

FINANCIAL STATEMENTS AND REPORTS OF
TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
JUNE 30, 2011

RALPH OSBORN
CERTIFIED PUBLIC ACCOUNTANT
500 SOUTH CHESTNUT
P.O. BOX 1015
BRISTOW, OK 74010
(918) 367-2208
FAX (918) 367-1034

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
JUNE 30, 2011

TABLE OF CONTENTS

<u>SCHOOL DISTRICT OFFICIALS</u>	1
<u>INDEPENDENT AUDITOR'S REPORT</u>	2-3
<u>COMBINED FINANCIAL STATEMENTS</u>	
Combined Statement of Assets, Liabilities, and Equity - Regulatory Basis - All Fund Types and Account Groups	4
Combined Statement of Revenues Collected, Expenditures Paid, And Changes In Fund Balance - Regulatory Basis - All Governmental Fund Types	5
Combined Statement of Revenues, Expenditures, and Changes In Fund Balances - Budget and Actual - Regulatory Basis - Budgeted Governmental Fund Type	6
<u>NOTES TO FINANCIAL STATEMENTS</u>	7-17
<u>OTHER SUPPLEMENTARY INFORMATION:</u>	
<u>COMBINING FINANCIAL STATEMENTS</u>	
Combining Statement of Assets, Liabilities, and Cash Fund Balances - Regulatory Basis - All Special Revenue Funds	18
Combining Statement of Revenues Collected, Expenditures Paid, And Changes In Fund Balances - Regulatory Basis - All Special Revenue Funds	19
Combining Statement of Revenues Collected, Expenditures Paid, And Changes In Fund Balances - Budget and Actual - Special Revenue Funds - Regulatory Basis	20
Combining Statement of Assets, Liabilities, and Fund Equity - Regulatory Basis - Activity Fund	21
Combining Statement of Changes in Assets and Liabilities - Regulatory Basis - Activity Fund	22
<u>SUPPORTING SCHEDULES</u>	
Schedule of Federal Awards Expended	23
Schedule of Statutory, Fidelity and Honesty Bonds	24
<u>INTERNAL CONTROL AND COMPLIANCE REPORTS</u>	
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"	25-26
<u>SCHEDULE OF FINDINGS AND QUESTIONED COST</u>	
Schedule of Findings and Questioned Costs	27
Status of Prior Year Audit Findings	28
<u>SCHEDULE OF ACCOUNTANTS' PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT</u>	29

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
SCHOOL DISTRICT OFFICIALS
JUNE 30, 2011

BOARD OF EDUCATION

President
Vice-President
Clerk

Donna Mouser
Clarence Jones
Patricia Armstrong

School District Treasurer

Gayle Yarborough

Encumbrance Clerk

Jill Bybee

Minutes Clerk

Jill Bybee

Superintendent of Schools

Tamyra Larson

INDEPENDENT AUDITORS REPORT

The Honorable Board of Education
Turkey Ford Dependent School District No C-10
Ottawa County, Oklahoma
Wyandotte, Oklahoma

I have audited the accompanying fund type and account group financial statements of Turkey Ford School District No. C-10, Ottawa County, Oklahoma, as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of management of Turkey Ford School District, No. C-10, Ottawa County, Oklahoma. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As discussed in Note 1C, these financial statements were prepared in conformity with the accounting and financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As discussed in Note 1E, the financial statements referred to above do not include the general fixed assets account group, which should be included in order to conform with the accounting and reporting regulations prescribed or permitted by the Oklahoma State Department of Education. The amount that should be recorded in the general fixed assets account group is not known.

In my opinion, because the District's policy is to prepare its combined financial statements on the basis of accounting discussed in the third paragraph, the combined financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Turkey Ford School District No. C-10, Ottawa County, Oklahoma as of June 30, 2011, or the results of its operations for the year then ended.

However, in my opinion, except for the omission of a general fixed assets account group, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities, and equity arising from regulatory basis transactions of each fund type and account group of Turkey Ford School District No. C-10, Ottawa County, Oklahoma as of June 30, 2011, and the revenues collected, expenditures paid, expenses for the year ended on the regulatory basis of accounting described in Note 1C.

