14.3%
Student transportation services	1.3	2.3	1.9%	(1.0)	-43.5%
Facilities acquisition and construction services	26.5	50.6	38.1%	(24.1)	-47.6%
Debt Service	12.3	2.9	17.7%	9.4	324.1%
Total	\$ 69.5	\$ 80.8	100%	\$ (11.3)	-14.0%
Change in fund balance	\$ 15.8	\$ (20.1)			

**Capital expenditures** decreased by \$11.3 million primarily due to continued reduction of construction service costs by \$24.1 million and decreased administrative support services expenses of \$4.8 million. Decreased spending was offset by increases in the capital fund for instruction and related services by \$8.9 million largely due to the need for more technology to be in a distance learning educational model for safety during the pandemic. Debt service also increased \$9.4 million.

**Debt Service Fund**

**Revenues and Other Financing Sources  
(Millions)**

	2021	2020	2021	Increase	Percent
	Amount	Amount	Percent	(Decrease)	Increase
			Of Total	2020	(Decrease)
					2020
Revenues:					
Property taxes	\$ 75.9	\$ 80.9	93.0%	\$ (5.0)	-6.2%
Earnings(loss) on investments	(0.7)	(0.1)	-0.9%	(0.6)	600.0%
Other financing sources	1.4	0.8	1.7%	0.6	75.0%
Total	<u>\$ 76.6</u>	<u>\$ 81.6</u>	<u>100.0%</u>	<u>\$ (5.0)</u>	<u>-6.1%</u>

**Debt service revenues** decreased by (\$5.0)million to provide debt service for the general obligation bonds.

**Expenditures  
(Millions)**

	2021	2020	2021	Increase	Percent
	Amount	Amount	Percent	(Decrease)	Increase
			Of Total	2020	(Decrease)
					2020
Debt service	<u>79.8</u>	<u>81.6</u>	<u>97.8%</u>	<u>(1.8)</u>	<u>-2.2%</u>
Change in fund balance	\$ <u>(3.2)</u>	\$ <u>-</u>			

**Debt service expenditures** decreased by \$1.8 million due to the decrease in current principal and interest payments on the general obligation bonds.

**BUDGETARY HIGHLIGHTS**

The district's budget is prepared according to Oklahoma law and is based on accounting for certain transactions in appropriated funds on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund, which, including the fund balance, represented 55% of all original budgets of appropriated funds. Only the general fund is discussed below.

For 2021, the district originally budgeted general fund revenues of \$336.5 million and expenditures of \$338.0 million. Plans were revised and an amended budget was filed in May 2021. The revised budget decreased revenue expectations to \$329.7 million and decreased projected expenditures to \$331.1 million.

Actual revenue on a budgetary basis for the general fund was \$0.0 million more than projected.

Actual expenditures for the year were \$1.0 million less than the final budget. While expenditures for salary and benefits were \$2.1 million greater than expected, this was offset by expenditures being less than projected in the areas of purchased services (down \$2 million), supplies and materials (down \$.4 million) and fees (down \$.7 million). These less than projected expenditures were directly related to schools moving to distance learning due to COVID-19 pandemic.

Expenditures for instruction and instruction-related services, support services, instructional and school leadership, and direct payments to charter schools were budgeted at a final budget of \$264.0 million or 80% of total budgeted expenditures. Actual expenditures for these same items were \$262.5 million or 80% of total actual expenditures.

The actual fund balance carry forward of \$34.1 million was \$1.2 million more than the final budgeted amount of \$32.9 million.

**FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Capital assets.** As of June 30, 2021, the district had invested \$631.6 million, net of accumulated depreciation of \$479.3 million, in capital assets including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represented a net decrease of \$2.8 million, or 0.4%.

<u>Capital assets (at cost)</u>	<u>June 30,</u> <u>2020</u>	<u>Increases</u>	<u>Decreases</u> <u>and</u> <u>Transfers</u>	<u>June 30,</u> <u>2021</u>
			(millions)	
Land	\$ 5.9	\$ -	\$ -	\$ 5.9
Construction in progress	53.0	31.5	(63.8)	20.7
Assets out of service	1.2	-	-	1.2
Buildings	949.0	-	55.8	1,004.8
Equipment and vehicles	78.3	0.2	(0.2)	78.3
Total asset cost	<u>1,087.4</u>	<u>31.7</u>	<u>(8.2)</u>	<u>1,110.9</u>
 <b>Accumulated depreciation</b>	 <u>(453.0)</u>	 <u>(34.1)</u>	 <u>7.8</u>	 <u>(479.3)</u>
 <b>Capital assets (net)</b>	 <u>\$ 634.4</u>	 <u>\$ (2.4)</u>	 <u>\$ (0.4)</u>	 <u>631.6</u>

Additional information related to the district's capital assets can be found in note 6 on page 66 of this report.

**Debt administration.** At the end of the fiscal year, the district had \$257.4 million in bonds and capital leases outstanding, \$72.7 million due within one year. The following table presents a summary of the district's outstanding long-term debt for the fiscal years ending June 30, 2021 and 2020.

	<u>June 30,</u>		
	<u>2021</u>	<u>2020</u>	<u>Change</u>
			(millions)
Capital leases (at present value)	\$ 2.8	\$ 10.9	\$ (8.1)
General obligation bonds	254.6	248.7	5.9
Net unamortized bond premium	3.0	2.8	0.2
Total	<u>\$ 260.4</u>	<u>\$ 262.4</u>	<u>\$ (2.0)</u>

State statutes currently limit the amount of total aggregate net indebtedness to ten percent of the net assessed valuation of taxable property within the district. As of June 30, 2021, the district had a legal debt limitation of \$274.2 million, which was \$90.4 million more than the district's net bonded indebtedness.

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## FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS

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In March 2015, the electors approved authority for the issuance of \$415 million in combined purpose bonds for building improvement and equipment acquisitions. At June 30, 2021, \$382.5 million had been issued with \$32.5 million remaining available for future issuances. See note 8 for additional information regarding the district's long-term debt on pages 68-69.

In June of 2021 the electors approved authority for the issuance of \$414 million in combined purpose, general obligation school bonds for safe learning environments, student and classroom technology, transportation, and quality learning materials. As of June 30, 2021 the district had not issued any bonds in connection with the June 2021 approval.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, parents, students, investors and creditors with a general overview of the district's finances to show accountability for the money it receives. Additional details can be requested at the following address:

Tulsa Public Schools  
Jorge Robles  
Chief Finance and Operations Officer  
3027 S. New Haven Ave.  
Tulsa, OK 74114  
Or visit our website at: [www.tulsaschools.org](http://www.tulsaschools.org)

## Basic Financial Statements

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**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**Statement of Net Position  
June 30, 2021  
(Thousands)**

	<b>Governmental Activities</b>	<b>Component Unit</b>
<b>ASSETS</b>		
Current		
Cash and cash equivalents	\$ 118,371	\$ 6,289
Investments	6,001	1,649
Receivables net of allowance for uncollectibles	228,563	5,448
Inventories and other assets	2,553	16
Total current assets	355,488	13,402
Noncurrent:		
Investments	88,044	-
Net OPEB asset	385	-
Capital assets		
Land, construction in progress, and assets out of service	27,839	-
Other capital assets net of accumulated depreciation	603,744	-
Total noncurrent assets	720,012	-
Total assets	1,075,500	13,402
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred OPEB outflows	1,711	-
Deferred pension plan outflows	126,398	-
Total deferred outflows of resources	128,109	-
<b>LIABILITIES</b>		
Current:		
Accounts payable and other current liabilities	49,293	3
Current portion of bonds and capital leases	72,673	-
Accrued interest	2,348	-
Compensated absences	630	-
Insurance claims	1,931	-
Total current liabilities	126,875	3
Noncurrent:		
Bonds and capital leases	187,711	-
Compensated absences	7,404	-
Net pension liability	369,062	-
Insurance claims	4,276	-
Total long-term liabilities	568,453	-
Total liabilities	695,328	3
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Succeeding year property tax	190,152	-
Deferred pension plan inflows	27,457	-
Deferred OPEB inflows	845	-
Total deferred inflows of resources	218,454	-
<b>NET POSITION</b>		
Net investment in capital assets	399,731	-
Restricted for:		
Debt service	75,327	-
Building	5,851	-
Other	15,492	11,097
Unrestricted (deficit)	(206,574)	2,302
Total net position	\$ 289,827	13,399

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

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**Statement of Activities  
For the Year Ended June 30, 2021  
(Thousands)**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	Component Unit The Foundation
<b>Primary Government:</b>					
Instruction and instruction-related services	\$ 250,404	\$ 1,749	\$ 90,409	\$ (158,246)	\$ -
Support services - student and staff	61,291	330	1,856	(59,105)	-
Instructional and school leadership	21,894	-	-	(21,894)	-
Administrative support services	40,619	-	-	(40,619)	-
Operation of non-instructional services	24,200	395	14,142	(9,663)	-
Operation and maintenance of plant services	39,801	830	-	(38,971)	-
Student transportation services	11,967	-	-	(11,967)	-
Facilities acquisition and construction services	650	-	-	(650)	-
Charter schools	18,783	-	-	(18,783)	-
Interest on long-term debt	4,855	-	-	(4,855)	-
<b>Total primary government</b>	<b>\$ 474,464</b>	<b>\$ 3,304</b>	<b>\$ 106,407</b>	<b>\$ (364,753)</b>	<b>\$ -</b>
<b>Component Unit:</b>					
School District support	\$ 9,337	\$ -	\$ 11,373	\$ -	\$ 2,036
<b>General revenues:</b>					
<b>Taxes:</b>					
Property taxes, levied for general purpose				110,939	-
Property taxes, levied for debt service				68,106	-
County 4 mill levy and apportionment				12,252	-
State aid - formula grants				79,161	-
Unrestricted dedicated state revenue				65,605	-
Unrestricted investment income				508	285
Other local revenue				10,551	-
<b>Total general revenues</b>				<b>347,122</b>	<b>285</b>
<b>Change in net position</b>				<b>(17,631)</b>	<b>2,321</b>
Net position - beginning				307,458	11,078
Net position - ending				<b>\$ 289,827</b>	<b>\$ 13,399</b>

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

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**Balance Sheet - Governmental Funds  
June 30, 2021  
(Thousands)**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 72,874	\$ 20,056	\$ 17,846	\$ 7,595	\$ 118,371
Investments	15,751	11,937	58,079	8,279	94,046
Receivables net of allowance for uncollectibles	131,129	-	79,054	18,380	228,563
Inventories and prepaid items	1,116	789	-	648	2,553
Total Assets	<u>\$ 220,870</u>	<u>\$ 32,782</u>	<u>\$ 154,979</u>	<u>\$ 34,902</u>	<u>\$ 443,533</u>
<b>LIABILITIES</b>					
Liabilities:					
Accounts payable and accrued liabilities	42,889	4,250	9	2,145	49,293
Claims and judgments	126	-	-	-	126
Total liabilities	<u>43,015</u>	<u>4,250</u>	<u>9</u>	<u>2,145</u>	<u>49,419</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Succeeding year property tax	101,061	-	74,654	14,437	190,152
Unavailable revenue	5,064	-	2,641	586	8,291
Total deferred inflows of resources	<u>106,125</u>	<u>-</u>	<u>77,295</u>	<u>15,023</u>	<u>198,443</u>
<b>FUND BALANCES</b>					
Non-spendable					
Inventories and prepaids	1,116	789	-	648	2,553
Endowments	-	-	-	30	30
Restricted					
Federal and state allocation carryover	2,358	-	-	-	2,358
Capital projects	-	27,743	-	-	27,743
Debt service	-	-	77,675	-	77,675
Building	-	-	-	5,851	5,851
Child nutrition	-	-	-	3,890	3,890
Gifts	-	-	-	2,750	2,750
Flexible benefit	-	-	-	2	2
Arbitrage	-	-	-	13	13
Student activities	-	-	-	4,550	4,550
Assigned					
Purchases on order	20,119	-	-	-	20,119
Unassigned	48,137	-	-	-	48,137
Total fund balances	<u>71,730</u>	<u>28,532</u>	<u>77,675</u>	<u>17,734</u>	<u>195,671</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 220,870</u>	<u>\$ 32,782</u>	<u>\$ 154,979</u>	<u>\$ 34,902</u>	<u>\$ 443,533</u>

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

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

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**Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
June 30, 2021  
(Thousands)**

**Total fund balances - governmental funds** \$ 195,671

Net OPEB asset is not a current financial resource and so is not recorded  
in the governmental funds 385

The cost of capital assets purchased or constructed is reported as an expenditure  
in the governmental funds. The Statement of Net Position includes those capital  
assets among the assets of the District as a whole. Capital assets used  
in governmental activities are not financial resources and therefore are not reported  
as assets in governmental funds.

Land	\$ 5,967	
Construction in progress	20,689	
Assets out of service	1,183	
Buildings	1,004,801	
Furniture and equipment	78,260	
Accumulated depreciation	<u>(479,317)</u>	631,583

Long-term liabilities, including bonds payable, are not due and payable in the  
current period and therefore are not reported as governmental fund liabilities.  
Interest payable on debt and other long-term obligations is also not recorded  
in the governmental funds but is reported in the Statement of Net Position.  
All liabilities, both current and long-term, are reported in the Statement of  
Net Position. Liabilities not reported as governmental fund

liabilities include:

Bonds and capital leases	\$ (260,384)	
Interest payable	(2,348)	
Compensated absences	(8,034)	
Net pension liability	(369,062)	
Insurance claims	<u>(6,082)</u>	(645,910)

Other long-term assets are not available to pay for current period expenditures  
and, therefore, are reported as unavailable revenue in the governmental funds. 8,291

Pension and OPEB related deferred outflows and inflows are not due and payable in the  
current period, therefore, they are not reported in governmental funds.

Deferred OPEB outflows		1,711
Deferred OPEB inflows		(845)
Deferred pension outflows		126,398
Deferred pension inflows		<u>(27,457)</u>

**Total net position** \$ 289,827

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

## FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS

### Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds For the Year Ended June 30, 2021 (Thousands)

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 99,416	\$ -	\$ 75,871	\$ 14,171	\$ 189,458
Other local sources	10,384	-	-	1,843	12,227
Intermediate sources	12,251	-	-	-	12,251
Fees and charges	1,409	-	-	834	2,243
State aid	164,171	-	-	3,518	167,689
Federal aid	68,072	-	-	14,938	83,010
Earnings (Loss) on investments	951	(110)	(682)	367	526
Miscellaneous	2,006	-	-	2,556	4,562
Total revenues	<u>358,660</u>	<u>(110)</u>	<u>75,189</u>	<u>38,227</u>	<u>471,966</u>
<b>EXPENDITURES</b>					
Current:					
Instruction and instruction-related services	181,824	-	-	1,096	182,920
Support services - student and staff	54,932	-	-	784	55,716
Instructional and school leadership	21,876	-	-	52	21,928
Administrative support services	25,648	-	-	1,082	26,730
Operation of non-instructional services	4,733	-	-	17,045	21,778
Operation and maintenance of plant services	22,163	-	-	14,548	36,711
Student transportation services	9,233	-	-	15	9,248
Facilities acquisition and construction services	4,237	-	-	1,322	5,559
Charter schools	18,783	-	-	-	18,783
Debt service					
Principal	252	12,180	74,135	1,101	87,668
Interest	11	149	5,643	99	5,902
Capital Outlay					
Instruction and instruction-related services	-	17,331	-	-	17,331
Support services - student and staff	-	3,520	-	-	3,520
Instructional and school leadership	-	-	-	-	-
Administrative support services	-	7,421	-	-	7,421
Operation of non-instructional services	-	-	-	-	-
Operation and maintenance of plant services	-	1,235	-	-	1,235
Student transportation services	-	1,322	-	-	1,322
Facilities acquisition and construction services	-	26,380	-	-	26,380
Total expenditures	<u>343,692</u>	<u>69,538</u>	<u>79,778</u>	<u>37,144</u>	<u>530,152</u>
Excess (deficiency) revenues over expenditures	<u>14,968</u>	<u>(69,648)</u>	<u>(4,589)</u>	<u>1,083</u>	<u>(58,186)</u>
<b>OTHER FINANCING SOURCES</b>					
Capital lease	-	5,446	-	-	5,446
Bond issuances	-	80,000	-	-	80,000
Premium on bond issuances	-	-	1,419	-	1,419
Proceeds from sale of capital assets	509	-	-	-	509
Total other financing sources	<u>509</u>	<u>85,446</u>	<u>1,419</u>	<u>-</u>	<u>87,374</u>
Net change in fund balances	<u>15,477</u>	<u>15,798</u>	<u>(3,170)</u>	<u>1,083</u>	<u>29,188</u>
Fund balances -- June 30, 2020	<u>56,253</u>	<u>12,734</u>	<u>80,845</u>	<u>16,651</u>	<u>166,483</u>
Fund balances -- June 30, 2021	<u>\$ 71,730</u>	<u>\$ 28,532</u>	<u>\$ 77,675</u>	<u>\$ 17,734</u>	<u>\$ 195,671</u>

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

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

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**Reconciliation of Statement of Revenues, Expenditures, and  
Changes in Fund Balances to the Statement of Activities  
For the Year Ended June 30, 2021  
(Thousands)**

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

Net changes in fund balances - total governmental funds \$ 29,188

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

Capital outlays	31,786	
Depreciation expense	(34,125)	(2,339)

The effect of miscellaneous transactions involving capital assets.

Proceeds from the sale of capital assets	(509)	
Loss on sale of capital assets	(13)	(522)

Repayments of principal on long-term debt are expenditures in the governmental funds but reduce long-term liabilities in the statement of net position and do not affect the statement of activities. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Proceeds from the sale of new bonds are other financing sources in the governmental funds but have no impact on the statements of activities.

Principal payments and amortization of bond premium	75,365	
Proceeds from the sale of bonds, capital leases, and premium on the issuance of bonds	(86,866)	
Capital lease payments	13,533	
Change in accrued interest payable	(458)	1,574

Because some revenues (property taxes and certain other income) will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are instead deferred inflows of resources.

They are, however, recorded as revenues in the statement of activities. (11,543)

Some expenses (compensated absences, insurance claims, OPEB and pension expense) 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. (33,989)

<b>Change in net position of governmental activities</b>	<b>\$</b>	<b>(17,631)</b>

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

## FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS

### NOTES TO THE FINANCIAL STATEMENTS Year ended June 30, 2021

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#### Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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##### **Basis of Presentation**

The financial statements of the district have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units as promulgated by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for governmental accounting and financial reporting principles. The more significant of the district's accounting policies are described below.

##### **Reporting Entity**

The Independent School District No. I-1, Tulsa Public Schools, ("district"), is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and is, accordingly, a separate entity for operating and financial reporting purposes. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes. The district is part of the public school system of Oklahoma under the general direction and control of the state Board of Education. The district is the primary government that has a separately elected governing body, is legally separate and is fiscally independent of other state or local governments. The governing body of the district, the Board of Education, is composed of elected members. The appointed superintendent is the executive officer of the district.

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

The Foundation for Tulsa Schools (the Foundation) is a legally separate, not-for-profit component unit of Tulsa Public Schools. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the school district and its students. The Foundation is committed to raising revenues to increase educational opportunities, enlisting community support and business assistance in providing educational resources and opportunities. Although Tulsa Public Schools does not control the timing or amount of receipts from the Foundation, the majority of resources that the foundation holds (either with or without donor restrictions) and invests are restricted to support the activities of the school district. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, Tulsa Public Schools, the Foundation is considered a component unit of the school district and is discretely presented in the school district's financial statements.

During the year ended June 30, 2021, the Foundation's expenses totaled \$9.3 million of which \$8.9 million was distributed to the school district for unrestricted purposes. These funds are included in the operating grants and contributions program revenues on the school district's Statement of Activities. Complete financial statements for the foundation can be obtained from 3027 South New Haven Avenue, Tulsa, OK 74114.

##### **Basic Financial Statements**

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the district. Essentially all interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended June 30, 2021

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**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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function. *Indirect expenses* of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense is specifically identified by function and is included in the direct expenses to each function. Interest on general long-term debt is considered an indirect expense and is reported separately in the statement of activities. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

**Funds**

The district reports its financial activities through the use of fund accounting. This is a system of accounting wherein transactions are reported in self-balancing sets of accounts to reflect results of activities. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained, consistent with legal and managerial requirements.

**Governmental Funds**

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities plus deferred inflows of resources is reported as fund balance.

All governmental funds can be classified into one of five types: the general fund, capital projects funds, debt service funds, special revenue funds and permanent funds. In the fund financials, data from each *major* fund is presented in a separate single column while data from all the nonmajor funds are aggregated into a single column.

The following are the district's major 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. The general fund includes the accounts and activities of the workers compensation fund. Combining schedules are included to show the separate accounting for workers compensation and general 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.

**Capital projects fund** – The capital projects fund is comprised of the district's bond funds and is used to account for the proceeds of bond sales to be used exclusively for acquiring school sites, constructing and equipping new school facilities, renovating existing facilities, acquiring transportation, equipment, textbooks and classroom learning materials.



## FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS

### NOTES TO THE FINANCIAL STATEMENTS Year ended June 30, 2021

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#### Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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**Debt service fund** – The debt service fund is the district's sinking fund and is used to account for the accumulation of financial resources for the payment of general long-term debt (including judgments) principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

The following are the district's nonmajor governmental funds:

**Special revenue funds** – Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

**Building fund** – The building fund consists mainly of monies derived from property taxes levied for the purpose of erecting, remodeling, repairing, or maintaining school buildings and for purchasing furniture, equipment and computer software to be used on or for school district property, for paying energy and utility costs, for purchasing telecommunications services, for paying fire and casualty insurance premiums for school facilities, and for purchasing security systems.

**Child nutrition fund** – The child nutrition fund consists of monies derived from federal and state financial assistance and food sales. This fund is used to account for the various nutrition programs provided to students.

**Gifts fund** – The gifts fund receives its assets by way of philanthropic foundations, individuals, or private organizations for which no repayment or special service to the contributor is expected. This fund is used to promote the general welfare of the district.

**Flexible benefit fund** – The flexible benefit fund is used to account for forfeited amounts received from the third-party administrator of the district's cafeteria plan. These funds must be used for administering employee benefit programs.

**Arbitrage rebate fund** – The arbitrage rebate fund is used to pay the rebatable arbitrage of certain bond issues to which the Internal Revenue Service arbitrage rules apply. These funds will either be retained or transferred to the Internal Revenue Service, depending on future financial events and computations. There was no activity in this fund during the year ended June 30, 2021.

**Student activity fund** – The student activity fund is used to account for monies collected principally through fundraising efforts of the students and district sponsored groups.

**Permanent fund** – Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the district's program.

**Endowment fund** – The Texaco endowment scholarship fund accounts for an endowment whose earnings are restricted to expenditures for awarding college scholarships to Memorial high school graduates.

#### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. All sources of revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the district considers revenues to be available if they are collected within 60 days of the end

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension, claims and judgments, are recorded only when payment is due.

All sources of revenue associated with the current fiscal year are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year to the extent the availability criteria discussed above was met.

**Cash and Cash Equivalents**

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

**Investments**

Investments consist of United States Treasury and agencies securities and certificates of deposit. Investments, except for non-negotiable certificates of deposit, are recorded at fair value. See note 3 for discussion regarding fair value measurements. The investment income including the net change in fair value of investments is recognized and reported as earnings (loss) on investments. Non-negotiable certificates of deposit are recorded at cost.

**Inventories and Prepaid Items**

All inventories are valued at the lower of cost or net realizable value using the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. These prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

**Capital Assets**

Capital assets, which include land, building, building improvements, construction-in-progress, equipment, vehicles and fixtures are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. The capitalization threshold for buildings and building improvements is \$10,000, while for equipment and fixtures it is \$5,000. Donated capital assets are recorded at acquisition value at date of donation. As capital assets are identified as surplus, they are reclassified as assets out of service. Assets out of service are recorded at the lower of carrying amount or fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Building and building improvements of the district are depreciated using the straight-line method beginning in the year they are placed in service. Equipment, vehicles, and fixtures are depreciated using the straight-line method beginning in the month acquired. The district's capital assets have the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and building improvements	20-50
Equipment, vehicles and fixtures	5-15

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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**Pensions**

The net pension liability, deferred inflows and outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Oklahoma Teacher's Retirement System (OTRS) and additions to/deductions from OTRS's fiduciary net position have been determined on the same basis as reported by OTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by OTRS are reported at fair value.

**Deferred Outflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources for the year ended June 30, 2021 consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period. See note 11 for additional discussion regarding pension deferred outflows of resources. In addition, the district has reported deferred outflows of resources for contributions made subsequent to the measurement date for its other postemployment benefit liability. See Note 12 for additional discussion regarding other postemployment benefit deferred outflows of resources.

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position and fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The governmental fund balance sheet includes deferred inflows of resources related to unavailable local sources of revenues and succeeding year property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or the period levied for and budgeted. In the district's government-wide statements, the property tax revenues for the succeeding year remain a deferred inflow and will be recognized as revenue in the year for which they are levied and budgeted for. The district's government-wide statements also consist of unrecognized items not yet charged to pension expense. See note 11 for additional discussion regarding pension deferred inflows of resources. In addition, the district has reported deferred inflows of resources related to unrecognized items not yet charged to expense related to its other postemployment benefits. See Note 12 for additional discussion regarding other postemployment benefit deferred inflows of resources.

**Compensated Absences**

The district reports compensated absences in accordance with the provisions of GASB Statement No. 16, Accounting for Compensated Absences. Vacation leave is accrued as a liability as the benefits are earned by the employees if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the district will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement. Sick leave is calculated using the vesting method. The balance reflects sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The accrual has been reduced to the maximum amount allowed by the district's policy as a termination payment.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

**Accrued Compensation**

Salaries, wages, and benefits that have been earned but not paid as of the end of the fiscal year are reported as a liability on the fund balance sheet and statement of net position. The district has three pay cycles. Employees on each cycle, including teachers, render services under their various contracts prior to the end of the fiscal year for which they do not receive payment until after the end of the fiscal year. The total gross amount of salaries, wages, and benefits associated with these services is reported as a liability on the financial statements.

**Long-term Liabilities**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are reported as current year expenditures.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, as current period activity. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as current year expenditures. Principal and interest payments are recorded as debt service expenditures.

**Net Position and Fund Balances**

The government wide financial statements utilize a net position presentation. Net position on the statement of net position include the following:

**Net investment in capital assets** – the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position, if any.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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**Restricted for specific purposes** – the component of net position that reports the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources of certain programs should be reported when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. The restricted net position for other purposes is made up of the following (000's):

Child nutrition	4,538
Gifts	2,750
Flexible benefit	2
Arbitrage	13
Student activities	4,550
Endowments	30
Federal and state allocation carryover	2,358
Net OPEB asset	1,251
	<u>15,492</u>

**Unrestricted** – the difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources that is not reported in net investment in capital assets or net position restricted for specific purposes.

It is the district's policy to first use restricted resources prior to the use of unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Governmental fund equity is classified as fund balance. Fund balance refers to the difference between assets and liabilities plus deferred inflows of resources in the governmental funds balance sheet. Fund balance consists of five categories, defined in GASB Statement No. 54, as follows:

**Nonspendable fund balance:** The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This would include items not expected to be converted to cash including inventories, long-term receivables, and prepaid amounts. It may also include the long-term amount of loans and receivables, as well as property acquired for resale and the corpus (principal) of a permanent fund.

**Restricted fund balance:** The restricted fund balance classification should be reported when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed fund balance:** The committed fund balance classification reflects specific purposes pursuant to constraints imposed by formal action of the district's Board of Education. Such constraints can only be removed or changed by the same form of formal action.

For purposes of committed fund balance, the district's Board of Education is considered to be its highest level of decision making. Funds set aside by the Board of Education as committed fund balance requires a resolution by the Board of Education. Such resolution must be made prior to the district's fiscal year-end in order for it to be applicable to the district's fiscal year-end, although it is permitted for the specific amount of the commitment to be determined after the fiscal year-end if additional information is required in order to determine the exact amount to be committed. The

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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Board of Education has the authority to remove or change the commitment of funds by resolution. The district had no committed fund balance at June 30, 2021.

**Assigned fund balance:** The assigned fund balance classification reflects amounts that are constrained by the government's intent to be used for specific purposes, but meet neither the restricted nor committed forms of constraint. Assigned funds cannot cause a deficit in unassigned fund balance.

For the purposes of assigned fund balance, the district has by resolution given authority to its chief financial officer to assign funds for specific purposes. Any funds that the chief financial officer assigns for specific purposes must be reported to the Board of Education at its next regular meeting. The assignment of funds shall be recorded in the Board of Education's official meeting minutes. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

**Unassigned fund balance:** The unassigned fund balance classification is the residual classification for the general fund only. It is also where *negative residual amounts for all other* governmental funds would be reported. Unassigned fund balance essentially consists of excess funds that have not been classified in the four above fund balance categories.

When expenditures are incurred for purposes for which both restricted and unrestricted resources is available, it is the district's policy to use restricted fund balance first. When expenditures are incurred for purposes for which amounts in any of the unrestricted resources classifications can be used, it is the district's policy to use amounts classified as committed first, followed by amounts classified as assigned and then amounts classified as unassigned.

**District's Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the district to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**New Accounting Pronouncements Issued Not Yet Adopted**

The GASB has issued a new accounting pronouncements which will be effective to the district in fiscal years ending June 30, 2022 and 2023. A description of the new accounting pronouncements is described below:

- **Statement No. 87, Leases**

GASB Statement No. 87 issued June 2017 will be effective for the district beginning with its fiscal year ending June 30, 2022. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the district must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments, and certain regulated leases. This statement also addresses accounting

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

- **Statement No. 96, *Subscription-Based Information Technology Arrangements***

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

The district is currently evaluating the impact these new standards may have on its financial statements.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 2. REVENUES**

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A description of the district's revenue sources is included below. Revenue is recognized as described below in the government-wide statements and as described below, to the extent the availability criteria has been met, in the governmental fund statements. All revenues are considered available if they are collected within 60 days of the end of the current fiscal period. Property tax and other revenues collected within the time frame noted are therefore susceptible to accrual and have been recognized as revenues of the current fiscal period to the extent the availability criteria discussed below was met.

**Property Taxes**

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. These property taxes are distributed to the district's general, building fund and debt service funds based on the levies approved for each fund. The district receives property taxes from four counties. The county assessor for each county, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax rolls for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes is due prior to January 1. The second half is due prior to April 1.

If the first payment is not made in a timely manner, 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.

Property tax receivables are recorded on the lien date, January 1<sup>st</sup>, although the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is budgeted. An allowance for uncollectible property taxes is calculated based on historical collection data.

**Intermediate Sources of Revenues**

Revenue from intermediate sources is the amount of money collected by an intermediate administrative unit, or a political subdivision between the district and the state, and distributed to districts in amounts that differ in proportion to those which are collected within such systems. Tulsa County is the political subdivision to the district from which we received \$9.5 million from the county 4-mill tax levy dedicated to school districts and \$2.3 million from the county apportionment of mortgage taxes distributed to local schools based on average daily attendance. Revenue is recognized when it is both measurable and available.

**Fees and Charges**

Fees and charges include tuition, fees, rentals, disposals, commissions, and reimbursements. These are recorded as revenue when services are provided.

**State Aid Revenues**

Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, of the 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.



**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 2. REVENUES (continued)**

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Normally, such adjustments are treated as reductions from or additions to the revenue of the year when the adjustment is made.

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

As of June 30, 2021 \$2.2 million of state revenue was carried forward into fiscal year 2022. The state Department of Education requires that categorical educational program revenues be accounted for in the general fund.

**Federal Aid Revenues**

Federal revenues consist of revenues from the federal government in the form of operating grants, entitlements, or commodities. 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.

Revenue is recognized when eligibility requirements have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met and available.

Federal rules require that revenue earmarked for federal 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. As of June 30, 2021 \$0.2 million of federal revenue was carried forward into fiscal year 2022.

The majority of federal revenues received by the district are apportioned to the general fund. The district maintains a separate child nutrition fund and the federal revenues received for the child nutrition programs are apportioned there.

**Other Local Sources**

Other local sources of revenues consist of receipts for non-federal grants, student activities, miscellaneous income as well as gifts and donor contributions. Revenue is recognized when it is both measurable and available.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS**

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**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of bank failure, the district may not be able to recover its deposits. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. The district's policy requires that all deposits in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the deposits. As of June 30, 2021, all of the district's deposits were either covered by insurance or were collateralized at 110% of the investment principal. Collateral was held by the pledging financial institution's trust department or agent in the district's name.

**Custodial Credit Risk - Investments**

For an investment, custodial credit risk is the risk that the district will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the district, and are held by counterparty or the counterparty's trust department but not in the name of the district. The district's policy requires that all investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the investments. As of June 30, 2021, all of the district's investments were either covered by federal deposit insurance or were fully collateralized. Further, all of the district's investments are held by its agent in the district's name. Accordingly, no investments are subject to custodial credit risk.

**Credit Risk**

The district's fixed-income securities are subject to credit risk. However, the district policy on credit quality limitations upholds a very high standard by limiting investments to either direct obligations of the US government or investments backed 110% by collateral. At June 30, 2021, the district's investment portfolio had invested \$78.0 million in mortgage-backed securities, which are considered agency securities of the U.S. government and therefore carry the same credit ratings of the government. The credit ratings of the agency securities are Moody's Aaa, Standard and Poor AA+, and Fitch AAA. The remaining \$19.0 million is invested in certificates of deposit which are not subject to credit risk.

**Concentration of Credit Risk**

The district's investment policy requires that, except for direct obligations of the U.S. government, its agencies or instrumentalities, or certificates of deposit secured by diversified pledges of collateral, the district's investment portfolio will be diversified to avoid incurring undue concentration in securities of one type. At June 30, 2021, all investments were in agency securities of the U.S. government or certificates of deposit. The concentration of the investments are listed below.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The district's investment policy limits the duration of investments to a maximum maturity from the date of purchase of sixty months, (excluding the Endowment funds which may be invested up to 120 months), provided that sufficient liquidity is available to meet the district's major cash outlays. The district monitors investment performance on an ongoing basis to limit the district's interest rate risk.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

**Note 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)**

Maturities of investments and percentages held by issuer as of June 30, 2021 are as follows (000's):

Investment Type	% of Portfolio	Investment Maturities (in Years)		
		Fair Value	Less Than 1	1-5
Negotiable certificates of deposit	1%	\$ 1,001	\$ 1,001	\$ -
Mortgage-backed securities				
Federal Home Loan Bank	54%	42,422	-	42,422
Federal Farm Credit Bank	41%	32,601	-	32,601
Freddie Mac	4%	2,992	-	2,992
Fannie Mae	0%	29	-	29
<b>Total</b>	<b>100%</b>	<b>\$ 79,045</b>	<b>\$ 1,001</b>	<b>\$ 78,044</b>
Deposits		Cost	Less Than 1	1-5
Non-Negotiable certificates of deposit		\$ 15,000	\$ 5,000	\$ 10,000
Total investments on Statement of Net Position:		<u>94,045</u>	<u>6,001</u>	<u>88,044</u>

The district's investment policy is adopted in accordance with the provisions of applicable law by the board of the district. This policy sets forth the investment policy for the management of the public funds of the district. The policy is designed to ensure prudent management of public funds, the availability of funds when needed, and reasonable investment returns.

**Fair Value Measurements**

GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The district categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are inputs—other than quoted prices included within level 1—that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include: a) quoted prices for similar assets or liabilities in active markets; b) quoted prices for identical or similar assets or liabilities in markets that are not active; and c) inputs other than quoted prices that are observable for the asset or liability, such as: (1) interest rates and yield curves observable at commonly quoted intervals; (2) implied volatilities and (3) credit spreads. Level 3 inputs are significant unobservable inputs.

As of June 30, 2021, all of the district's investments are valued using level 2 inputs. The value is determined using quoted prices for similar assets or liabilities in active markets.

**Investment Authority**

The district treasurer is required by the board to invest district monies in the custody of the treasurer in those investments permitted by law. The treasurer shall, to the extent practicable, use competitive bids when purchasing direct obligations of the United States Government or other obligations of the United States Government, its agencies, or instrumentalities.

## FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS

### NOTES TO THE FINANCIAL STATEMENTS Year ended June 30, 2021

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#### Note 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)

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The district treasurer shall limit investments to:

- Direct obligations of the United States government to the payment of which the full faith and credit of the government of the United States is pledged; provided the district treasurer, after completion of an investment education program in compliance with applicable law, may invest funds in the investment account in other obligations of the United States government, its agencies or instrumentalities;
- Obligations to the payment of which the full faith and credit of the state is pledged;
- Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as defined in this policy.
- Savings accounts or savings certificates of savings and loan associations to the extent that such accounts or certificates are fully insured by the Federal Savings and Loan Insurance Corporation;
- Repurchase agreements that have underlying collateral consisting of those items specified above including obligations of the United States, its agencies and instrumentalities, and where the collateral has been deposited with a trustee or custodian bank in an irrevocable trust or escrow account established for such purposes;
- County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds, or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued as defined in this policy.
- Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities, and investments in those items and those restrictions specified in this policy;
- Warrants, bonds or judgments of the district;
- Qualified pooled investment programs through an interlocal cooperative agreement formed pursuant to applicable law and to which the board has voted to be a member, the investments of which consist of those items specified in this policy, as well as obligations of the United States agencies and instrumentalities; or
- Any other investment that is authorized by law.

#### Investment Philosophy

This policy shall be based upon a “prudent investor” standard. The board recognizes that those charged with the investment of public funds act as fiduciaries for the public, and, therefore the treasurer is directed to exercise the judgment and care that persons of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs as to the permanent nonspeculative disposition of their funds, with due consideration of probable income earnings and probable safety of capital. In investing the district’s funds, the treasurer shall place primary emphasis, first, on safety and liquidity of principal, and then on earnings.

- **Liquidity:** Available funds will be invested to the fullest extent practicable in interest-bearing investments or accounts, with the investment portfolio remaining sufficiently liquid to meet reasonably anticipated operating requirements.
- **Diversification:** The investment portfolio will be diversified to avoid one class of investment causing a disproportionate risk of loss to the portfolio. Provided this restriction will not apply to direct obligations of the United States government, its agencies or instrumentalities, or certificates of deposit secured by diversified pledges of collateral as provided this policy.
- **Safety of principal:** Although investments are made to produce income for the district, investments will be made in a manner that preserves principal and liquidity.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)**

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- **Prohibition of speculation:** The purchase of an investment to be sold before its maturity will normally result in either a gain or loss for the district and is therefore “speculative” by definition. This practice is prohibited.
- **Yield:** The portfolio will be designed to attain maximum yield within each class of investment instrument, consistent with the safety of the funds invested and taking into account investment risk and liquidity needs.
- **Maturity:** Investments will be purchased with expectation that they will be held to maturity. Investments in the sinking fund may have maturities extending to 60 months. Investments in all other funds may have maturities extending to 36 months, provided sufficient liquidity is available to meet major outlays, and except that general fund investments may not exceed 18 months. Any investment collateralized by a pledge of a surety bond or letter of credit as permitted by OAC 735, Chapter 20, may not have a maturity date after the expiration of the surety bond or letter of credit.
- **Capability of investment management:** The superintendent shall be responsible for seeing that the treasurer and any assistant treasurer are qualified and capable of managing the investment portfolio and satisfactorily complete any investment education programs required by state law or by the board.
- **Collateral:** Securities pledged to the district to secure investments shall be limited to the type and terms acceptable to the treasurer of the State of Oklahoma under the Oklahoma Administrative Code Title 735, Chapter 20. Such securities shall be diversified as to type and maturity. Such securities shall be valued at no more than market value and such pledged value shall be at least 110 percent of the investment principal being secured on the date of the pledge. Changes in the market value of the pledged securities occurring during the life of the pledge that would cause the value of the pledge to be less than 110 percent of the principal being secured shall be supplemented by the pledgor with additional securities. The treasurer shall have the authority to sign forms and contracts with financial institutions or the Federal Reserve to enter into agreements for the safekeeping of collateral.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

**Note 4. RECEIVABLES (NET OF ALLOWANCE FOR UNCOLLECTIBLES)**

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for governmental funds. Below is the detail of receivables including the applicable allowances for uncollectible accounts (000's):

<u>Receivables</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Due from other governments				
Local - current year property tax	\$ 6,236	\$ 4,589	\$ 727	\$ 11,552
Local - succeeding year property tax	101,315	74,841	14,473	190,629
State	3,466	-	-	3,466
Federal	16,811	-	2,611	19,422
Other receivables	3,801	-	641	4,442
Gross receivables	\$ 131,629	\$ 79,430	\$ 18,452	\$ 229,511
Less: Allowance for uncollectible property tax	(500)	(376)	(72)	(948)
Net receivables	<u>\$ 131,129</u>	<u>\$ 79,054</u>	<u>\$ 18,380</u>	<u>\$ 228,563</u>

Receivables which are not collected within the availability period, 60 days of the year end, are recorded in the governmental fund financial statements as deferred inflows of resources. At June 30, 2021, \$198.4 million of receivables were considered to be unavailable revenue and were recorded as deferred inflows of resources in the governmental fund balance sheet, of which \$190.2 million was succeeding year property tax. On the statement of net position, \$8.3 million was reclassified to revenue from unavailable revenue, while succeeding year property taxes remain deferred inflows of resources.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 5. INVENTORIES AND PREPAID ITEMS**

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Inventories are valued at average cost using the first-in, first-out method. Inventories of governmental funds are recorded as expenditures/ expenses when consumed rather than when purchased.