In accordance with *Government Auditing Standards*, I have also issued my report dated April 19, 2012 consideration of the School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and other matters and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance and other matters. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was conducted for the purpose of forming an opinion on the fund type and account group financial statements within the financial statements. The combining fund statements as listed in the table of contents under other supplementary information are presented for purposes of additional analysis and are not a required part of the combined financial statements of Turkey Ford School District. This other supplementary information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements within the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole on the regulatory basis of accounting described in Note 1C.



Ralph Osborn
Certified Public Accountant
Bristow, Oklahoma
April 19, 2012

TURKEY FORD SCHOOL DISTRICT NO. C-10

OTTAWA COUNTY, OKLAHOMA

COMBINED STATEMENT OF ASSETS, LIABILITIES, AND EQUITY
REGULATORY BASIS - ALL FUND TYPES AND ACCOUNT GROUPS

JUNE 30, 2011

	Governmental Fund Type			Capital Projects	Fiduciary Fund Types		Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service		Trust And Agency	General Long-Term Debt			
<u>ASSETS</u>									
Cash and cash equivalents	\$ 359,561	\$ 39,176	\$ 16,435	\$ 33	\$ 8,489	\$ -	\$ -	\$ 423,694	
Amount available in Debt Service fund	-	-	-	-	-	-	16,435	16,435	
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	103,565	103,565	
Amount to be provided for capitalized lease agreements	-	-	-	-	-	-	17,742	17,742	
Total Assets	\$ 359,561	\$ 39,176	\$ 16,435	\$ 33	\$ 8,489	\$ -	\$ 137,742	\$ 561,436	
<u>LIABILITIES AND FUND EQUITY</u>									
<u>LIABILITIES</u>									
Warrants payable	\$ 46,937	\$ 22,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,019	
Due to other groups	-	-	-	-	8,489	-	-	8,489	
Long-term debt:									
Bonds payable	-	-	-	-	-	-	120,000	120,000	
Capital leases	-	-	-	-	-	-	17,742	17,742	
Total Liabilities	46,937	22,082	-	-	8,489	-	137,742	215,250	
<u>FUND EQUITY</u>									
Unreserved	-	-	-	33	-	-	-	33	
Designated for capital projects	-	-	-	-	-	-	-	16,435	
Designated for debt service	-	-	16,435	-	-	-	-	329,718	
Undesignated	312,624	17,094	-	-	-	-	-	346,186	
Total fund equity	312,624	17,094	16,435	33	-	-	-	346,186	
Total liabilities and fund equity	\$ 359,561	\$ 39,176	\$ 16,435	\$ 33	\$ 8,489	\$ -	\$ 137,742	\$ 561,436	

The accompanying notes are an integral part of this statement.

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES
 PAID AND CHANGES IN FUND BALANCES
 REGULATORY BASIS - ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 2011

	General	Special Revenue	Debt Service	Capital Projects	Total (Memorandum Only)
Revenues Collected					
Local Resources	\$ 243,314	\$ 31,340	\$ 19,542	\$ -	\$ 294,196
Intermediate Sources	13,616	-	-	-	13,616
State Sources	521,974	901	121	-	522,996
Federal Sources	<u>211,795</u>	<u>60,462</u>	<u>-</u>	<u>-</u>	<u>272,257</u>
Total Revenues Collected	<u>990,699</u>	<u>92,703</u>	<u>19,663</u>	<u>-</u>	<u>1,103,065</u>
Expenditures Paid					
Instruction	523,068	-	-	-	523,068
Support Services	341,583	34,567	-	-	376,150
Non-Instruction Services	12,267	75,246	-	-	87,513
Other Outlay	12,787	17	-	-	12,787
Repayments	815	-	-	-	832
Debt Service:					
Principal	-	-	15,000	-	15,000
Interest and Fiscal Agent Charges	<u>-</u>	<u>-</u>	<u>5,325</u>	<u>-</u>	<u>5,325</u>
Total Expenditures Paid	<u>890,520</u>	<u>109,830</u>	<u>20,325</u>	<u>-</u>	<u>1,020,675</u>
Excess of Revenues Collected Over (Under) Expenditures Paid Before Adjustments to Prior Year					
	100,179	(17,127)	(662)	-	82,390
Adjustments to Prior Year Estopped Warrant					
	<u>2,086</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,086</u>
Excess (Deficiency) of Revenue Collected Over (Under) Expenditures Paid And Other Financing Sources (Uses)					
	102,265	(17,127)	(662)	-	84,476
Fund Balance, Beginning	<u>210,359</u>	<u>34,221</u>	<u>17,097</u>	<u>33</u>	<u>261,710</u>
Fund Balance, Ending	<u>\$ 312,624</u>	<u>\$ 17,094</u>	<u>\$ 16,435</u>	<u>\$ 33</u>	<u>\$ 346,186</u>