Prepaid maintenance agreements are for technology-related equipment, software subscriptions and licensing and have terms ranging from 12 months to 72 months. These are amortized over the life of the service agreement and recorded as expenditures/expenses as services are provided rather than when purchased.

The inventories and prepaid items on hand at June 30, 2021 were comprised of the following categories (000's):

<u>Inventory and prepaid items</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Inventory				
Food service supplies \$	-	-	\$ 648	\$ 648
Classroom supplies	72	-	-	72
Custodial supplies	611	-	-	611
Total inventory	\$ 683	\$ -	\$ 648	\$ 1,331
Prepaid items	433	789	-	1,222
Total Inventory and prepaid items	\$ <u>1,116</u>	\$ <u>789</u>	\$ <u>648</u>	\$ <u>2,553</u>

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

**Note 6. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021 was as follows (000's):

<u>Governmental Activities:</u>	<u>Beginning</u>				<u>Ending Balance</u>
	<u>Balance</u>	<u>Increases</u>	<u>Transfers</u>	<u>Decreases</u>	
Capital assets, not being depreciated:					
Land	\$ 5,967	\$ -	\$ -	\$ -	5,967
Construction in progress	52,973	31,537	(63,821)	-	20,689
Assets out of service	1,183	-	-	-	1,183
Total capital assets not being depreciated	<u>\$ 60,123</u>	<u>\$ 31,537</u>	<u>\$ (63,821)</u>	<u>\$ -</u>	<u>27,839</u>
Capital assets being depreciated:					
Buildings	\$ 948,957	\$ -	\$ 57,396	\$ (1,552)	1,004,801
Equipment and vehicles	78,353	249	6,425	(6,767)	78,260
Total capital assets being depreciated	<u>\$ 1,027,310</u>	<u>\$ 249</u>	<u>\$ 63,821</u>	<u>\$ (8,319)</u>	<u>1,083,061</u>
Less accumulated depreciation for:					
Buildings	\$ (401,595)	\$ (29,734)	\$ -	\$ 1,248	(430,081)
Equipment and vehicles	(51,394)	(4,391)	-	6,549	(49,236)
Total accumulated depreciation	<u>\$ (452,989)</u>	<u>\$ (34,125)</u>	<u>\$ -</u>	<u>\$ 7,797</u>	<u>(479,317)</u>
Total capital assets being depreciated, net	<u>\$ 574,321</u>	<u>\$ (33,876)</u>	<u>\$ 63,821</u>	<u>\$ (522)</u>	<u>603,744</u>
Governmental activities capital assets, net	<u>\$ 634,444</u>	<u>\$ (2,339)</u>	<u>\$ -</u>	<u>\$ (522)</u>	<u>631,583</u>

Depreciation expense was charged to functions/programs of the district as follows (000's):

Governmental activities:	
Instruction and instruction-related services	\$ 18,564
Support services - student and staff	2,006
Administrative support services	6,356
Operation of non-instructional services	2,894
Operation and maintenance of plant services	2,148
Student transportation services	2,157
	<u>\$ 34,125</u>

**Assets Out of Service**

Assets out of service includes sites identified as surplus properties under the Project Schoolhouse initiative. The district has not yet determined the ultimate disposition of these assets. As of June 30, 2021 the net book value of assets out of service was approximately \$1.2 million.

**Construction Commitments**

The district has active construction projects as of June 30, 2021. These projects include new construction and renovations of schools. At year-end, the district had approximately \$3.0 million in outstanding construction encumbrances.



**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

**Note 7. CAPITAL LEASES**

The district records lease agreements that qualify as capital leases for accounting purposes at the present value of their future minimum lease payments at their inception date. The present value has been calculated based on the district's incremental borrowing rate at time of inception unless the lessor's implicit interest rate is known and lower.

The District entered into two agreements for the acquisition of compressed natural gas (CNG) buses, of which the natural gas conversion equipment on each bus will be leased for 39 months before being paid in full. The first contract on August 24, 2017 was for 18 buses and the second was February 5, 2018 for 22 buses. These arrangements allow Midwest Transport Solutions to pass along to the District a federal income tax credit creating a 6% savings on the total price of each bus. Exercising the purchase options for each bus after leasing for 39 months will cost a total of \$481 thousand.

November 1, 2018 the district entered into an agreement to purchase LED lighting equipment for a district wide lighting retrofit for \$4.5 million to be paid over a term of 48 months. The retrofit includes replacement of existing light fixture and bulbs with LED fixtures and bulbs in order to realize significant cost savings resulting from the lower utility costs and increased lifespan.

The following is a summary of changes in the leases and capitalized lease obligations outstanding (000's):

	Balance				Balance
	June 30, 2020	Additions	Retirements		June 30, 2021
Equipment	\$ 10,893	\$ 5,447	\$ 13,533	\$	2,807
Less: Current portion					(1,423)
Total long-term capitalized lease obligations outstanding				\$	<u>1,384</u>

Net book value of assets acquired under capital lease as of June 30, 2021:

Capitalized equipment and building improvements	\$	17,092
Depreciation		(676)
Net book value	\$	<u>16,416</u>

The future lease payments as of June 30, 2021, are as follows (000's):

Fiscal Year(s)	Equipment	Total
2022	\$ 1,423	\$ 1,423
2023	1,384	1,384
Total lease payments		<u>2,807</u>
Less imputed interest		(98)
Present value of minimum lease payment	\$	<u>2,709</u>

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended June 30, 2021

**Note 8. LONG-TERM DEBT**

**2015 School Bond**

In March of 2015 the electors approved authority for the issuance of \$415 million in combined purpose, general obligation school bonds which include \$239.7 million for building construction and repairs; \$19.8 million for library additions, renovations and materials; \$17 million for transportation; and \$138.4 million for text books and classroom learning materials.

As of June 30, 2021 \$382.5 million has been issued leaving \$32.5 million remaining for future issuances.

**Current year Combined Purpose Bond issuances (Series 2020B and 2021A) and Technology Equipment Bond issuance (Series 2020C)**

In August 2020 and March 2021, the district issued \$50.0 and \$21.0 million respectively in combined purpose bonds; and in August 2020, \$9.0 million in technology equipment bonds. The proceeds from these bonds will be used to construct and renovate school facilities, for library improvements, transportation equipment, and to acquire classroom materials and technology.

Bonds sold at discounts decrease the carrying value of the bond, and bonds sold at a premium increase the carrying value. The discount or premium is then amortized as an increase or decrease, respectively, to the coupon interest payment in reporting interest expense. The district uses the effective interest rate method for amortizing premiums and discounts. Amortization expense on bond premiums for the year ended June 30, 2021 is approximately \$1.2 million. The net amount of unamortized premium at June 30, 2021 was approximately \$3.0 million.

The following is a summary of changes in long-term debt outstanding (000's):

Series	Outstanding June 30, 2020	Issuances	Retirements	Outstanding June 30, 2021	Due within one year
	\$	\$	\$	\$	\$
<b>Bonds Payable</b>					
2021A 2015 Combined Purpose	-	21,000	-	21,000	-
2020C 2015 Combined Purpose	-	9,000	-	9,000	-
2020B 2015 Combined Purpose	-	50,000	-	50,000	-
2020A 2015 Combined Purpose	23,000	-	-	23,000	5,750
2019C 2015 Technology Equipment	9,500	-	-	9,500	2,375
2019B 2015 Combined Purpose	21,430	-	-	21,430	5,355
2019A 2015 Combined Purpose	22,500	-	5,625	16,875	5,625
2018C 2015 Technology Equipment	10,000	-	2,500	7,500	2,500
2018B 2015 Combined Purpose	57,785	-	14,445	43,340	14,445
2018A 2015 Combined Purpose	20,250	-	6,750	13,500	6,750
2017B 2015 Combined Purpose	33,000	-	11,000	22,000	11,000
2017A 2015 Combined Purpose	17,500	-	8,750	8,750	8,750
2016B 2015 Combined Purpose	17,390	-	8,690	8,700	8,700
2016A 2015 Combined Purpose	1,875	-	1,875	-	-
2015E 2010 Combined Purpose	7,525	-	7,525	-	-
2015D 2015 Combined Purpose	2,500	-	2,500	-	-
2015C 2010 Combined Purpose	4,475	-	4,475	-	-
Total bonds payable	248,730	80,000	74,135	254,595	71,250
Premium on bonds	2,793	1,419	1,230	2,982	-
Capital leases	10,893	5,447	13,533	2,807	1,423
Total bonds and capital leases	262,416	86,866	88,898	260,384	72,673

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

**Note 8. LONG-TERM DEBT (continued)**

The future bond payments are scheduled as follows (000's):

Fiscal Year	Principal	Coupon Interest	Total
2022	\$ 71,250	\$ 4,039	\$ 75,289
2023	73,800	2,483	76,283
2024	56,065	1,249	57,314
2025	33,480	513	33,993
2026	20,000	136	20,136
	<u>\$ 254,595</u>	<u>\$ 8,420</u>	<u>\$ 263,015</u>

Interest rates on the bonds range from 0.45% to 3.11% and nominal rates range from 0.45% to 3.06%. Original amount and principal payments (000's):

	Issue Date	Original Amount	Final Maturity	Annual Principal Payments	Coupon Rate	Nominal Rate
2021A	3/1/2021	\$ 21,000	3/1/2026	\$ 5,250	0.45%	0.45%
2020C	8/1/2020	9,000	8/1/2025	2,250	1.45%	1.44%
2020B	8/1/2020	50,000	8/1/2025	12,500	1.52%	1.51%
2020A	3/1/2020	23,000	3/1/2024	5,750	1.12%	1.12%
2019C	8/1/2019	9,500	8/1/2025	5,355	1.45%	1.44%
2019B	8/1/2019	21,430	8/1/2025	12,500	1.52%	1.51%
2019A	4/1/2019	22,500	4/1/2024	5,625	1.80%	1.79%
2018C	8/1/2018	10,000	8/1/2023	2,500	3.11%	3.06%
2018B	8/1/2018	57,785	8/1/2023	14,445	2.12%	2.10%
2018A	3/1/2018	27,000	3/1/2023	6,750	1.82%	1.81%
2017B	8/1/2017	44,000	8/1/2022	11,000	1.51%	1.50%
2017A	3/1/2017	35,000	3/1/2022	8,750	1.78%	1.77%
2016B	8/1/2016	34,770	8/1/2021	8,690	1.09%	1.08%
2016A	5/1/2016	7,500	5/1/2021	1,875	1.37%	1.37%
2015E	11/1/2015	30,100	11/1/2020	7,525	1.31%	1.31%
2015D	8/1/2015	10,000	8/1/2020	2,500	1.89%	1.88%
2015C	8/1/2015	17,900	8/1/2020	4,475	1.68%	1.67%

Interest expense on bonds during the year ended June 30, 2021 totaling \$5.6 million is reported in the debt service fund.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 9. RISK MANAGEMENT**

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The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. Commercial policies in force during the year contained the following deductibles:

Property, fire and extended coverage	\$ 100,000
Charter school locations	75,000
Windstorm and hail (3% per occurrence, per building)	100,000 up to 4,500,000
Automobile liability (per occurrence)	1,000,000
General liability (per occurrence)	1,000,000
Inland marine (per occurrence)	10,000
School leader legal (per claim)	1,000,000
Cyber liability and breach response (per occurrence)	100,000
Equipment breakdown (per occurrence)	25,000

Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The district is self-insured for workers' compensation claims. Premiums are paid into the workers' compensation fund, which is combined with the general fund for purposes of financial statement presentation, from the general fund and child nutrition fund. Liabilities are reported in the government-wide statements when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities are reported in the general fund statements to the extent these amounts are payable with expendable available financial resources. Liabilities in the government-wide statements also include an amount for claims that have been incurred but not reported (IBNR). The result of this process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. For example, estimated recoveries from salvage or subrogation are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of \$1,000,000 up to the statutory limit. Settlements did not exceed coverage for the past three years.

At June 30, 2021, the district had established liabilities for workers compensation claims and deductibles on commercial coverage of \$5.4 million and \$0.8 million, respectively. Changes in the balances of claims liability for the past three years are as follows (000's):

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Unpaid claims, beginning of year	\$ 7,063	\$ 8,211	\$ 9,512
Incurred claims (including IBNRs)	1,217	1,504	1,625
Claim payments	<u>(2,073)</u>	<u>(2,652)</u>	<u>(2,926)</u>
Unpaid claims, end of year	<u>\$ 6,207</u>	<u>\$ 7,063</u>	<u>\$ 8,211</u>

Approximately \$1.9 million of the amount unpaid at June 30, 2021 is expected to be paid out in the next fiscal year from the general fund.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 10. COMMITMENTS AND CONTINGENT LIABILITIES**

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Encumbrance accounting is utilized to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Encumbrances represent commitments related to unperformed contracts for goods or services. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows (000's):

General Fund	\$ 22,417
Capital Projects Fund	2,984
Nonmajor Funds	<u>7,406</u>
Total	<u>\$ 32,807</u>

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

The district is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the district's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the district.

The spread of COVID-19, a novel strain of coronavirus, is altering the behavior of businesses, state and local governments, and people throughout the United States. Further, financial markets have experienced significant volatility attributed to coronavirus concerns. The continued spread of COVID-19 may adversely impact the local, regional and national economies. The extent to which the coronavirus impacts the district's results will depend on future developments, which are highly uncertain and cannot be predicted. The impact is highly dependent on the breadth and duration of the outbreak and could be affected by other factors that cannot currently be predicted. Accordingly, despite management's best efforts, they cannot presently estimate the overall operational and financial impact to the district, but such an impact could have a material adverse effect on the financial condition of the district.

As of March 2021, the United States Congress has approved three coronavirus relief bills primarily to provide COVID-19 support to the district with an expiration of funds (i.e. must be spent) by September 30, 2024. The first pandemic relief package was approved in March 2020 and the district was allocated \$16.3 million. The second pandemic relief package was approved by Congress in December 2020 of which \$58.3 million has been appropriated to the school district. In March 2021, Congress approved the third pandemic relief package, of which \$130.7 million has been appropriated to the school district. These are reimbursement grants; therefore, the district must first spend the funds then submit a claim for reimbursement to the Oklahoma State Department of Education.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended June 30, 2021

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**Note 11. PENSION BENEFITS**

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**Plan description**

The district participates in the OTRS, a cost-sharing multiple-employer public employee retirement system that is self-administered. OTRS provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions are established and may be amended by the legislature of the State of Oklahoma. Title 70 of the Oklahoma State Statutes assigns the authority for management and operation of OTRS to the Board of Trustees of the OTRS. OTRS issues a publicly available annual financial report that can be obtained at [www.ok.gov/TRS/](http://www.ok.gov/TRS/).

Participation in the plan is required for certified teachers, administrators, as well as certain non-certified administrators. Other permanent, support employees working at least half time are eligible for participation in the plan at their option. At June 30, 2021, there were 3,440 active employees of the district participating in the plan, comprising 2% of the total teacher's retirement system participants.

**Benefits provided**

OTRS provides defined retirement benefits based on members' final compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon the death of eligible members. Title 70 O. S. Sec. 17-105 defines all retirement benefits. The authority to establish and amend benefit provisions rests with the state legislature.

Benefit provisions include:

Members become 100% vested in retirement benefits earned to date after five years of credited Oklahoma service. Members who joined OTRS on June 30, 1992 or prior are eligible to retire at maximum benefits when age and years of creditable service total 80. Members joining OTRS after June 30, 1992 are eligible for maximum benefits when their age and years of creditable service total 90. Members whose age and service do not equal the eligible limit may receive reduced benefits as early as age 55, and at age 62 receive unreduced benefits based on their years of service. The maximum retirement benefit is equal to 2 percent of final compensation for each year of credited service.

- Final compensation for members who joined OTRS prior to July 1, 1992 is defined as the average salary for the three highest years of compensation. Final compensation for members joining OTRS after June 30, 1992 is defined as the average of the highest five consecutive years of annual compensation in which contributions have been made. The final average compensation is limited for service credit accumulated prior to July 1, 1995 to \$40,000 or \$25,000, depending on the member's election. Monthly benefits are 1/12 of this amount. Service credits accumulated after June 30, 1995 are calculated based on each member's final average compensation, except for certain employees of the two comprehensive universities. Upon the death of a member who has not yet retired, the designated beneficiary shall receive the member's total contributions plus 100 percent of interest earned through the end of the fiscal year, with interest rates varying based on time of service. A surviving spouse of a qualified member may elect to receive, in lieu of the aforementioned benefits, the retirement benefit the member was entitled to at the time of death as provided under the joint survivor benefit option.
- Upon the death of a retired member, OTRS will pay \$5,000 to the designated beneficiary, in addition to the benefits provided for the retirement option selected by the member.
- A member is eligible for disability benefits after ten years of credited Oklahoma service. The disability benefit is equal to 2% of final average compensation for the applicable years of credited service.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 11. PENSION BENEFITS (continued)**

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- Upon separation from OTRS, members' contributions are refundable with interest based on certain restrictions provided in the plan, or by the IRC.
- Members may elect to make additional contributions to a tax-sheltered annuity program up to the exclusion allowance provided under the IRC under Code Section 403(b).

**Contributions**

The contribution requirements of OTRS are at an established rate determined by Oklahoma statute and are not based on actuarial calculations. Employees are required to contribute 7 percent of their annual compensation. The district's contribution rate is 9.5 percent for the year ended June 30, 2021. In addition, the district is required to match the state's contribution rate on salaries that are paid with federal funds. The district's total contribution to OTRS in 2021 was \$18.4 million.

The state makes a contribution on behalf of each teacher meeting minimum salary requirements (known as the OTRS years of service credit). The credit amount is determined based on years of service and ranges from \$60.15 per year for 0 years of service to \$1,410.53 per year for 25 years or more of service. For the fiscal year ended June 30, 2021, the state paid approximately \$1.5 million on behalf of teachers employed at the district. In accordance with generally accepted accounting practices, the district recognized the on-behalf-of payments as revenue and expense/expenditure in the government wide and fund financial statements.

The state is also required to contribute to the system on behalf of the participating employers. For 2021, the state contributed 3.5 percent of state revenues from sales and use taxes, individual income taxes and lottery proceeds, to the system on behalf of participating employers. The district has estimated the amounts contributed to the system by the state on its behalf based on a contribution rate provided to the district. For the year ended June 30, 2021, the total amount contributed to the system by the state on behalf of the district was approximately \$1.3 million. In accordance with generally accepted accounting principles, district recognized the on-behalf payments as revenue and expenditures in the fund financial statements. In government-wide statement of activities, revenue is recognized for the state's on-behalf contribution on an accrual basis of approximately \$12.4 million.

These on-behalf payments do not meet the definition of a special funding situation.

**Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions**

At June 30, 2021, the district reported a liability of \$369.1 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The district's proportion of the net pension liability was based on the district's contributions to OTRS relative to total contributions of OTRS for all participating employers for the year ended June 30, 2020. Based upon this information, the district's proportion was 3.89%. The change in proportion from the June 30, 2019 measurement date was an increase of 0.24%. Net pension liability will generally be liquidated from the general fund.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

**Note 11. PENSION BENEFITS (continued)**

For the year ended June 30, 2021, the district recognized pension expense of \$68.8 million. At June 30, 2021, the district reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 17,966	\$ (5,810)
Changes of assumptions	45,261	(4,800)
Net difference between projected and actual earnings on pension plan investments	31,813	
Changes in proportion and differences between District contributions and proportionate share of contributions	<u>12,935</u>	<u>(16,847)</u>
Total Deferred amount to be recognized in pension expense in future periods	107,975	(27,457)
District contributions subsequent to the measurement date	<u>18,423</u>	<u>-</u>
Total deferred amount related to pension:	<u>\$ 126,398</u>	<u>\$ (27,457)</u>

Deferred pension outflows totaling \$18.4 million resulting from the district's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Net deferred outflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized in pension expense over five years as of the beginning of each measurement period. Other deferred inflows and outflows are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of the measurement period. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30:

2022	\$ 15,609
2023	12,628
2024	25,879
2025	22,186
2026	<u>4,216</u>
	<u>\$ 80,518</u>

**Actuarial assumptions**

The total pension liability as of June 30, 2021 was determined based on an actuarial valuation prepared as of June 30, 2020 using the following actuarial assumptions:

- Actuarial cost method – Entry age normal
- Inflation – 2.25 percent
- Future ad hoc cost-of-living increases – None
- Salary increases – Composed of 2.25 percent wage inflation plus .75 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.
- Investment rate of return – 7.00 percent



**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 11. PENSION BENEFITS (continued)**

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- Retirement age—Experience-based table of rates based on age, service, and gender. Adopted by the board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019.
- Mortality rates after retirement— Males and females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.
- Mortality rates for active members— Pub 2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2010.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	43.5%	7.5%
International Equity	19.0%	8.5%
Fixed Income	22.0%	2.5%
Real Estate	9.0%	4.5%
Alternative Assets	6.5%	6.2%
Total	<u>100%</u>	

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

**Discount Rate**

The discount rate used to measure the total pension liability was 7.0 percent. This single discount rate was based solely on the expected rate of return on pension plan investments of 7.0 percent. The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payroll. The projection of cash flows also assumed that the state's contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions. Based on the stated assumptions and the projection of cash flows, OTRS' fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended June 30, 2021

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**Note 11. PENSION BENEFITS (continued)**

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**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the net pension liability of the district calculated using the discount rate of 7.0 percent, as well as what the district's net pension liability would be if OTRS calculated the total pension liability using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's net pension liability	\$ 492,572	\$ 369,062	\$ 266,814

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of OTRS, which can be located at [www.ok.gov/TRS](http://www.ok.gov/TRS).

**Note 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

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For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of Oklahoma Teachers Retirement System (OTRS) and additions to/deductions from these fiduciary net positions has been determined on the same basis as they are reported by OTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by OTRS are reported at fair value.

**Oklahoma Teachers Retirement System – OPEB Subsidy**

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

**Benefits provided:** OTRS pays a medical insurance supplement to eligible members who elect to continue their employer provided health insurance. The supplement payment is between \$100 and \$105 per month, provided the member has ten (10) years of Oklahoma service prior to retirement.

**Contributions:** Employer and employee contributions are made based upon the TRS Plan provisions contained in Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. Based on the contribution requirements of Title 70 employers and employees contribute a single amount based on a single contribution rate as described in Note 8; from this amount OTRS allocates a portion of the contributions to the supplemental health insurance program. The cost of the supplemental health insurance program averages 0.13 percent of normal cost, as determined by an actuarial valuation. Contributions allocated to the OPEB plan from the System were \$36 thousand.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended June 30, 2021

**Note 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)**

**OPEB liabilities (assets), OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB:** At June 30, 2021, the District reported a Net OPEB asset of \$0.4 million for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of June 30, 2020. The District's proportion of the net OPEB asset was based on the District's contributions received by the OPEB plan relative to the total contributions received by the OPEB plan for all participating employers as of June 30, 2020. Based upon this information, the District's proportion was 3.89 percent.

For the year ended June 30, 2021, the District recognized OPEB benefit expense of \$0.42 million. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (845)
Changes of assumptions	834	
Net difference between projected and actual earnings on pension plan investments	841	-
Total Deferred amount to be recognized in pension expense in future periods	1,675	(845)
District contributions subsequent to the measurement date	36	-
Total deferred amount related to OPEB:	\$ 1,711	\$ (845)

The \$36 thousand reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2022	\$ 166
2023	166
2024	166
2025	166
2026	166
	\$ 830

**Actuarial assumptions:** The total OPEB liability as of June 30, 2021, was determined based on an actuarial valuation prepared as of June 30, 2020 using the following actuarial assumptions:

- Actuarial cost method – Entry age normal
- Inflation – 2.25 percent
- Future ad hoc cost-of-living increases – None
- Salary increases – Composed of 2.25 percent wage inflation plus .75 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.
- Investment rate of return – 7.00 percent

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
Year ended June 30, 2021

**Note 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)**

- Retirement age—Experience-based table of rates based on age, service, and gender. Adopted by the board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019.
- Mortality rates after retirement— Males and females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.
- Mortality rates for active members— Pub 2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2010.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	43.5%	7.5%
International Equity	19.0%	8.5%
Fixed Income	22.0%	2.5%
Real Estate	9.0%	4.5%
Alternative Assets	6.5%	6.2%
Total	<u>100%</u>	

**Discount rate:** A single discount rate of 7.00 percent was used to measure the total OPEB liability as of June 30, 2020. This single discount rate was based solely on the expected rate of return on OPEB plan investments of 7.00 percent. Based on the stated assumptions and the projection of cash flows, the OPEB plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the State’s contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions.

**Sensitivity of the District’s proportionate share of the net OPEB liability (asset) to changes in the discount rate:** The following presents the net OPEB liability (asset) of the employer calculated using the discount rate of 7.0 percent, as well as what the Plan’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District’s net OPEB liability (asset)	<u>\$ 1,399</u>	<u>\$ (385)</u>	<u>\$ (1,898)</u>

**Sensitivity of the District’s proportionate share of the net OPEB liability (asset) to changes in the healthcare cost trend rate:** The benefits paid by the OTRS OPEB Plan are not impacted by healthcare cost trend rates. As a result, changes in the healthcare cost trend rate assumption will have no impact on the net OPEB liability.

**OPEB plan fiduciary net position:** Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued financial report of the OTRS; which can be located at [www.ok.gov/TRS](http://www.ok.gov/TRS).

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 13. COMPENSATED ABSENCES**

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**Sick Pay Benefits**

The district provides sick pay benefits for all of its permanent employees, and all employees entitled to sick leave are permitted to accrue unlimited unused leave. Upon termination, employees who have been employed by the district for at least ten years are paid for any unused sick leave on a graduated scale. After twenty years of service, both certified and support employees are paid an additional \$30 per day for any unused service.

**Vacation Benefits**

Permanent employees on twelve-month contracts accrue vacation on a graduated scale from 10 to 20 days per year based on their years of service. Employees may accrue a maximum of twice their annual vacation entitlement and are paid for any unused vacation at their current salary rate upon termination.

The activity related to these benefits during the year ended June 30, 2021 is as follows (000's):

	Balance 6/30/2020	Accruals	Payments	Balance 6/30/2021
Vacation	\$ 4,618	\$ 3,813	\$ 3,695	\$ 4,736
Sick	4,024	7,369	8,095	3,298
Total	<u>\$ 8,642</u>	<u>\$ 11,182</u>	<u>\$ 11,791</u>	<u>\$ 8,034</u>

In past years, general, building, and child nutrition funds have been used to liquidate this liability. Of the total, \$0.6 million is expected to be paid out in the next fiscal year to employees upon termination.

**Note 14. SUBSEQUENT EVENTS**

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**2021 School Bond**

In June of 2021 the electors approved authority for the issuance of \$414 million in combined purpose, general obligation school bonds which include \$166.8 million for safe learning environments; \$90.7 million for student and classroom technology; \$17.3 million for transportation; and \$139.3 million for quality learning materials.

As of June 30, 2021 there were no issuances.

**Combined Purpose Bonds (Series 2021B)**

In September 2021, the district issued \$52.5 million in Combined Purpose Bonds Series 2021B. The proceeds from these bonds will be used to construct and renovate school facilities, for library improvements, transportation equipment, and to acquire classroom materials and technology. This bond has a coupon rate of 0.50%, a nominal rate of 0.50%, and a maturity date of September 1, 2026.

**Technology Equipment Bonds (Series 2021C)**

In September 2021, the district issued \$10.0 million in Technology Equipment Bonds Series 2021C. The proceeds from these bonds will be used to acquire technology infrastructure, and computer hardware and software. This bond has a coupon rate of 0.67%, a nominal rate of 0.67%, and a maturity date of September 1, 2026.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 15. TAX ABATEMENT DISCLOSURES**

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The City of Tulsa provides ad valorem tax abatements to promote development within an enterprise zone in downtown Tulsa. The district is impacted by tax abatements provided by the City of Tulsa under the Tax Incentive District Number One economic development program. The abatements were established to encourage the development, renovation and redevelopment of residential, both single-family and multiple-unit dwellings, as well as commercial space and hotels. The abatements up to 100 percent of the additional property tax resulting from the increase in assessed value as a result of the improvements, are administered as a reduction in the tax bill, and last for up to 6 years (or fewer, if the property is sold). The district participates in the ad valorem tax abatement of 55.3%. For the fiscal year ended June 30, 2021, the City of Tulsa had nine active agreements which resulted in a total tax abatement of approximately \$1.07 million, of which the district's share is approximately \$0.6 million, and two other agreements which are currently under construction and will not result in tax abatements until such time that the project is completed and the ad valorem taxes are developed by the Tulsa County Tax Assessor. In all cases of the nine active agreements, the district receives ad valorem taxes at the market value of the property prior to the abatement.

The State of Oklahoma grants a 5-year exemption of ad valorem taxes for certain new manufacturing or research and development equipment and facilities. Pursuant to Section 193 of Title 62 of the Oklahoma Statutes, the state will reimburse the district for foregone property taxes as a result of this exemption. During the year ended June 30, 2021, the amount of foregone tax revenues as a result of this exemption were \$5.4 million.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**

Year ended June 30, 2021

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**Note 16. DISCRETELY PRESENTED COMPONENT UNIT – THE FOUNDATION FOR TULSA SCHOOLS**  
(not in thousands)

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**Summary of Significant Accounting Policies**

**Basis of presentation**

The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and include the statements of financial position, statements of activities and cash flows of the Foundation.

Description of the two net asset categories and the types of transactions offsetting each category are as follows:

*Without donor restrictions* – Net assets not subject to donor-imposed restrictions that are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time-to-time, the Board may designate a portion of these net assets for specific purposes, making them unavailable for use at management's discretion.

*With donor restrictions* – Net assets subject to donor-imposed restrictions that will be met either by actions of the Foundation or the passage of time. When a restriction has been fulfilled, net assets subject to donor-imposed restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Also included in this category are net assets whose use is limited by donor-imposed restrictions that require such resources be maintained in perpetuity and the related income utilized for operating or other donor-restricted purposes.

Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed restrictions that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes.

**Contributions**

Contributions, including unconditional promises to give, are recorded when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions.

Conditional promises to give, which contain donor-imposed conditions that include one or more barriers that must be overcome as well as a right of return or release from the obligation, are not recognized until the conditions on which they depend are substantially met or explicitly waived by the donor. Transfers of assets under conditional promises, which are received by the Foundation prior to fulfilling these conditions, are recorded as a liability (i.e., refundable advance) until the conditions are substantially met or explicitly waived by the donor.

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 16. DISCRETELY PRESENTED COMPONENT UNIT – THE FOUNDATION FOR TULSA SCHOOLS**  
**(not in thousands) (continued)**

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**Contributions Receivable**

Contributions receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts and historical collection experience. Balances that are still outstanding after Management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to contributions receivable. At June 30, 2021, there was no allowance for uncollectible contributions receivable. All contributions receivable at June 30, 2021, are expected to be received within the next fiscal year, except for two receivables. One of these receivables is to be paid over the next three years in annual installments of \$64,200. The other is to be paid over the next two years in annual installments of \$45,000.

**Investments**

Investments, including investments restricted for endowment, are held under managerial agency agreements and include money market funds, fixed income securities and equity securities, which are carried at fair value based upon quoted market prices or dealer quotes. Net unrealized gains and losses, including investment expenses, are reported in the statement of activities. Interest and gains earned on investments are considered unrestricted as to their use unless their use is restricted by donor stipulation.

Investments consist of the following at June 30, 2021:

	2021
Fixed income securities	\$ 779,416
Equity securities	849,642
Money market	20,080
	<u>\$ 1,649,138</u>

**Functional allocation of expenses**

The statements of activities present expenses by natural and functional classifications. Compensation and benefit expenses are allocated between program, fundraising or administrative expenses based on the estimated time spend for each function.

**Concentrations and risks**

The Foundation received contributions from two donors that accounted for approximately 83% of the Foundation's total revenue during the year ended June 30, 2021. Approximately 91% of contributions receivable consisted of two donors as of June 30, 2021.

The Foundation's investments are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term, and such changes could materially affect the amounts reported in the statements of activities. Significant fluctuations in fair values could occur from year-to-year, and the amounts the Foundation will ultimately realize could differ materially.



**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**

Year ended June 30, 2021

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**Note 16. DISCRETELY PRESENTED COMPONENT UNIT – THE FOUNDATION FOR TULSA SCHOOLS**  
(not in thousands) (continued)

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**Liquidity and Availability of Financial Assets**

As part of the Foundation’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Foundation seeks to raise all funds needed for its operations in each fiscal year. In addition to funds raised annually, the Foundation seeks to maintain an amount of funds to cover operating expenses exclusive of program expenses. The Foundation holds these funds in its operating and investments accounts. The Foundation also maintains a board-designated fund that is not currently available for general expenditure. The board-designated fund can be made available for general expenditure upon approval of the Board.

Financial assets available for general expenditure, that is without donor or other restriction limiting their use, within one year of June 30, 2021 comprise the following:

Financial assets at year-end:	2021
Cash	\$ 6,289,157
Contributions receivable	5,447,759
Investments and beneficial interest	1,658,602
Total financial assets	<u>13,395,518</u>
Less amounts not available for general expenditures within one year:	
Subject to appropriation or satisfaction of donor-purpose restrictions	(11,070,172)
Board-designated financial assets	(316,952)
Perpetual endowment	(27,015)
Total financial assets available to management for general expenditures within one year	<u>\$ 1,981,379</u>

**Fair Value Measurements**

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at June 30, 2021. During the year ended June 30, 2021, there were no transfers of financial instruments between Level 1 and Level 2 or transfers into or out of Level 3. The following is a description of the valuation methodologies used for assets measured at fair value:

The fair value of investments in money market funds and equity securities are based upon quoted market prices for identical assets and are classified within Level 1.

Fixed income securities (including government and agency securities) are valued by the asset custodian who uses independent pricing services or by dealers who make markets in such securities. Pricing services consider yield or price of bonds of comparable quality, coupon maturity and type as well as available dealer supplied prices. Certain securities may be valued by a single source or dealer. Fixed income securities are classified within Level 2.

Beneficial interest in assets held by community foundation is measured at fair value using Level 2 inputs. Since TCF maintains variance power for the beneficial interests held, there is no potential market for the beneficial interests or similar assets. Consequently, the valuation is

**FINANCIAL SECTION: BASIC FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended June 30, 2021**

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**Note 16. DISCRETELY PRESENTED COMPONENT UNIT – THE FOUNDATION FOR TULSA SCHOOLS**  
**(not in thousands) (continued)**

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determined by aggregating the valuation of the underlying investments of the beneficial interest. The underlying investments include cash equivalents, corporate obligations, equity securities and other investments. The fair values of the underlying investments are based on quoted prices from active and inactive markets.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets that are measured at fair value on a recurring basis at June 30, 2021:

	2021		
	Level 1	Level 2	Total
Fixed income securities	\$ -	\$ 779,416	\$ 779,416
Equity securities	849,642	-	849,642
Money market	20,080	-	20,080
Total Investments	869,722	779,416	1,649,138
Beneficial interest in assets held by community foundation	-	9,464	9,464
	<u>\$ 869,722</u>	<u>\$ 788,880</u>	<u>\$ 1,658,602</u>

**Restricted Net Position**

Restricted net position for other purposes at June 30, 2021 are as follows:

	2021
Restricted for purpose:	
Early Childhood Development Initiative	\$ 5,946,085
TPS Priorities and Strategies	1,706,732
Innovative Partners Program	2,879,690
TPS High School Redesign	537,665
Total funds restricted for purpose	<u>11,070,172</u>
Restricted for use in future period (time restricted)	-
Endowment funds held in perpetuity	27,015
Total restricted net position	<u>\$ 11,097,187</u>

## Required Supplementary Information

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**FINANCIAL SECTION: REQUIRED SUPPLEMENTARY INFORMATION**

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**Schedule of the District's Proportionate Share of the Net Pension Liability  
Teachers' Retirement System of Oklahoma  
Last Ten Fiscal Years\*  
(Thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	3.89%	3.65%	4.06%	4.05%	4.03%	4.10%	4.18%
District's proportionate share of the net pension liability (asset) \$	369,062	\$ 241,594	\$ 245,365	\$ 268,340	\$ 336,547	\$ 249,031	\$ 224,675
District's covered payroll \$	181,364	\$ 176,340	\$ 158,490	\$ 161,626	\$ 163,790	\$ 163,115	\$ 161,383
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	203.49%	137.00%	154.81%	166.03%	205.47%	152.67%	139.22%
Plan fiduciary net position as a percentage of the total pension liability	63.47%	71.56%	72.74%	69.32%	62.24%	70.31%	72.43%

\*Only seven fiscal years are presented because 10-year data is not yet available.

**CHANGES OF BENEFIT TERMS**

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There were no significant changes to benefits provisions or other matters that affected the comparability of the information presented above.

**CHANGES OF ASSUMPTIONS**

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**Assumptions for salary increases have changed for the measurement dates as follows:**

June 30, 2020	Increases were composed of 2.25% inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service
June 30, 2019	No change from prior year.
June 30, 2018	Increases were composed of 2.5% inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service
June 30, 2017	No change from prior year.
June 30, 2016	Increases were composed of 3.25 percent wage inflation, including 2.50 percent price inflation, plus a service related component ranging from 0.00 percent to 8.00 percent based on years of service.
June 30, 2015	Increases were composed of 3.75 percent wage inflation, including 3.00 percent price inflation, plus a service-related component ranging from 0.00 percent to 8.00 percent based on years of services.
June 30, 2014	Increases were composed of 3.00 percent inflation, plus 1.00 percent productivity increase rate, plus step rate promotional increases for members with less than 25 years of service.

**Assumptions for retirement age determination have changed for the measurement dates as follows:**

June 30, 2020	Determined using the Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five year experience study for the period ending June 30, 2019
June 30, 2019	No change from prior year.
June 30, 2018	No change from prior year.
June 30, 2017	No change from prior year.
June 30, 2016	No change from prior year.
June 30, 2015	Determined using the experience based table developed from a five year experience study for the period ending June 30, 2014. This table was adopted by the OTRS Board in May 2015.
June 30, 2014	Determined using the experience-based table developed from a five year experience study for the period ending June 30, 2009. This table was adopted by the OTRS Board in September 2010.

**Assumptions for mortality rates have changed for the measurement dates as follows:**

June 30, 2020	Mortality Rates after Retirement— Males and females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. Mortality Rates for Active Members— Pub-2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2010.
June 30, 2019	No change from prior year.
June 30, 2018	No change from prior year.
June 30, 2017	No change from prior year.
June 30, 2016	No change from prior year.
June 30, 2015	Rates for active employees were determined using the RP-2000 Employee Mortality tables, with male rates multiplied by 60 percent and female rates multiplied by 50 percent. Rates for retired males were determined using the RP-2000 combined health Mortality Table for males with white collar adjustments and the generational mortality improvements in accordance with Scale BB from the table's base year of 2000. Rates for retired females were determined using the GRS Southwest Region Teacher Mortality Table, scaled at 105 percent and the generational mortality improvements in accordance with Scale BB from the table's base year of 2012.
June 30, 2014	Rates were determined using the RP-2000 Combined Mortality table, projected to 2016 using Scale AA, multiplied by 90 percent for males and 80 percent for females.

**Assumptions for investment return have changed for the measurement dates as follows:**

June 30, 2020	Return was 7.00 percent per year
June 30, 2019	No change from prior year.
June 30, 2018	No change from prior year.
June 30, 2017	No change from prior year.
June 30, 2016	Return was 7.50 percent per year, net of investment-related expenses and compounded annually, composed of an assumed 2.50 percent inflation rate and a 5.00 percent net real rate of return.
June 30, 2015	No change from prior year.
June 30, 2014	Return was 8.00 percent per year, net of investment-related expenses and compounded annually, composed of an assumed 3.00 percent inflation rate and a 5.00 percent net real rate of return.

**FINANCIAL SECTION: REQUIRED SUPPLEMENTARY INFORMATION**

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**Schedule of the District's Pension Plan Contributions  
Teachers' Retirement System of Oklahoma  
Last Ten Fiscal Years  
(Millions)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution \$	18.4	\$ 18.8	\$ 18.4	\$ 16.5	\$ 16.8	\$ 17.1	\$ 17.1	\$ 16.9	\$ 16.7	\$ 16.0
Contributions in relation to the contractually required contribution	<u>(18.4)</u>	<u>(18.8)</u>	<u>(18.4)</u>	<u>(16.5)</u>	<u>(16.8)</u>	<u>(17.1)</u>	<u>(17.1)</u>	<u>(16.9)</u>	<u>(16.7)</u>	<u>(16.0)</u>
Contribution deficiency (excess) \$	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll \$	176	\$ 181	\$ 176	\$ 158	\$ 162	\$ 164	\$ 163	N/A	N/A	N/A
Contributions as a percentage of covered payroll	10.45%	10.39%	10.45%	10.44%	10.37%	10.43%	10.49%	N/A	N/A	N/A

**Notes to Schedule:**

The District's statutorily required contribution rate has changed over the prior 10 years as follows:

- July 1, 2011 to present 9.50%

**FINANCIAL SECTION: REQUIRED SUPPLEMENTARY INFORMATION**

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**Schedule of the District's Proportionate Share of the Net OPEB Liability (Asset)  
Teachers' Retirement System of Oklahoma  
Last Ten Fiscal Years\*  
(Thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018
District's proportionate share of the net OPEB liability (asset)	3.89%	3.65%	4.06%
District's proportionate share of the net OPEB liability (asset) \$	(385) \$	(2,257) \$	(2,624)
District's covered payroll \$	181 \$	176 \$	158
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-212.71%	-1282.39%	-1660.76%
Plan fiduciary net position as a percentage of the total OPEB liability	102.30%	115.07%	115.41%

\*Only three fiscal years are presented because 10-year data is not yet available.

**Schedule of the District's OPEB Plan Contributions  
Teachers' Retirement System of Oklahoma  
Last Ten Fiscal Years  
(Thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution \$	36.0 \$	32.0 \$	118.0 \$	118.0 \$
Contributions in relation to the statutorily required contribution	36.0	32.0	118.0	118.0
Contribution deficiency (excess) \$	-	-	-	-
District's covered payroll \$	176,301 \$	181,364 \$	176,340 \$	158,490 \$
Contributions as a percentage of covered payroll	0.02%	0.02%	0.07%	0.07%

NOTE - The District is required to present information for 10 years. However, until a full 10 year trend is available, the District will present information for those years which information is available.



**FINANCIAL SECTION: REQUIRED SUPPLEMENTARY INFORMATION**

**Budgetary Comparison Schedule - General Fund  
For the Year Ended June 30, 2021  
(Thousands)**

	<u>Original</u>	<u>Final</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Final Budget</u>
<b>REVENUES</b>				
Local and intermediate sources	\$ 121,693	\$ 125,314	\$ 144,534	\$ 19,220
State program revenues	163,608	150,095	132,158	(17,937)
Federal program revenues	<u>51,206</u>	<u>54,244</u>	<u>52,974</u>	<u>(1,270)</u>
Total revenues	<u>336,507</u>	<u>329,653</u>	<u>329,666</u>	<u>13</u>
<b>EXPENDITURES</b>				
Current:				
Salaries	205,131	199,253	201,754	2,501
Benefits	61,257	62,430	62,079	(351)
Purchased services	30,352	31,010	29,015	(1,995)
Supplies	17,996	18,212	17,819	(393)
Property/Equipment	98	276	107	(169)
Other expenditures	6,906	1,175	488	(687)
Other outlays	<u>16,284</u>	<u>18,781</u>	<u>18,837</u>	<u>56</u>
Total expenditures	<u>338,024</u>	<u>331,137</u>	<u>330,099</u>	<u>(1,038)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,517)</u>	<u>(1,484)</u>	<u>(433)</u>	<u>1,051</u>
<b>OTHER FINANCING SOURCES</b>				
Lapsed appropriations from prior year and fund transfer	<u>1,000</u>	<u>1,484</u>	<u>1,657</u>	<u>173</u>
Net change in fund balances	(517)	-	1,224	1,224
Fund balance -- June 30, 2020	<u>29,595</u>	<u>32,921</u>	<u>32,921</u>	<u>-</u>
Fund balance -- June 30, 2021	<u>\$ 29,078</u>	<u>\$ 32,921</u>	<u>\$ 34,145</u>	<u>\$ 1,224</u>

See Notes to Required Supplementary Information

**Reconciliation of Statement of Revenues, Expenditures, and  
Changes in Fund Balances to the Budgetary Comparison  
Schedule - General Fund (Unaudited)  
For the Year Ended June 30, 2021  
(Thousands)**

<b>Change in fund balance of governmental funds - General Fund</b>	<b>\$ 15,477</b>
Revenues are recognized when earned in the governmental funds but are recognized when received for budgetary purposes. During the year, \$9,379 was received that was attributable to prior year activities and \$9,669 of revenue was realized but not received by the close of the year.	(15,624)
Expenditures for supplies and materials and prepaids are shown when they are used in the governmental funds but reported as expenses when they are purchased for budgetary purposes. The district purchased more supplies and materials than it used during the year, resulting in a decrease in inventories from \$591 to \$507 and prepaids decreased by \$83.	(373)
Obligations are accrued when incurred and measurable in the governmental funds but reported when expended for budgetary purposes. There was a decrease of \$1,409 in the accounts payable accrual.	828
A decrease of \$33 in the liability insurance reserve and a decrease of \$4,603 in the reserve for workers compensation was made to comply with modified accrual standards.	51
Fair market value adjustment for long-term investments	195
Encumbrances are included in expenditures for budgetary purposes but not for the governmental fund financial statements.	(5,437)
Expenditures in the governmental fund financial statements include those paid with prior year encumbrances, which are excluded on the budgetary basis.	3,281
Expenditures for worker's compensation claims are shown in a separate fund for budgetary purposes but combined with the general fund in the governmental funds.	<u>1,169</u>
<b>Excess (deficiency) of revenues over expenditures - budgetary basis</b>	<b>\$ <u>(433)</u></b>

## NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Year Ended June 30, 2021

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### Note 1. BUDGETS AND BUDGETARY ACCOUNTING

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#### BUDGETARY COMPARISON SCHEDULE

A cash basis of accounting is used to prepare the budgetary comparison schedule. A reconciliation from the cash basis to the modified accrual basis of accounting, which is generally accepted accounting principles (GAAP), is presented on the face of the schedule.

#### BUDGET LAW AND PRACTICE

The board of the district has elected to prepare and present budgets under the Oklahoma School District Budget Act. The district superintendent directs the preparation of the budget proposal and submits it to the board. The board holds a public hearing on the proposed budget within 45 days preceding the start of the budget year. Notice of the date, time and place of the hearing, together with the proposed budget summary, is published in the Tulsa Daily Commerce and Legal News at least 5 days before the public hearing. The budget is also available upon request from the district's chief financial officer. At the public hearing on the budget, any person may present to the board comments, recommendations or information on any part of the proposed budget.

Once adopted, the budget must be in effect no later than the first day of the fiscal year to which it applies. The budget as adopted and filed with the Oklahoma state auditor and inspector constitutes an appropriation for each fund which may not be used for any other purpose except as provided by law.

The district presents the budget in four funds: the general fund, capital projects fund, debt service fund and the special revenue fund which includes the child nutrition and building funds. Budgetary control for accounts without a project is generally at the full account level. For accounts within a project the budgetary control is generally maintained by fund, project and site. The district superintendent or designee may transfer an unexpended and unencumbered appropriation from one account to another within the same fund. Line item transfers that are not original budget items in excess of \$25,000 require board approval. Whenever the necessity for maintaining any special fund of a school district has ceased to exist and a balance remains in the fund, the governing body may authorize the transfer of the balance to the general fund. Applicable law governs the use or transfer of any remaining balance in the debt service or capital projects fund.

The district board amends the original budget after the prior fiscal year financial activity has been finalized, the annual state aid allocation has been released, federal fund allocations are identified, and the property tax valuations have been certified for all affected counties within the district; generally between December and February of the fiscal year.

#### ENCUMBRANCES

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are included in the "actual" amounts shown expended during the year for the budgetary presentation but are excluded from the fund balances in the governmental fund financial statements as they do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

#### REVENUES

Revenues are recorded on a cash basis and include deposits to district accounts from the first day through the last day of the fiscal year regardless of when they were actually earned.

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## Other Supplementary Information

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**Budgetary Comparison Schedule - Debt Service  
For the Year Ended June 30, 2021  
(Thousands)**

	<u>Original</u>	<u>Final</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Final Budget</u>
<b>REVENUES</b>				
Local and intermediate sources	\$ 77,032	\$ 74,934	\$ 76,343	\$ 1,409
Total revenues	<u>77,032</u>	<u>74,934</u>	<u>76,343</u>	<u>1,409</u>
<b>EXPENDITURES</b>				
Current:				
Other expenditures	153,740	154,951	79,778	(75,173)
Total expenditures	<u>153,740</u>	<u>154,951</u>	<u>79,778</u>	<u>(75,173)</u>
Excess (deficiency) of revenues over expenditures	<u>(76,708)</u>	<u>(80,017)</u>	<u>(3,435)</u>	<u>76,582</u>
<b>OTHER FINANCING SOURCES</b>				
Premium on bonds sold	626	1,419	1,419	-
Net change in fund balances	<u>(76,082)</u>	<u>(78,598)</u>	<u>(2,016)</u>	<u>76,582</u>
Fund balance -- June 30, 2020	76,082	78,598	78,598	-
Fund balance -- June 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,582</u>	<u>\$ 76,582</u>

**Budgetary Comparison Schedule - Capital Improvements  
For the Year Ended June 30, 2021  
(Thousands)**

	<u>Original</u>	<u>Final</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance Final Budget</u>
<b>REVENUES</b>				
Local and intermediate sources	\$ 83,091	\$ 80,000	\$ 80,000	\$ -
Total revenues	<u>83,091</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Purchased services	62,569	60,301	59,227	(1,074)
Supplies	28,117	31,786	25,573	(6,213)
Property	5,905	4,971	3,046	(1,925)
Other expenditures	-	-	-	-
Total expenditures	<u>96,591</u>	<u>97,058</u>	<u>87,846</u>	<u>(9,212)</u>
Excess (deficiency) of revenues over expenditures	<u>(13,500)</u>	<u>(17,058)</u>	<u>(7,846)</u>	<u>9,212</u>
<b>OTHER FINANCING SOURCES</b>				
Lapsed appropriations from prior year	4,000	4,950	4,525	(425)
Fund Net change in fund balances	<u>(9,500)</u>	<u>(12,108)</u>	<u>(3,321)</u>	<u>8,787</u>
Fund balance -- June 30, 2020	9,500	12,108	12,108	-
Fund balance -- June 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,787</u>	<u>\$ 8,787</u>



**FINANCIAL SECTION: OTHER SUPPLEMENTARY INFORMATION**

**Budgetary Comparison Schedule -Special Revenue Funds  
For the Year Ended June 30, 2021  
(Thousands)**

	BUILDING FUND				CHILD NUTRITION FUND			
	Original	Final	Actual (Budgetary Basis)	Variance Final Budget	Original	Final	Actual (Budgetary Basis)	Variance Final Budget
<b>REVENUES</b>								
Local and intermediate sources	\$ 13,899	\$ 16,884	\$ 17,211	\$ 327	\$ 3,107	\$ 2,741	\$ 261	\$ (2,480)
State program revenues	1,100	1,101	978	(123)	3,114	2,614	2,540	(74)
Federal program revenues	-	-	-	-	18,613	16,047	13,991	(2,056)
Total revenues	<u>14,999</u>	<u>17,985</u>	<u>18,189</u>	<u>204</u>	<u>24,834</u>	<u>21,402</u>	<u>16,792</u>	<u>(4,610)</u>
<b>EXPENDITURES</b>								
Current:								
Salaries	6,872	6,756	6,783	27	9,493	10,493	7,103	(3,390)
Benefits	1,938	1,938	1,821	(117)	3,406	3,406	2,696	(710)
Purchased services	6,687	8,274	8,291	17	974	7,265	6,956	(309)
Supplies	804	859	766	(93)	9,313	201	13	(188)
Property	77	52	49	(3)	47	51	31	(20)
Other expenditures	922	3,624	705	(2,919)	1,701	1	-	(1)
Total expenditures	<u>17,300</u>	<u>21,503</u>	<u>18,415</u>	<u>(3,088)</u>	<u>24,934</u>	<u>21,417</u>	<u>16,799</u>	<u>(4,618)</u>
Excess (deficiency) of revenues over expenditures	<u>(2,301)</u>	<u>(3,518)</u>	<u>(226)</u>	<u>3,292</u>	<u>(100)</u>	<u>(15)</u>	<u>(7)</u>	<u>8</u>
<b>OTHER FINANCING SOURCES</b>								
Lapsed appropriations from prior year	100	144	144	-	100	15	4	(11)
Net change in fund balances	(2,201)	(3,374)	(82)	3,292	-	-	(3)	(3)
Fund balance -- June 30, 2020	2,701	4,374	4,374	-	800	-	-	-
Fund balance -- June 30, 2021	<u>\$ 500</u>	<u>\$ 1,000</u>	<u>\$ 4,292</u>	<u>\$ 3,292</u>	<u>\$ 800</u>	<u>\$ -</u>	<u>\$ (3)</u>	<u>\$ (3)</u>

**FINANCIAL SECTION: OTHER SUPPLEMENTARY INFORMATION**

---

**Combining Balance Sheet**

**General Fund**

**June 30, 2021**

**(Thousands)**

	<b>General</b>	<b>Workers</b>	<b>Total</b>
	<b>Fund</b>	<b>Compensation</b>	<b>General</b>
	<b>Fund</b>	<b>Fund</b>	<b>Fund</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 71,899	\$ 975	\$ 72,874
Investments	15,751	-	15,751
Receivables net of allowance for uncollectibles	131,129	-	131,129
Inventories and prepaid items	1,116	-	1,116
Total Assets	<u>219,895</u>	<u>975</u>	<u>220,870</u>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable and accrued liabilities	42,780	109	42,889
Claims and judgments	-	126	126
Total liabilities	<u>42,780</u>	<u>235</u>	<u>43,015</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding year property tax	101,061	-	101,061
Unavailable revenue	5,064	-	5,064
Total deferred inflows of resources	<u>106,125</u>	<u>-</u>	<u>106,125</u>
<b>FUND BALANCES</b>			
Non-spendable			
Inventories and prepaids	1,116	-	1,116
Restricted			
Federal and state allocation carryover	2,358	-	2,358
Assigned			
Purchases on order	20,119	-	20,119
Unassigned	47,397	740	48,137
Total fund balances	<u>70,990</u>	<u>740</u>	<u>71,730</u>
Total liabilities, deferred inflows of resources and fund balances	\$ <u>219,895</u>	\$ <u>975</u>	\$ <u>220,870</u>

**FINANCIAL SECTION: OTHER SUPPLEMENTARY INFORMATION**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
General Fund  
For the Year Ended June 30, 2021  
(Thousands)**

	<b>General Fund</b>	<b>Workers Compensation Fund</b>	<b>Total General Fund</b>
<b>REVENUES</b>			
Property taxes	\$ 99,416	\$ -	\$ 99,416
Other local sources	9,884	500	10,384
Intermediate sources	12,251	-	12,251
Fees and charges	1,409	-	1,409
State aid	164,171	-	164,171
Federal aid	68,072	-	68,072
Earnings (Loss) on investments	951	-	951
Miscellaneous	2,006	-	2,006
Total revenues	<u>358,160</u>	<u>500</u>	<u>358,660</u>
<b>EXPENDITURES</b>			
Current:			
Instruction and instruction-related services	181,041	783	181,824
Support services - student and staff	54,788	144	54,932
Instructional and school leadership	21,807	69	21,876
Administrative support services	25,578	70	25,648
Operation of non-instructional services	4,718	15	4,733
Operation and maintenance of plant services	21,778	385	22,163
Student transportation services	9,030	203	9,233
Facilities acquisition and construction services	4,237	-	4,237
Charter schools	18,783	-	18,783
Debt service			
Principal	252		252
Interest	11		11
Total expenditures	<u>342,023</u>	<u>1,669</u>	<u>343,692</u>
Excess (deficiency) revenues over expenditures	<u>16,137</u>	<u>(1,169)</u>	<u>14,968</u>
<b>OTHER FINANCING SOURCES</b>			
Insurance recoveries	-	-	-
Proceeds from sale of capital assets	509	-	509
Total other financing sources	<u>509</u>	<u>-</u>	<u>509</u>
Net change in fund balances	<u>16,646</u>	<u>(1,169)</u>	<u>15,477</u>
Fund balances -- June 30, 2020	54,344	1,909	56,253
Fund balances -- June 30, 2021	\$ <u>70,990</u>	\$ <u>740</u>	\$ <u>71,730</u>

**FINANCIAL SECTION: OTHER SUPPLEMENTARY INFORMATION**

**Combining Balance Sheet  
Nonmajor Funds  
June 30, 2021  
(Thousands)**

	Special Revenue Funds						Permanent	Total Nonmajor Funds
	Building Fund	Child Nutrition Fund	Gifts Fund	Flexible Benefit Fund	Arbitrage Fund	Student Activities Fund	Endowment Fund	
<b>ASSETS</b>								
Cash and cash equivalents	\$ 684	\$ 2,103	\$ 244	\$ 2	\$ 13	\$ 4,549	\$ -	\$ 7,595
Investments	5,723	-	2,526	-	-	-	30	8,279
Receivables net of allowance for uncollectibles	15,131	3,218	28	-	-	3	-	18,380
Inventories and prepaid items	-	648	-	-	-	-	-	648
Total Assets	<u>21,538</u>	<u>5,969</u>	<u>2,798</u>	<u>2</u>	<u>13</u>	<u>4,552</u>	<u>30</u>	<u>34,902</u>
<b>LIABILITIES</b>								
Liabilities:								
Accounts payable and accrued liabilities	869	1,228	47	-	-	1	-	2,145
Total liabilities	<u>869</u>	<u>1,228</u>	<u>47</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>2,145</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Succeeding year property tax	14,437	-	-	-	-	-	-	14,437
Unavailable revenue	381	203	1	-	-	1	-	586
Total deferred inflows of resources	<u>14,818</u>	<u>203</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>15,023</u>
<b>FUND BALANCES</b>								
Non-spendable								
Inventories and prepaids	-	648	-	-	-	-	-	648
Endowments	-	-	-	-	-	-	30	30
Restricted								
Building	5,851	-	-	-	-	-	-	5,851
Child nutrition	-	3,890	-	-	-	-	-	3,890
Gifts	-	-	2,750	-	-	-	-	2,750
Flexible benefit	-	-	-	2	-	-	-	2
Arbitrage	-	-	-	-	13	-	-	13
Student activities	-	-	-	-	-	4,550	-	4,550
Total fund balances	<u>5,851</u>	<u>4,538</u>	<u>2,750</u>	<u>2</u>	<u>13</u>	<u>4,550</u>	<u>30</u>	<u>17,734</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,538</u>	<u>\$ 5,969</u>	<u>\$ 2,798</u>	<u>\$ 2</u>	<u>\$ 13</u>	<u>\$ 4,552</u>	<u>\$ 30</u>	<u>\$ 34,902</u>

**FINANCIAL SECTION: OTHER SUPPLEMENTARY INFORMATION**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Funds  
For the Year Ended June 30, 2021  
(Thousands)**