The accompanying notes are an integral part of this statement.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
REGULATORY BASIS - BUDGETED GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund			Special Revenue Funds			Debt Service Fund		
	Original	Final	Actual	Original	Final	Actual	Original	Final	Actual
	Budget	Budget	\$	Budget	Budget	\$	Budget	Budget	\$
REVENUES COLLECTED									
Local Sources	\$ 174,252	\$ 174,252	\$ 243,314	\$ 33,846	\$ 33,864	\$ 31,340	\$ 18,966	\$ 18,966	\$ 19,542
Intermediate Sources	10,143	10,143	13,616	-	-	-	-	-	-
State Sources	539,275	539,275	521,974	823	823	901	-	-	121
Federal Sources	58,094	58,094	211,795	52,264	52,264	60,462	-	-	-
TOTAL REVENUES COLLECTED	781,764	781,764	990,699	86,933	86,933	92,703	18,966	18,966	19,663
EXPENDITURES PAID									
Instruction	992,123	992,123	523,068	-	-	-	-	-	-
Support Services	-	-	341,583	39,357	39,357	34,567	-	-	-
Non-Instruction Services	-	-	12,267	81,797	81,797	75,246	-	-	-
Other Outlays	-	-	12,787	-	-	17	-	-	-
Repayments	-	-	815	-	-	-	-	-	-
Debt Service:									
Principal	-	-	-	-	-	-	15,000	15,000	15,000
Interest and Fiscal	-	-	-	-	-	-	-	-	-
Agent Charges	-	-	-	-	-	-	5,325	5,325	5,325
TOTAL EXPENDITURES PAID	992,123	992,123	890,520	121,154	121,154	109,830	20,325	20,325	20,325
Excess of Revenues Collected Over									
(Under) Expenditures Paid Before	(210,359)	(210,359)	100,179	(34,221)	(34,221)	(17,127)	(1,359)	(1,359)	(662)
Adjustments to Prior Year	-	-	-	-	-	-	-	-	-
Adjustments to Prior Year	-	-	2,086	-	-	-	-	-	-
Lapsed Appropriations	-	-	-	-	-	-	-	-	-
Excess of Revenue Collected Over									
(Under) Expenditures Paid and	(210,359)	(210,359)	102,265	(34,221)	(34,221)	(17,127)	(1,359)	(1,359)	(662)
Others Financing Sources (Uses)	210,359	210,359	210,359	34,221	34,221	34,221	17,097	17,097	17,097
Fund Balance, Beginning	0	0	\$ 312,624	0	0	\$ 17,094	\$ 15,738	\$ 15,738	\$ 16,435
Fund Balance, Ending	0	0	\$ 312,624	0	0	\$ 17,094	\$ 15,738	\$ 15,738	\$ 16,435

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

1. Summary of Significant Accounting Policies

The basic financial statements of Turkey Ford Public Schools Dependent District No. C-10, Ottawa County, Oklahoma (the District) have been prepared in conformity with an other comprehensive basis of accounting as prescribed by the Oklahoma State Department of Education. The more significant of the District's policies are described below.

A. Reporting entity

The District is a corporate body of public purposes created under Title 70 of Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes.

The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on State of Oklahoma support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The governing body of the District is the Board of Education composed of elected members. The appointed superintendent is the executive officer of the District.

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

B. Fund Accounting and Description of Funds

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

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

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types

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

General Fund

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

Special Revenue Fund

The special revenue fund includes the District's Building Fund and Child Nutrition Fund. The Building Fund consists of monies derived from property taxes levied for the purpose of erecting, remodeling, or repairing buildings and for purchasing furniture and equipment.

The Child Nutrition Fund derives monies from the operation of the school lunch and breakfast programs.

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 principal, interest and related cost. The primary revenue source is local property taxes levied specifically for debt service.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Capital Projects Fund

The capital projects fund is the District's Bond Fund 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, and acquiring transportation equipment.

Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of the net income is necessary or useful to sound financial administration. Goods and services from such activities can be provided either outside parties (enterprise funds) or to other departments or agencies primarily within the District (internal service funds). The District does not have Proprietary Funds at this time.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside partners, including other governments, or on behalf of other funds within the District. When these assets are held under the terms of a trust agreement, trust funds are used for their accounting and reporting. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operations.