	Special Revenue Funds						Permanent Fund	Total Nonmajor Funds
	Building Fund	Child Nutrition Fund	Gifts Fund	Flexible Benefit Fund	Arbitrage Fund	Student Activities Fund	Endowments Fund	
<b>REVENUES</b>								
Property taxes	\$ 14,171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,171
Other local sources	-	-	783	-	-	1,060	-	1,843
Fees and charges	34	657	-	-	-	143	-	834
State aid	978	2,540	-	-	-	-	-	3,518
Federal aid	-	14,938	-	-	-	-	-	14,938
Earnings (Loss) on investments	353	5	7	-	-	2	-	367
Miscellaneous	2,555	-	-	-	-	1	-	2,556
Total revenues	<u>18,091</u>	<u>18,140</u>	<u>790</u>	<u>-</u>	<u>-</u>	<u>1,206</u>	<u>-</u>	<u>38,227</u>
<b>EXPENDITURES</b>								
Current:								
Instruction and instruction-related services	-	-	357	-	-	739	-	1,096
Support services - student and staff	-	-	302	-	-	482	-	784
Instructional and school leadership	-	-	11	-	-	41	-	52
Administrative support services	843	2	220	-	-	17	-	1,082
Operation of non-instructional services	-	16,972	5	-	-	68	-	17,045
Operation and maintenance of plant services	14,546	-	-	-	-	2	-	14,548
Student transportation services	-	-	2	-	-	13	-	15
Facilities acquisition and construction services	1,282	-	38	-	-	2	-	1,322
Debt service								
Principal	1,101	-	-	-	-	-	-	1,101
Interest	99	-	-	-	-	-	-	99
Total expenditures	<u>17,871</u>	<u>16,974</u>	<u>935</u>	<u>-</u>	<u>-</u>	<u>1,364</u>	<u>-</u>	<u>37,144</u>
Excess (deficiency) revenues over expenditures	<u>220</u>	<u>1,166</u>	<u>(145)</u>	<u>-</u>	<u>-</u>	<u>(158)</u>	<u>-</u>	<u>1,083</u>
<b>OTHER FINANCING SOURCES</b>								
Capital lease	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Net change in fund balances	<u>220</u>	<u>1,166</u>	<u>(145)</u>	<u>-</u>	<u>-</u>	<u>(158)</u>	<u>-</u>	<u>1,083</u>
Fund balances -- June 30, 2020	5,631	3,372	2,895	2	13	4,708	30	16,651
Fund balances -- June 30, 2021	<u>\$ 5,851</u>	<u>\$ 4,538</u>	<u>\$ 2,750</u>	<u>\$ 2</u>	<u>\$ 13</u>	<u>\$ 4,550</u>	<u>\$ 30</u>	<u>\$ 17,734</u>

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## Statistical Section

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT STATISTICAL SECTION (Unaudited)

This part of the district’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district’s overall financial position.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> .....	<b>108</b>
These schedules contain trend information to help the reader understand how the district’s financial performance has changed over time.	
<b>Revenue Capacity</b> .....	<b>114</b>
These schedules present information to help the reader assess the district’s major revenue sources.	
<b>Debt Capacity</b> .....	<b>118</b>
These schedules present information to help the reader assess the affordability of the district’s current levels of outstanding debt and the district’s ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b> .....	<b>122</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district’s financial activities take place.	
<b>Operating Information</b> .....	<b>124</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the district’s financial report relates to the services the district provides and the activities it performs.	

### Sources

Unless otherwise noted, the information contained herein is derived from the comprehensive annual financial reports for the relevant year.

**STATISTICAL SECTION: FINANCIAL TRENDS**

**Changes In Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(Thousands)**

	Fiscal Year Ended June 30,			
	2021	2020	2019	2018
<b>Expenses</b>				
<b>Governmental activities:</b>				
Instruction and instruction-related services	\$ 250,404	\$ 211,830	\$ 208,287	\$ 200,943
Support services - student and staff	61,291	56,754	54,614	47,986
Instructional and school leadership	21,894	23,705	23,261	20,781
Administrative support services	40,619	45,554	42,117	36,569
Operation of non-instructional services	24,200	31,069	33,496	30,181
Operation and maintenance of plant services	39,801	38,695	35,994	34,249
Student transportation services	11,967	13,213	14,201	10,329
Facilities acquisition and construction services	650	5,985	3,304	3,393
Charter schools	18,783	17,748	13,921	11,183
Interest on long-term debt	4,855	4,476	4,463	3,450
Unrestricted investment loss/gain	-	-	-	-
Total primary governmental activities expense	<u>474,464</u>	<u>449,029</u>	<u>433,658</u>	<u>399,064</u>
<b>Program Revenues</b>				
<b>Governmental activities:</b>				
<b>Charges for services</b>				
Operation of non-instructional services	395	5,192	5,660	4,667
Student transportation services	-	-	-	-
Other	2,909	6,583	5,285	818
Operating grants and contributions	106,407	94,805	87,648	75,989
Capital grants and contributions	-	-	-	-
Total primary governmental activities program revenues	<u>109,711</u>	<u>106,580</u>	<u>98,593</u>	<u>81,474</u>
<b>Net Expense</b>				
Total primary governmental activities net expenses	<u>(364,753)</u>	<u>(342,449)</u>	<u>(335,065)</u>	<u>(317,590)</u>
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental activities:</b>				
Property taxes	179,045	189,524	182,719	180,025
State aid - formula grants	79,161	100,699	101,893	85,468
Dedicated state revenue	65,605	71,119	66,609	63,557
County revenue	12,252	11,251	10,537	10,632
Unrestricted investment earnings	508	2,909	4,570	1,674
Gain (loss) on sale of real estate	509	636	246	883
Gain on early lease payoff	-	-	-	-
Insurance recovery	-	14	19	16
Other local revenue	10,042	6,300	2,795	1,900
Total primary governmental activities	<u>347,122</u>	<u>382,452</u>	<u>369,388</u>	<u>344,155</u>
<b>Change in Net Position</b>				
Total primary government	<u>\$ (17,631)</u>	<u>\$ 40,003</u>	<u>\$ 34,323</u>	<u>\$ 26,565</u>

**STATISTICAL SECTION: FINANCIAL TRENDS**

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	2017	2016	2015	2014	2013	2012
\$	204,832	\$ 189,926	\$ 181,819	\$ 198,500	\$ 188,002	\$ 192,924
	49,129	50,977	45,399	45,168	46,942	46,858
	20,667	21,890	21,389	20,394	17,051	16,986
	31,430	34,328	43,169	36,711	28,713	28,765
	30,437	29,665	30,923	26,071	28,519	28,800
	37,732	35,922	37,238	35,757	34,385	36,426
	11,151	11,603	12,800	15,246	12,714	13,753
	1,895	2,497	2,443	52	6,998	2,008
	9,491	7,566	5,424	4,306	4,249	1,310
	3,341	3,234	3,775	3,139	2,935	3,735
	8	-	-	-	-	-
	<u>400,113</u>	<u>387,608</u>	<u>384,379</u>	<u>385,344</u>	<u>370,508</u>	<u>371,565</u>
	5,278	5,612	5,406	5,548	5,722	5,754
	-	-	-	1,435	1,263	1,079
	565	669	774	662	636	378
	77,728	73,847	76,880	72,202	74,612	87,483
	-	-	-	-	-	90
	<u>83,571</u>	<u>80,128</u>	<u>83,060</u>	<u>79,847</u>	<u>82,233</u>	<u>94,784</u>
	<u>(316,542)</u>	<u>(307,480)</u>	<u>(301,319)</u>	<u>(305,497)</u>	<u>(288,275)</u>	<u>(276,781)</u>
	166,402	160,160	159,678	147,823	144,602	141,061
	88,459	89,424	95,126	94,787	97,186	97,945
	63,653	64,551	65,260	63,792	63,360	61,413
	10,410	10,186	9,927	9,807	10,194	9,581
	-	1,476	591	857	389	575
	296	550	218	(27)	-	417
	-	-	-	-	-	359
	7	100	69	6,112	-	-
	2,493	2,236	304	496	1,507	529
	<u>331,720</u>	<u>328,683</u>	<u>331,173</u>	<u>323,647</u>	<u>317,238</u>	<u>311,880</u>
\$	<u>15,178</u>	<u>21,203</u>	<u>29,854</u>	<u>18,150</u>	<u>28,963</u>	<u>35,098</u>

**STATISTICAL SECTION: FINANCIAL TRENDS**

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**Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Thousands)**

	Fiscal Year Ended June 30,			
	2021	2020	2019	2018
<b>Revenues</b>				
Property taxes	\$ 189,458	\$ 191,184	\$ 181,361	\$ 180,398
Other local sources	12,227	20,152	15,632	12,171
Intermediate sources	12,251	11,251	10,537	10,631
Fees and charges	2,243	6,072	6,247	5,308
State aid	167,689	195,593	189,020	165,626
Federal aid	83,010	53,316	54,875	50,157
Earnings on investments	526	2,971	4,640	1,743
Miscellaneous	4,562	2,640	2,401	2,808
<b>Total revenues</b>	<b>471,966</b>	<b>483,179</b>	<b>464,713</b>	<b>428,842</b>
<b>Expenditures</b>				
Instruction and instruction-related services	200,251	203,231	204,502	186,343
Support services - student and staff	59,236	54,787	52,783	46,163
Instructional and school leadership	21,928	23,704	23,261	20,781
Administrative support services	34,151	39,423	37,288	30,420
Operation of non-instructional services	21,778	28,893	31,388	27,746
Operation and maintenance of plant services	37,946	32,604	35,474	32,245
Student transportation services	10,570	15,001	15,982	13,229
Facilities acquisition and construction services	31,939	58,690	61,772	53,889
Charter schools	18,783	17,748	13,921	11,183
Debt service:	-	-		
Principal	87,668	79,154	71,843	66,417
Interest	5,902	6,665	5,115	4,489
<b>Total expenditures</b>	<b>530,152</b>	<b>559,900</b>	<b>553,329</b>	<b>492,905</b>
<b>Excess of expenses over revenues</b>	<b>(58,186)</b>	<b>(76,721)</b>	<b>(88,616)</b>	<b>(64,063)</b>
<b>Other financing sources</b>				
Capital Leases	5,446	7,127	4,510	263
Bond issuances	81,419	54,726	91,775	72,153
Insurance recoveries	-	-	10	16
Proceeds from sale of Capital Assets	509	636	246	883
<b>Total other financing sources</b>	<b>87,374</b>	<b>62,489</b>	<b>96,541</b>	<b>73,315</b>
<b>Net change in fund balances</b>	<b>\$ 29,188</b>	<b>\$ (14,232)</b>	<b>\$ 7,925</b>	<b>\$ 9,252</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>18.78%</b>	<b>16.90%</b>	<b>15.72%</b>	<b>16.19%</b>

**STATISTICAL SECTION: FINANCIAL TRENDS**

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	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	166,402	\$ 160,161	\$ 153,943	\$ 145,061	\$ 144,601	\$ 141,060
	13,062	6,890	11,001	8,168	7,056	8,090
	10,410	10,186	9,927	9,807	10,194	9,581
	5,845	6,286	6,187	6,224	6,427	6,222
	164,700	168,126	174,496	171,526	167,754	165,789
	52,440	54,789	54,270	57,065	62,689	79,665
	61	1,503	644	917	410	597
	2,985	2,702	2,312	2,263	2,128	1,938
	<u>415,905</u>	<u>410,643</u>	<u>412,780</u>	<u>401,031</u>	<u>401,259</u>	<u>412,942</u>
	182,384	189,630	190,655	191,443	192,258	192,615
	47,404	49,303	44,034	44,227	46,144	46,196
	20,668	21,890	21,389	20,394	17,050	16,986
	26,015	28,841	41,959	38,446	25,347	26,208
	29,961	28,213	28,914	27,151	26,237	25,850
	36,381	35,228	36,239	37,000	33,706	35,588
	15,592	16,093	13,621	14,676	13,133	13,948
	37,506	40,761	43,972	34,008	52,898	83,689
	9,491	7,566	5,424	4,305	4,249	1,310
	62,314	78,202	53,790	51,925	50,175	49,593
	4,969	3,405	4,166	3,985	4,654	4,470
	<u>472,685</u>	<u>499,132</u>	<u>484,163</u>	<u>467,560</u>	<u>465,851</u>	<u>496,453</u>
	<u>(56,780)</u>	<u>(88,489)</u>	<u>(71,383)</u>	<u>(66,529)</u>	<u>(64,592)</u>	<u>(83,511)</u>
	3,547	-	-	1,024	11,936	17,562
	71,062	66,761	95,777	58,535	48,432	47,412
	7	99	56	6,113	-	-
	296	851	216	2,317	-	1,948
	<u>74,912</u>	<u>67,711</u>	<u>96,049</u>	<u>67,989</u>	<u>60,368</u>	<u>66,922</u>
\$	<u>18,132</u>	<u>(20,778)</u>	<u>24,666</u>	<u>1,460</u>	<u>(4,224)</u>	<u>(16,589)</u>
	15.56%	17.93%	13.39%	13.32%	13.34%	13.12%

**STATISTICAL SECTION: FINANCIAL TRENDS**

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**Net Position By Component  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Thousands)**

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities										
Net investment in capital assets:	\$ 399,731	\$ 384,762	\$ 368,816	\$ 351,812	\$ 335,360	\$ 323,765	\$ 326,777	\$ 318,867	\$ 303,399	\$ 280,211
Restricted for:										
Debt service	75,327	78,957	78,365	76,228	69,380	65,971	52,882	45,494	47,125	48,500
Building	5,851	5,631	5,088	5,994	6,253	7,060	8,272	8,377	5,608	4,487
Other	15,492	16,007	12,979	6,210	6,513	11,924	1,232	1,194	1,209	1,580
Unrestricted	<u>(206,574)</u>	<u>(177,899)</u>	<u>(197,157)</u>	<u>(211,692)</u>	<u>(215,519)</u>	<u>(234,341)</u>	<u>(222,911)</u>	<u>44,316</u>	<u>42,757</u>	<u>36,357</u>
Total primary governmental activities net position	<u>\$ 289,827</u>	<u>\$ 307,458</u>	<u>\$ 268,091</u>	<u>\$ 228,552</u>	<u>\$ 201,987</u>	<u>\$ 174,379</u>	<u>\$ 166,252</u>	<u>\$ 418,248</u>	<u>\$ 400,098</u>	<u>\$ 371,135</u>

Note: The District adopted GASB Statement No. 65 for financial reporting purposes in fiscal year ended June 30, 2013; for comparative purposes fiscal year ended June 30, 2012 has been restated.

**STATISTICAL SECTION: FINANCIAL TRENDS**

**Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Thousands)**

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Non-spendable										
Inventories and prepaids	\$ 1,116	\$ 743	\$ 745	\$ 890	\$ 676	\$ 720	\$ 489	\$ 400	\$ 624	\$ 781
Restricted										
Federal and state allocation carryover	2,358	2,730	1,067	615	523	5,559	8,212	1,640	1,443	168
Committed	-	-	-	-	-	-	-	-	-	4,566
Assigned	20,119	4,211	1,835	3,157	2,931	3,604	8,439	15,998	14,264	10,766
Unassigned	48,137	48,569	48,930	50,121	45,924	37,263	36,052	36,137	35,855	27,501
Total general fund	<u>\$ 71,730</u>	<u>\$ 56,253</u>	<u>\$ 52,577</u>	<u>\$ 54,783</u>	<u>\$ 50,054</u>	<u>\$ 47,146</u>	<u>\$ 53,192</u>	<u>\$ 54,175</u>	<u>\$ 52,186</u>	<u>\$ 43,782</u>
All Other Governmental Funds										
Non-spendable										
Inventories and prepaids	\$ 1,437	\$ 1,623	\$ 1,548	\$ 2,197	\$ 1,916	\$ 1,200	\$ 1,105	\$ 1,227	\$ 705	\$ 622
Endowments	30	30	30	30	30	30	30	30	30	30
Restricted										
Capital projects	27,743	11,759	31,688	22,656	24,800	12,204	40,762	18,634	19,418	22,432
Debt service	77,675	80,845	80,914	77,965	70,861	67,927	52,882	45,494	47,125	48,500
Building	5,851	5,631	5,088	5,994	6,239	7,046	8,258	8,377	5,608	4,487
Child nutrition	3,890	2,724	2,808	3,346	3,783	4,256	4,266	3,668	2,442	1,417
Gifts	2,750	2,895	1,467	1,339	1,367	1,109	1,202	1,194	1,209	1,580
Flexible benefits	2	2	-	-	10	10	9	11	16	18
Arbitrage	13	13	-	-	-	-	-	-	-	-
Student activities	4,550	4,708	4,580	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 123,941</u>	<u>\$ 110,230</u>	<u>\$ 128,123</u>	<u>\$ 113,527</u>	<u>\$ 109,006</u>	<u>\$ 93,782</u>	<u>\$ 108,514</u>	<u>\$ 78,635</u>	<u>\$ 76,553</u>	<u>\$ 79,086</u>

**STATISTICAL SECTION: REVENUE CAPACITY**

**Property Tax Rates, Direct and Overlapping Governments  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Total Taxable Assessed Value (000's)				Direct Tax Rate*				Total Direct Tax Rate*
	Tulsa County	Creek County	Osage County	Wagoner County	Tulsa County	Creek County	Osage County	Wagoner County	
2021	\$ 2,682,541	\$ 17,809	\$ 40,993	\$ 235	68.70	67.55	69.25	68.21	68.70
2020	2,585,202	19,809	39,463	221	71.70	70.55	72.25	71.21	71.70
2019	2,495,072	16,482	40,030	209	71.92	70.77	72.47	71.43	71.92
2018	2,427,514	16,996	37,733	217	71.86	70.71	72.41	71.37	71.86
2017	2,358,291	16,218	37,726	196	70.27	69.12	70.82	69.78	70.27
2016	2,272,340	16,332	35,976	184	68.96	67.81	69.51	68.47	68.96
2015	2,213,584	15,625	35,545	209	68.99	67.84	69.54	68.50	68.99
2014	2,170,858	14,166	34,595	213	64.65	63.50	65.20	64.16	64.91
2013	2,173,975	13,513	33,884	225	64.65	63.50	65.20	64.16	64.65
2012	2,136,830	13,071	32,988	237	64.79	63.64	65.34	64.30	64.79

\*Mills per \$1,000.00 assessed valuation.

Source: Tulsa County Excise Board, County Assessor's Office.

**Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
(rate per \$1,000 taxable assessed value)**

	Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Tulsa Public Schools Rates</b>										
General Fund	\$ 36.05	\$ 36.05	\$ 36.05	\$ 36.05	\$ 36.05	\$ 36.05	\$ 36.05	\$ 36.05	\$ 36.05	\$ 36.05
Building Fund	5.15	5.15	5.15	5.15	5.15	5.15	5.15	5.15	5.15	5.15
Sinking Fund	27.50	30.50	30.72	30.66	29.07	27.76	27.79	23.71	23.45	23.59
Total Direct Rate	\$ 68.70	\$ 71.70	\$ 71.92	\$ 71.86	\$ 70.27	\$ 68.96	\$ 68.99	\$ 64.91	\$ 64.79	\$ 64.79
Tulsa Community College	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21
Tulsa County Vo-Tech	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33
Tulsa County	23.25	22.66	22.74	22.24	22.24	22.22	22.23	22.23	22.24	22.24
City of Tulsa	17.78	22.12	22.14	22.44	21.20	22.79	20.24	20.24	20.16	20.01
Total For All Governments	\$ 130.27	\$ 137.02	\$ 137.34	\$ 137.08	\$ 134.25	\$ 134.51	\$ 132.00	\$ 127.92	\$ 127.58	\$ 127.58

Source: Tulsa County Assessor's Office.



**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Total Taxable Assessed Value (000's)			Total Direct Tax Rate*	Estimated Actual Value (000's)	Assessed Value as a Percentage of Actual Value
	Real Property	Personal Property	Public Service			
2021	\$ 2,069,851	\$ 507,813	\$ 163,914	68.70	\$ 24,607,628	11.14%
2020	1,989,562	500,476	154,168	71.70	23,761,987	11.13%
2019	1,930,006	468,937	152,849	71.92	22,899,446	11.14%
2018	1,862,313	471,575	148,571	71.86	22,291,830	11.14%
2017	1,815,016	454,190	143,225	70.27	21,693,068	11.12%
2016	1,759,111	437,249	128,472	68.96	20,948,369	11.10%
2015	1,712,885	422,032	130,046	68.99	20,383,119	11.11%
2014	1,678,771	392,152	148,909	64.91	19,859,929	11.18%
2013	1,661,274	370,958	189,365	64.65	19,672,823	11.29%
2012	1,643,445	354,142	185,539	64.79	19,325,190	11.30%

\*Mills per \$1,000.00 assessed valuation.

Source: Tulsa County Assessor's Office.

**STATISTICAL SECTION: REVENUE CAPACITY**

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**Principal Property Taxpayers**

Taxpayer	Year Ended June 30,					
	2021			2012		
	Taxable Assessed Value (000's)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (000's)	Rank	Percentage of Total Taxable Assessed Value
Holly Refining & Marketing	\$ 87,798	1	3.2%	\$ 41,121	2	1.9%
Public Service Company of Oklahoma	60,977	2	2.2%	40,245	3	1.8%
Oklahoma Natural Gas Company	27,950	3	1.0%	26,301	5	1.2%
AHS Hillcrest/Tulsa Holdings	27,633	4	1.0%	28,125	4	1.3%
FC Tulsa OK Landlord LLC	20,240	5	0.7%	n/a	n/a	n/a
AT&T Companies*	18,408	6	0.7%	68,154	1	3.1%
Quick Trip Corp	18,047	7	0.7%	n/a	n/a	n/a
Warren Foundation	16,744	8	0.6%	12,225	7	0.6%
AAON Inc.	16,634	9	0.6%	n/a	n/a	n/a
Helmerich & Payne	16,002	10	0.6%	n/a	n/a	n/a
Williams Companies	n/a	n/a	n/a	14,659	6	0.7%
Cellco Partnership	n/a	n/a	n/a	10,783	8	0.5%
Kanbar Property Mgmt LLC	n/a	n/a	n/a	8,543	10	0.4%
Cox Communications	n/a	n/a	n/a	10,456	9	0.5%
<b>Total</b>	<b>\$ 310,433</b>		<b>11.3%</b>	<b>\$ 260,612</b>		<b>12.0%</b>

Source: Tulsa County Assessor's Office.

**Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Thousands)**

Fiscal Year Ended June 30,	Gross Tax Levy*	Collected within Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2021	188,348	181,653	96.45%	-	181,653	96.45%
2020	189,623	180,738	95.31%	5,515	186,253	98.22%
2019	183,528	171,623	93.51%	10,536	182,159	99.25%
2018	177,189	173,086	97.68%	5,396	178,482	100.73%
2017	169,524	162,172	95.66%	6,522	168,694	99.51%
2016	160,321	154,998	96.68%	5,246	160,244	99.95%
2015	156,261	150,106	96.06%	5,853	155,959	99.81%
2014	143,515	138,723	96.66%	4,735	143,458	99.96%
2013	143,629	139,486	97.12%	3,682	143,168	99.68%
2012	141,448	134,758	95.27%	4,335	139,093	98.34%

\*Tulsa County Excise Board, County Assessor's Office.

**STATISTICAL SECTION: DEBT CAPACITY**

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**Ratios of Total Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Total General Obligation Bonded Debt (1) (thousands)	Capital Leases (1) (thousands)	Total Debt (1) (thousands)	Tulsa County Personal Income (2) (thousands)	Debt Percentage of Total Personal Income	Tulsa County Population (2) (thousands)	Total Debt Per Capita (thousands)
2021	\$ 257,577	\$ 2,807	\$ 260,384	43,084,636	0.60%	669	\$ 389
2020	251,523	10,893	262,416	42,154,762	0.62%	652	402
2019	273,243	7,634	280,877	33,592,968	0.84%	648	433
2018	254,669	3,194	257,863	33,592,968	0.77%	648	398
2017	250,118	2,977	253,095	33,489,286	0.76%	646	392
2016	241,882	-	241,882	36,831,531	0.66%	645	375
2015	224,096	30,507	254,603	40,175,553	0.63%	640	398
2014	182,344	30,852	213,196	44,611,605	0.48%	631	338
2013	176,044	29,907	205,951	40,896,611	0.50%	624	330
2012	178,460	17,722	196,182	36,362,176	0.54%	615	319

Source:

(1) Note 8. Long-term debt

(2) See schedule of Demographic and Economic Information

**STATISTICAL SECTION: DEBT CAPACITY**

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**Ratios of General Net Bonded Debt Outstanding  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Total General Obligation Bonded Debt (1) (thousands)	Sinking Fund Balance (thousands)	Net General Obligation Bonded Debt (thousands)	Estimated Actual Value (2) (thousands)	Ratio of Net General Obligation Bonded Debt to Estimated Actual Value	Tulsa County Population (3) (thousands)	Net General Obligation Bonded Debt Per Capita
2021	\$ 257,577	\$ 76,582	\$ 180,995	\$ 24,607,628	0.74%	669	\$ 271
2020	251,523	78,598	172,925	23,761,987	0.73%	669	258
2019	273,243	78,329	194,914	22,899,446	0.85%	652	299
2018	254,669	77,894	176,775	22,291,830	0.79%	648	273
2017	253,095	71,024	182,071	21,693,068	0.84%	646	282
2016	241,882	66,079	175,803	20,948,369	0.84%	645	273
2015	224,096	53,013	171,083	20,383,119	0.84%	640	267
2014	182,344	45,494	136,850	19,859,929	0.69%	631	217
2013	176,044	47,125	128,919	19,672,823	0.66%	624	207
2012	178,460	48,500	129,960	19,325,190	0.67%	615	211

Source:

- (1) Note 8. Long-term debt
- (2) See schedule of Assessed Value and Estimated Actual Value of Taxable Property
- (3) See schedule of Demographic and Economic Information

**STATISTICAL SECTION: DEBT CAPACITY**

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**Legal Debt Margin Information  
Last Ten Fiscal Years  
(Thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 274,158	\$ 264,469	\$ 255,179	\$ 248,246	\$ 241,243	\$ 232,483	\$ 226,494	\$ 221,983	\$ 222,160	\$ 218,313
Net Debt Applicable to Limit	183,802	183,818	202,279	173,501	175,746	172,671	166,231	66,079	127,745	129,233
Legal Debt Margin	<u>\$ 90,356</u>	<u>\$ 80,651</u>	<u>\$ 52,900</u>	<u>\$ 74,745</u>	<u>\$ 65,497</u>	<u>\$ 59,812</u>	<u>\$ 60,263</u>	<u>\$ 155,904</u>	<u>\$ 94,414</u>	<u>\$ 89,080</u>
Total net debt applicable to the limit as a percentage of debt limit	67.04%	69.50%	79.27%	69.89%	73.39%	29.77%	57.50%	59.20%	58.72%	61.61%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Value	\$ 27,415,779
Debt Limit (10% of assessed value)	274,158
Total Bonded Indebtedness	260,384
Debt service fund balance	<u>76,582</u>
Net Bonded Indebtedness	183,802
Legal Debt Margin	<u>\$ 90,356</u>

Sources:

Certificate of excise board estimate of needs for 2020-2021, Total Valuation  
Oklahoma State Department of Education 2021-OCAS District Check Report  
Note 8. Long -term debt

**STATISTICAL SECTION: DEBT CAPACITY**

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**Direct and Overlapping Governmental Debt  
June 30, 2021  
(Thousands)**

Governmental Unit	Net Indebtedness	Estimated % Applicable to the District	Estimated Share of Overlapping Debt
City of Tulsa	\$ 335,630 *	66.70%	\$ 223,865
Tulsa Community College	-	41.11%	-
Tulsa County	12,404 *	41.11%	5,099
Tulsa Vo-Tech #18	-	37.70%	-
Creek County	-	3.40%	-
Osage County	-	9.38%	-
Wagoner County	-	0.37%	-
Subtotal, overlapping debt			\$ 228,964
Tulsa School District Direct Debt			260,384
Total Direct and Overlapping Debt			\$ 489,348

\*As of June 30, 2020

Source: Tulsa County Assessor's Office and District records.

Note: The estimated % applicable to the district is calculated as a % of the net assessed valuation of the district that overlaps other taxing districts to the total net assessed valuation for other taxing governmental units.

Tulsa Area Principal Employers

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment *	Employees	Rank	Percentage of Total Employment *
Saint Francis Healthcare System	10,000	1	3.09%	6,500	4	1.60%
Wal-Mart/Sam's Club	7,500	2	2.31%	7,500	1	1.84%
Tulsa Public Schools	6,500	3	2.01%	7,000	2	1.72%
American Airlines	5,500	4	1.70%	7,000	3	1.72%
Hillcrest Healthcare System	5,500	5	1.70%	5,000	6	1.23%
Ascension St. John	5,000	6	1.54%	6,500	5	1.60%
City of Tulsa	3,500	7	1.08%	4,000	7	0.98%
QuikTrip	3,000	8	0.93%	-	-	-
Union Public Schools	2,500	9	0.77%	-	-	-
Cherokee Hard Rock Hotel and Casino	2,500	10	0.77%	3,000	9	0.74%
Reasor's (all Tulsa area locations)	-	-	-	2,500	10	0.61%
Sprint AeroSystems	-	-	-	3,000	8	0.74%
Jenks Public Schools	-	-	-	2,000	10	0.50%
	<u>54,500</u>		<u>16.84%</u>	<u>43,750</u>		<u>10.83%</u>

\*Tulsa MSA

Sources: City of Tulsa CAFR and district records

Note: Information is not available for fiscal year 2021.



**Demographic and Economic Information  
Population, Per Capita Income and Employment**

Fiscal Year Ended	Tulsa County					
	Population	Personal Income (000's)	Per Capita Personal Income	Labor Force	Number Employed	Unemployment Rate
June 30, 2020	669,279	\$ 43,084,636	\$ 65,519	324,010	302,728	6.6%
2019	651,552	42,154,762	64,699	323,670	313,397	3.2%
2018	648,360	40,688,491	62,756	322,030	311,265	3.3%
2017	646,727	37,525,897	58,024	320,152	306,536	4.3%
2016	646,396	34,720,064	53,713	318,576	303,691	4.7%
2015	640,979	40,534,679	63,239	318,248	305,047	4.1%
2014	631,441	45,104,490	71,431	311,497	298,129	4.3%
2013	624,173	41,650,779	66,730	311,042	295,184	5.1%
2012	615,594	36,889,336	59,925	310,018	294,043	5.2%
2011	609,392	32,422,450	53,205	304,059	285,655	6.1%

Note: Information not available for fiscal year 2021

Sources:  
Bureau of Economic Analysis, U.S. Department of Commerce,  
Bureau of Labor Statistics  
US Census Bureau

**STATISTICAL SECTION: OPERATING INFORMATION**

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**Net Current Expenditures Per Pupil  
Last Ten Fiscal Years**

<b>Regular Education</b>													Total - Net Current Expenditures Per Pupil	Average Daily Membership
Fiscal Year	Instruction	Support Services & Staff	Administrative Support Services	Instructional and School Leadership	Central Services	Operation & Maintenance of Plant Facilities	Child Nutrition	Total	Facility Acquisition and Construction	Student Transportation	Other			
2020-21	\$ 5,752	\$ 1,945	\$ 204	\$ 692	\$ 975	\$ 1,246	\$ 647	\$ 11,461	1,873	404	676	14,414	31,625	
2019-20	5,331	1,510	163	661	875	1,075	736	10,353	1,011	357	573	12,294	35,351	
2018-19	5,189	1,439	171	644	954	1,005	702	10,103	1,738	447	474	12,762	36,552	
2017-18	4,453	1,263	148	577	734	950	717	8,842	1,505	367	372	11,086	36,718	
2016-17	4,635	1,265	142	545	603	997	695	8,882	1,139	370	340	10,732	37,932	
2015-16	4,400	1,253	148	563	589	927	669	8,549	1,546	399	281	10,631	38,855	
2014-15	4,319	1,157	161	544	851	955	678	8,665	1,367	390	189	10,467	39,497	
2013-14	4,266	1,117	198	514	872	1,053	630	8,650	809	325	163	9,832	39,705	
2012-13	4,231	1,172	253	436	410	966	633	8,101	1,010	421	269	9,588	39,596	
2011-12	4,256	1,172	240	423	433	1,001	592	8,117	1,005	380	277	9,566	40,133	

Source: District records.

**STATISTICAL SECTION: OPERATING INFORMATION**

**School Food Service Program  
Last Ten Fiscal Years**

	<u>2021**</u>	<u>2020*</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Number of operating cafeterias	65	73	77	80	81	84	84	82	82	85
Number of schools participating in Federal lunch program	69	73	77	80	81	84	84	82	82	85
Student lunches served:										
Free lunches	1,619,524	2,425,759	3,802,553	3,846,247	3,647,979	3,649,019	3,709,060	3,672,403	3,671,959	3,753,767
Reduced price lunches	n/a	98,038	116,960	117,773	104,276	350,079	386,566	343,268	394,713	420,617
Paid lunches	n/a	436,110	174,745	162,021	611,223	518,242	521,208	534,142	567,143	589,680
Total student lunches served	<u>1,619,524</u>	<u>2,959,907</u>	<u>4,409,258</u>	<u>4,126,041</u>	<u>4,363,478</u>	<u>4,517,340</u>	<u>4,616,834</u>	<u>4,549,813</u>	<u>4,633,815</u>	<u>4,764,064</u>
Adult lunches served	n/a	11,232	16,852	21,156	30,538	40,801	49,606	53,738	58,971	63,945
Ala Carte lunches:										
Student daily equivalent meals	n/a	366	549	557	641	726	766	892	1,061	766
Adult daily equivalent meals	n/a	62	93	98	109	98	145	167	114	99
Daily average lunches served (including ala carte lunches):										
Student	5,565	24,264	25,513	25,135	25,977	27,615	28,247	25,226	28,643	29,124
Adult	n/a	92	195	128	182	341	440	454	465	480
Average Daily Membership (ADM)	31,625	35,035	36,278	37,433	38,587	39,101	39,666	39,588	39,551	40,919
Percent of student lunches served to ADM	17.6%	69.2%	70.3%	67.1%	67.3%	70.6%	71.2%	63.7%	72.4%	71.2%

\*\*2021 District records does not have data in this format that is comparable to prior years due to the continued disruption of the COVID-19 pandemic where the district elected to be in a distance learning model for most of the 2020-2021 school year. Meals were served under the allowance of the federal seamless summer food program during the entire year whether students were learning in person or not. Due to the pandemic, the district also consolidated site operations to support meal delivery in a "grab and go" format during distance learning. The number of days when the district provided meal services also increased (impacting the daily average lunches served statistic) since Tulsa Public Schools delivered meals on weekends and holidays to support food security for our students and families.

\*2020 District records does not have data in this format for the final quarter of the year due to the disruption of the COVID-19 pandemic closure in March 2020. Child Nutrition services to serve meals under the USDA's seamless summer program until end of fiscal year. From the March closure to the last school day in May the following total meals were served to our students: Breakfast 581,901: Lunch 586,183.

Source: District records.

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STATISTICAL SECTION: OPERATING INFORMATION

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**High School Graduates  
Last Ten Fiscal Years**

School Year	Central	East Central	Edison	Hale	Memorial	Rogers	McLain	Washington	Webster	Total
2020-21	76	220	240	134	163	200	94	298	73	1,498
2019-20	109	253	261	199	181	184	85	310	82	1,664
2018-19	114	207	242	164	184	154	103	313	99	1,580
2017-18	103	197	227	215	188	138	87	314	94	1,563
2016-17	106	225	241	193	226	134	96	277	96	1,594
2015-16	124	187	244	155	182	145	96	350	99	1,582
2014-15	153	216	243	215	174	103	67	314	87	1,572
2013-14	116	193	231	203	162	61	66	306	89	1,427
2012-13	73	168	216	226	189	0 (1)	78	296	74	1,320
2011-12	109	176	251	255	194	0 (1)	84	316	72	1,457

(1) Effective FY 2011-12 Rogers was re-structured and the next graduating class did not occur until FY 2013-14.

Source: District records.

**STATISTICAL SECTION: OPERATING INFORMATION**

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**List of School Buildings: Square Footage, Capacity, Age  
June 30, 2021**

School Building*	Physical Address	Square Footage	Average Daily Membership*	Capacity**	Capacity Utilized	Acquisition/ Construction Date(1)	Depreciation Effective Date(2)
Greenwood Leadership	1789 W. Seminole Street	53,377	291	582	50%	1973	1982
Anderson	1921 E. 29th Street North	86,908	374	602	62%	1960	1972
Bell	6304 E. Admiral Boulevard	92,724	362	674	54%	1952	1972
Burroughs	1924 N. MLK Jr. Boulevard	56,856	229	454	50%	1925	1972
Carnegie	4309 E. 56th Street	54,580	399	467	85%	1958	1972
C. Clinton	1740 N. Harvard Avenue	82,118	468	707	66%	1953	1982
Wayman Tisdale Fine Arts Academy	4132 W. Cameron Street	84,183	308	645	48%	1958	1979
Clinton West	2224 W. 41st Street	123,811	312	700	45%	2009	2010
Delores Huerta	10620 E. 27th Street	50,366	323	513	63%	1971	1985
Cooper	1808 S. 123rd East Avenue	85,545	610	888	69%	1966	1979
Disney	11702 E. 25th Street	83,564	681	993	69%	1969	1982
Dual Language Immersion	2703 N. Yorktown Place	44,065	258	355	73%	1955	1955
John Hope Franklin	5402 N. MLK Jr. BLVD	69,709	662	360	184%	1958	1979
Eisenhower	3111 East 56th Street	101,868	563	641	88%	1961	1979
Eliot	1442 E. 36th Street	47,504	328	480	68%	1928	1979
Emerson	909 N. Boston Avenue	54,679	353	549	64%	1976	1979
Eugene Field	2249 S. Phoenix Avenue	58,782	313	503	62%	2005	2006
Grissom	6646 S. 73rd East Avenue	54,062	273	444	61%	1969	1979
Hamilton	2316 N. Norwood Place	120,896	371	750	49%	1957	1974
Hawthorne	1105 E. 33rd Street North	59,151	260	559	47%	1952	1982
Hoover	2327 S. Darlington Avenue	71,755	361	638	57%	1954	1979
Unity Learning Academy	2137 N. Pittsburg Avenue	55,974	213	536	40%	1959	1972
Kendall Whittier	2601 E. 5th Place	125,520	704	1,230	57%	1998	1998
Kerr	202 S. 117th East Avenue	64,365	465	697	67%	1964	1981
Key	5702 S. Irvington Avenue	59,014	290	625	46%	1961	1979
Lanier	1727 S. Harvard Avenue	46,657	275	398	69%	1925	1972
Council Oaks	1920 S. Cincinnati Avenue	48,271	420	503	83%	1918	1972
Lewis & Clark	737 S. Garnett Road	105,666	435	704	62%	1971	1982
Lindbergh	931 S. 89th East Avenue	61,862	449	536	84%	1957	1979
MacArthur	2182 S. 73rd East Avenue	56,375	348	635	55%	1957	1979
Marshall	1142 E. 56th Street	69,758	226	684	33%	1953	1974
Mayo	1127 South Columbia Avenue	60,008	357	424	84%	1926	1982
McClure	1770 E. 61st Street	69,893	440	776	57%	1957	1979
McKinley	6703 E. King Street	56,840	439	763	58%	1956	2000
Mitchell	733 N. 73rd East Avenue	59,474	383	664	58%	1960	1979
Owen	1132 N. Vandalia Avenue	62,459	384	582	66%	1952	1979
Patrick Henry	3820 E. 41st Street	56,378	410	546	75%	1957	1974
Peary	10818 E. 17th Street	45,657	320	444	72%	1968	1982
Project Accept	1202 West Newton Street	31,928	99	160	62%	1910	1910
Robertson	2721 W. 50th Street	51,052	248	513	48%	2003	2003
Salk	7625 E. 58th Street	67,242	431	707	61%	1964	1979
Sequoyah	724 N Birmingham Avenue	121,029	361	743	49%	1926	1974
Skelly	2940 S. 90th East Avenue	157,774	730	852	86%	1966	1979
Springdale	2510 E. Pine Street	54,924	358	628	57%	1925	1972
Whitman	3924 N. Lansing Avenue	52,913	251	500	50%	1961	1980
Zarrow	3613 S. Hudson Avenue	57,735	460	516	89%	1959	1979

**STATISTICAL SECTION: OPERATING INFORMATION**

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**List of School Buildings: Square Footage, Capacity, Age  
June 30, 2021**

School Building*	Physical Address	Square Footage	Average Daily Membership*	Capacity**	Capacity Utilized	Acquisition/ Construction Date(1)	Depreciation Effective Date(2)
Carver	624 E. Oklahoma Place	114,349	659	735	90%	1928	1972
East Central JH	12121 E. 21st Street	127,548	685	920	74%	1967	1979
Edison MS	2906 E. 41st Street	116,047	781	940	83%	1954	1979
Hale JH	2177 S. 67th East Avenue	132,777	549	915	60%	1960	1974
Memorial JH	7502 E. 57th Street	128,733	534	645	83%	1966	1982
Monroe	2010 E. 48th Street North	98,155	729	1,035	70%	1958	1979
Thoreau	7370 East 71st Street	123,110	541	675	80%	1973	1984
Central JR/HS	3101 W. Edison Street	178,245	649	986	66%	1976	1988
East Central	12150 E. 11th Street	276,721	1,126	1,254	90%	1966	1979
Edison	2906 E. 41st Street	287,018	1,090	1,388	79%	1957	1979
Hale	6960 E. 21st Street	251,413	916	1,296	71%	1959	1979
McLain HS	4929 N. Peoria Avenue	221,638	550	1,156	48%	1959	1988
Memorial	5840 S. Hudson Avenue	278,863	936	1,326	71%	1962	1988
Rogers JR/HS	3909 E. 5th Place	286,334	1,632	1,720	95%	1939	1972
Washington	1514 E. Zion Street	259,805	1,302	1,400	93%	2001	2004
Webster MS/HS	1919 W. 40th Street	208,807	695	933	74%	1938	1972
Tulsa MET JR/HS	6201 E. Virgin Street	57,850	122	290	42%	1929	1929
Traice MS/HS	2740 E. 41st Street North	45,075	535	215	249%	1957	1957

\* Excluding programs at sites not owned by Independent School District No. I-1.

\*\* Capacity based on TPS management planned use of the building.

(1) - Date of site acquisition or completion of building construction (fiscal year).

(2) - Beginning date of 50 year depreciation of building (fiscal year).

Source: District records.

**STATISTICAL SECTION: OPERATING INFORMATION**

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**Number of Schools, Student Enrollment and Attendance Information  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Total Number of Schools			Total Student Enrollment	Average Daily Membership (ADM)	Average Daily Attendance (ADA)	Ratio ADA to ADM
	Elementary Schools	Middle Schools	High Schools				
2021	46	10	9	33,224	31,625	26,735	84.54%
2020	52	11	9	35,403	35,351	32,202	91.09%
2019	52	11	9	36,203	36,552	33,484	91.61%
2018	52	11	9	37,054	36,718	33,750	91.92%
2017	54	12	9	38,628	37,932	35,082	92.49%
2016	54	12	9	39,451	38,855	36,002	92.66%
2015	54	12	9	39,999	39,497	36,416	92.20%
2014	54	12	9	40,026	39,705	36,695	92.42%
2013	54	12	9	40,252	39,596	36,630	92.51%
2012	54	12	9	39,178	40,133	37,044	92.30%

Source: District records.

Note: Enrollment figures exclude charter school enrollment within the District.

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**STATISTICAL SECTION: OPERATING INFORMATION**

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**Schedule of Government Employees by Function**

Function	Number of Employees at June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction and instruction-related services	3,261	3,257	3,474	3,348	3,260	3,560	4,501	4,619	4,222	4,425
Support services - student and staff	711	599	628	621	623	727	575	589	716	642
Instructional and school leadership	379	363	379	386	396	404	257	211	212	204
Administrative support services	159	163	166	164	152	156	114	163	153	154
Operation of non-instructional services	557	563	665	649	615	611	587	453	586	529
Operation and maintenance of plant services	455	492	497	487	494	557	480	554	529	562
Student transportation services	248	318	279	252	343	337	290	251	289	329
Total Government Employees	<u>5,770</u>	<u>5,755</u>	<u>6,088</u>	<u>5,907</u>	<u>5,883</u>	<u>6,352</u>	<u>6,804</u>	<u>6,840</u>	<u>6,707</u>	<u>6,845</u>

Source: District records.



# **Tulsa Public Schools**

Independent School District No. I-1,  
Tulsa County, Oklahoma

Single Audit Report  
June 30, 2021

## Contents

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RSM US LLP

**Report on Internal Control Over Financial  
Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

**Independent Auditor's Report**

Board of Education  
Tulsa Public Schools  
Tulsa, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tulsa Public Schools (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 31, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described below as Finding 2021-001 that we considered to be a material weakness.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District'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 financial statements. 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*.

**District's Response to Finding**

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of financial statements and, accordingly, we express no opinion on it.

**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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RSM US LLP*

Oklahoma City, Oklahoma  
January 31, 2022



RSM US LLP

**Report on Compliance for Each Major Federal Program;  
Report on Internal Control Over Compliance; and Report on  
Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance**

**Independent Auditor's Report**

Board of Education  
Tulsa Public Schools  
Tulsa, Oklahoma

**Report on Compliance for Each Major Federal Program**

We have audited Tulsa Public Schools' (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

## **Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated January 31, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statement that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*RSM US LLP*

Oklahoma City, Oklahoma  
April 29, 2022, except for our report on the  
Schedule of Expenditures of Federal Awards, for which  
the date is January 31, 2022

**Tulsa Public Schools  
Independent School District No. I-1, Tulsa County**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2021**

Federal Grantor / Pass Through Grantor / Program Title	Federal Assistance Listing Number	Pass-through Grantor's Project Number	Total Expenditures
<b>U.S. Department of Agriculture</b>			
<b>Passed Through Oklahoma Department of Education</b>			
Child Nutrition Cluster:			
Summer Food Services Program	10.559	766	\$ 9,713,886
Child Nutrition Discretionary Grants Limited Availability	10.579	791	35,206
<b>Passed through Oklahoma Department of Human Services</b>			
National School Lunch Program-Commodity	10.555	773	<u>953,426</u>
<b>Total Child Nutrition Cluster</b>			<u>10,702,518</u>
Fresh Fruit/Vegetable Program	10.582	768	636,967
Child and Adult Care Program	10.558	769	<u>3,605,153</u>
<b>Total U.S. Department of Agriculture</b>			<u>14,944,638</u>
<b>U.S. Department of the Interior</b>			
<b>Direct Programs</b>			
477 Cluster:			
Creek Nation:			
Johnson O'Malley	15.130	n/a	41,125
Johnson O'Malley C/O	15.130	n/a	37,710
Cherokee Nation:			
Johnson O'Malley	15.130	n/a	<u>24,920</u>
<b>Total U.S. Department of the Interior</b>			<u>103,755</u>
<b>U.S. Department of Education</b>			
<b>Direct Program</b>			
Title VII Indian Education	84.060	n/a	600,783
<b>Passed through Oklahoma Department of Education</b>			
Special Education Cluster (IDEA):			
Special Ed Staff Development	84.027	613	750
Engage/Develop Monitoring	84.027	615	62,099
COVID-19 - Special Ed- CARES Act	84.027	617	373,455
IDEA-B Flowthrough	84.027	621	6,291,834
IDEA-B Early Intervening	84.027	623	374,249
IDEA-B Private Schools	84.027	625	214
IDEA-B High Cost Fund	84.027	626	162,982
IDEA-B Preschool	84.173	641	<u>92,021</u>
<b>Total Special Education Cluster (IDEA)</b>			<u>7,357,604</u>

**Tulsa Public Schools  
Independent School District No. I-1, Tulsa County**

**Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2021**

Federal Grantor / Pass Through Grantor / Program Title	Federal Assistance Listing Number	Pass-through Grantor's Project Number	Total Expenditures
<b>U.S. Department of Education, continued</b>			
<b>Passed through Oklahoma State Department of Education, continued</b>			
Title I	84.010	511	\$ 19,891,995
Title I Neglected/Delinquent Children	84.010	532	65,607
Title I School Support	84.010	515	2,119,110
OK Striving Readers Comprehension	84.371	538	509,021
Title IV Student Supt & A	84.424	552	986,575
Supplemental School Improvement	84.377	519	246,162
Title I - CAC	84.010	786	<u>842,317</u>
			24,660,787
McKinney Homeless Youth	84.196	596	18,244
Title II Part A Improve Teachers	84.367	541	1,690,769
Title II - CAC	84.367	786	<u>82,075</u>
			1,772,844
Title III Part A English Language	84.365	572	712,070
Title III Part A-Immigrant Education Act	84.365	571	<u>128,716</u>
			840,786
COVID-19 - ESSER-Elementary and Secondary School Emergency Relief Fund I	84.425 D	788	12,236,663
COVID-19 - ESSER-Elementary and Secondary School Emergency Relief Fund I	84.425 D	789	239,332
COVID-19 - ESSER-Elementary and Secondary School Emergency Relief Fund II	84.425 D	793	14,464,820
<b>Passed through Oklahoma Department of Career and Technology Education</b>			
Carl Perkins Grant	84.048	421	602,309
Carl Perkins Supplemental Grant	84.048	424	<u>22,591</u>
			624,900
<b>Passed through Oklahoma Department of Rehabilitation Services</b>			
DRS-Voc Ed Rehab	84.126	456	2,869
<b>Total U.S. Department of Education</b>			<u>62,819,632</u>
<b>U.S. Department of Health and Human Services</b>			
<b>Passed through Oklahoma Department of Human Services</b>			
Medicaid Cluster:			
Medical Assistance Program	93.778	698	<u>39,720</u>
<b>Total Medicaid Cluster</b>			39,720
<b>Total U.S. Department of Health and Human Services</b>			<u>39,720</u>
<b>Total Federal Assistance</b>			<u>\$ 77,907,745</u>

NOTE - The District did not provide any Federal Awards to subrecipients during the year ended June 30, 2021.

See notes to Schedule of Expenditures of Federal Awards.



**Tulsa Public Schools  
Independent School District No. I-1, Tulsa County, Oklahoma**

**Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2021**

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**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2021. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, and expended during the year are included in this Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3. Indirect Cost Rate**

The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4. Noncash Assistance**

The schedule includes federal awards in the form of noncash assistance (commodities) received during the year in the amount of \$953,426 related to USDA Commodities grants (Assistance Listing Number 10.555) provided by the U.S. Department of Agriculture and passed through the Oklahoma Department of Human Services.



## Summary Schedule of Prior Audit Findings For the year ended June 30, 2021

### Compliance Findings

#### 2020-001

Finding: The Foundation for Tulsa Schools (the Foundation) is a legally separate not-for-profit organization whose purpose is to enhance the educational programs of the District by providing a permanent entity through which contributions can be received and distributions made for the benefit of the District and its students. During the course of performing the FY 2020 audit, we noted the following matters with regards to the Foundation:

- District management did not perform a timely review to determine whether the Foundation met the reporting requirements of a component unit, as defined in GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an Amendment of GASB Statement No. 14*.
- The District did not adequately review contribution funds received from the Foundation in both FY2019 and FY2020 as described in the condition below. The misstatement was corrected by the District and recorded in its 2020 financial statements.

Corrective Actions Taken or Planned: Corrected. In 2021 the District recorded the Foundation in the Annual Comprehensive Financial Report.

#### 2020-002

Finding: The District's internal controls over financial reporting failed to detect significant errors in the District's financial statements in the recording of the Net Pension Liability and Deferred Inflows of Resources and Deferred Outflows of Resources related to the District's participation in employee retirement system sponsored by Oklahoma Teachers' Retirement System (OTRS). The District's internal control system also failed to detect errors in the recording and disclosures of the Net OPEB Asset and Deferred Inflows of Resources related to the District's participation in the post-employment benefits sponsored by OTRS.

Corrective Actions Taken or Planned: Uncorrected. See corrective action plan

**DESTINATION EXCELLENCE**

**2020-003**

Finding: For the year ended June 30, 2018, the District's compliance reporting package and Data Collection Form were submitted more than 30 days after the date the District received the reports. Thus, the District did not meet the criteria to be considered a low-risk auditee for the Single Audit of the year ended June 30, 2019 or 2020.

Corrective Actions Taken or Planned: Corrected. The 2021 compliance reporting package and Data Collection form will be filed timely.

**Tulsa Public Schools  
Independent School District No. I-1, Tulsa County, Oklahoma**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2021**

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**I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes  No

Significant deficiencies identified?

Yes  None Reported

Noncompliance material to financial statements noted?

Yes  No

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?

Yes  No

Significant deficiency(ies) identified?

Yes  None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with  
2 CFR 200.516(a)?

Yes  No

**Identification of major programs:**

Assistance Listing Nur	Name of Federal Program or Cluster
10.559, 10.579, 10.555	Child Nutrition Cluster
84.425D	COVID-19 - ESSER-Elementary and Secondary School Emergency Relief Fund

Dollar threshold used to distinguish between type A and type B programs: \$2,337,232

Auditee qualified as low-risk auditee?

Yes  No

(Continued)

**Tulsa Public Schools  
Independent School District No. I-1, Tulsa County, Oklahoma**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2021**

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**II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance with *Government Auditing Standards***

**A. Internal Control**

**Finding 2021-001**

**Material weakness in internal control over financial reporting**

Finding: The District does not have sufficient procedures in place to ensure proper review of schedules necessary to prepare their year-end entries in accordance with generally accepted accounting principles (GAAP).

Criteria: Effective review processes should be established and maintained to prevent or detect and correct material misstatements in the annual financial statements on a timely basis.

Condition: There were certain schedules that were prepared and from which year-end accrual entries were to be made. These schedules contain numerous allocations of financial data and are critical for the overall financial statements, thus increasing the risk that a misstatement could occur and not be detected. In the current year, certain schedules were not properly reviewed before the year-end accrual adjusting entries were made, resulting in:

- (1) An overstatement of 2021 accounts receivable and deferred revenue as well as understatement of revenue in multiple opinion units. This included a General fund overstatement of accounts receivable of approximately \$0.4 million, overstatement of deferred revenue of approximately 1.5 million and understatement of revenue of approximately \$1.1 million. As well as an Aggregate non-major overstatement of accounts receivable of approximately \$5.1 million, overstatement of deferred revenue of approximately \$5.5 million, and understatement of revenue of approximately \$0.4 million; and
- (2) An understatement of 2021 accounts payable and expenses in the Bond fund (includes a known misstatement of approximately \$226,000 and a projected misstatement of \$187,000) as there was a 2021 invoice incorrectly not accrued.
- (3) An understatement of pension deferred outflow and overstatement of pension expense of approximately \$1.6M in the governmental activities' opinion unit.

Cause: A review of accrual schedules is not performed prior to the preparation of the preliminary fund financial statements.

Effect: Preliminary fund financial statements, government-wide financial statements and note disclosures contained errors that were significant to its 2021 financial statements. Such errors were corrected and revised by the District and are properly reflected in its 2021 financial statements.

Recommendation: We recommend that the District implement procedures to ensure department-level reviews are performed in order for accrual entries to be properly accounted for and recorded in the financial statements.

District's Management Response: The District agrees with the finding and recommendation.

**Tulsa Public Schools  
Independent School District No. I-1, Tulsa County, Oklahoma**

**Schedule of Findings and Questioned Costs (Continued)  
Year Ended June 30, 2021**

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**B. Instance of Noncompliance**

No matters to report.

**Findings and Questioned Costs for Federal Awards**

**A. Internal Control**

No matters to report.

**B. Instances of Noncompliance**

No matters to report.



## Corrective Action Plan For the year ended June 30, 2021

### Compliance Findings

#### 2021-001

Finding: The District does not have sufficient procedures in place to ensure proper review of schedules necessary to prepare their year-end entries in accordance with generally accepted accounting principles (GAAP).

Corrective Actions Taken or Planned: (1) A/R response—Currently we obtain a list of all A/R items as of June 30, and a list of all payments received during July-September. These lists are combined and identified in a summary report as A/R items or payments received and accurately reflect all payments and their status. As a result; the process of gathering these items and then creating the journal entry focused solely for the purpose of the ACFR, if something is listed as an A/R item and a payment received during July-September it is identified twice in our reporting for ACFR. When these reports are passed on to have the JE created, there is no additional step in the process to have a specific review of these situations or the removal of the A/R item by the Treasury team before the JE is created. The risk is that the A/R item could be duplicated in the adjusting journal entry for the ACFR.

Going forward, Treasury will continue to gather the supporting information for the AR entry schedule and build a summary tab to be used specifically for the journal accounts. The district will add an additional step to our ACFR creation process where the document will then be reviewed by another member of the Treasury team to verify totals on the summary tab agree to the supporting details for outstanding receivables and accrual payment reports. Once verified, the spreadsheet will be shared with the Accounting team to prepare the journal entry for the trial balance. Accounting will then share the journal entry balances with the Treasury team to once again verify that it aligns with the outstanding receivables and accrual payment activity for the prior year as of September 30th. This added review step will be accompanied by a formal documented approval by the Treasury team prior to posting the entries.

(2) A/P response—The district's current accounting processes and reviews have been sufficient to avoid the issue identified. However, due to unforeseen circumstances, specifically the fact that this year the experienced reviewer was out on medical leave during the process to create the entry, all reconciliations for the invoicing accrual journal schedule were not performed as planned and the particular invoice was not identified. Currently in our process, all invoices paid after June 30th are being reviewed by the Senior Accountant and labeled if they are related to prior year activity or if the receipt of goods or services on a prior year encumbrance occurred after the end of the fiscal year period. The Accounting Director has reviewed the invoicing lists and labeling identifications for reasonableness and accuracy and may request further information to determine the final inclusion, or not, of a payment in the accrual calculation. The Accounting Director, as the reviewer, also reconciles the invoice lists to AP liability at year end and the construction in progress payment records to verify what should and should not be included in the final accrual entry.

**DESTINATION EXCELLENCE**

Going forward, Accounting will set monthly reviews of the invoicing identification process and cross train the Accounting Manager to be able to perform the reviewer functions. More frequent review of the invoice accrual spreadsheet will allow for more time to verify and document the labeling decisions before generating the journal entry for reporting. The process will now have the Senior Accountant building the invoice lists with identified labeling for accrual, the Accounting Manager will review the spreadsheet work progress monthly, do the reconciliations of the data, and build the journal entry. The Accounting Director will review all the work and approve the journal for posting to the trial balance.

(3) Pension response—We can attribute this finding to a subset of formulas in the pension workbook not being correctly updated after the new year lines were created. In response to this finding, we have corrected the workbook for miscalculating formulas and it now agrees to the auditor balances. Additionally, we are putting in place new process steps and actions to prevent this issue in the future. We have designated a team member who has been trained in pension reporting to perform the updates to the pension calculation workbook. We have also added additional formulas to check that data flowing from other tabs of the workbook are in balance with the formulated totals on the summary tabs. The additional formula checks will identify immediately if there are any errors created during the annual updating process, and be able to verify the formulas and or the original data entry. Additionally, the Accounting Director will then review the workbook to the data sources (OTRS reporting) and verify the journal schedule calculations and approve for entry to adjust the trial balance for reporting.

Anticipated completion date: 06/30/2022

Contact person: Alicia Srader, Director of Accounting at (918) 746-6542



TULSA PUBLIC SCHOOLS INDEPENDENT SCHOOL DISTRICT NO. I-1  
TULSA COUNTY, OKLAHOMA  
SCHEDULE OF ACCOUNTANTS' PROFESSIONAL  
LIABILITY INSURANCE AFFIDAVIT

Year Ended June 30, 2021

STATE OF OKLAHOMA  
COUNTY OF OKLAHOMA

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm did have, in full force and effect, Accountant's 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 Tulsa Public Schools Independent School District No. I-1 for the audit year ended June 30, 2021.

RSM US LLP



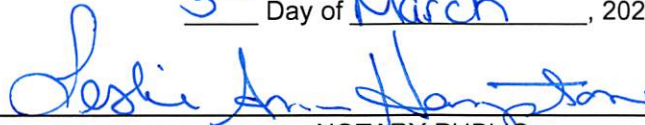
Signature of Authorized Agent

Michael J. Gibson

Printed Name of Authorized Agent

Subscribed and sworn to before me on this

3<sup>rd</sup> Day of March, 2022



NOTARY PUBLIC

My commission expires on:

18 Day of September, 2025

Commission No. 17008665