Account Groups

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

General Long-Term Debt Account Group

This account group was established to account for all long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal. It is also used to account for liabilities for compensated absences and early retirement incentives, which are to be paid from funds provided in future years.

General Fixed Asset Account Group

This account group is used to account for property, plant and equipment of the school district. The District does not have information necessary to include this group in its combined financial statements.

Memorandum Only - Total Column

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

C. Basis of Accounting and Presentation

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

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

1. Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies are recorded as expenditures when approved.
2. Investments and inventories are recorded as assets when purchased.
3. Capital assets in proprietary funds are recorded when acquired and depreciated over their useful lives.
4. Warrants payable are recorded as liabilities when issued.
5. Long-term debt is recorded when incurred.
6. Accrued compensated absences are recorded as an expenditure and liability when the obligation is incurred.

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

D. Budgets and Budgetary Accounting

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

The District may upon approval by the majority of the electors of the District voting on the question make the ad valorem levy for emergency levy and local support levy permanent. The District electors have made the levies permanent.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Under current Oklahoma Statutes, a formal budget is required for all funds except for trust and agency funds. Budgets are presented for all funds that include the originally approved budgeted appropriations and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories.

E. Assets, Liabilities, and Fund Equity

Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all cash on hand, demand deposits, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments

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

Property Tax Revenues

The District is authorized by state law to levy property taxes, which consists of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the County Treasurer prior to October 1. The County Treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes are due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property.

Inventories

The value of consumable inventories at June 30, 2011 is not known but is not believed to be material to the basic financial statements.

Capital Assets

The General Fixed Assets Account Group is not presented. The amount which would be included in it is not known.

Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. There are no amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Employees are allowed varying amounts of sick leave during the year in accordance with Oklahoma Statutes. Sick leave used during the year is recorded as an expense in the governmental fund. Vested accumulated rights to receive sick pay benefits may be used in subsequent years, transferred to another District, or added to years of service upon retirement. Based on the District's experience it is not probable that District will pay for vested accumulated rights to receive sick leave. Therefore, a liability for vested accumulated sick leave has not been recorded.

Long-Term Debt

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

Fund Balance

Fund balance represents the cash and investments not encumbered by purchase order, legal contracts, and outstanding warrants.

State Revenues

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

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

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

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditure/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

All other transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. There were no operating transfers or residual equity transfers during fiscal year 2011.

2. Cash and Investments

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

Deposits and Investments

The District's cash deposits at June 30, 2011, were completely insured or collateralized by federal deposit insurance, direct obligations of the United States Government, or securities held by the District or by its agent in the District's name.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of failure of counterparty, the District will not be able to recover the value of its deposits or investments. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. 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 deposits and investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the deposits or investments. As of June 30, 2011, all of the District's deposits and investments were either covered by federal deposit insurance or were fully collateralized.

Deposits

The District had deposits at financial institutions with a carrying amount of approximately \$423,694 at June 30, 2011. The bank balance of the deposits at June 30, 2011 was approximately \$425,568.

Credit Risk

Fixed-income securities are subject to credit risk. However, the District did not have fixed income securities at June 30, 2011.

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 Treasurer and Board of Education monitor the District's investment performance on an ongoing basis to limit the District's interest rate risk. As of June 30, 2011, all of the District's deposits consisted of demand deposits.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

3. General Long-Term Debt

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years from the date of issue.

General long-term debt of the District consists of bonds payable and a capital lease. Debt service requirements for bonds are payable solely from fund balance and future revenues of the debt service fund.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2011:

	Bonds Payable	Capital Lease Obligation	Total
Balance, July 1, 2010	\$ 135,000	\$ -	\$ 135,000
Additions	-	23,205	23,205
Retirements	(15,000)	(5,463)	(20,463)
Balance, June 30, 2011	\$ 120,000	\$ 17,742	\$ 137,742

A brief description of the outstanding general obligation bond issues at June 30, 2011 is set forth below:

	<u>Amount Outstanding</u>
Elementary School District No. C-10 Building Bonds, Series 2010, original issue \$150,000, interest rate of 3.25% to 6.0%, due in annual installments of \$15,000, final payment of \$15,000 due May 1, 2018.	\$ 120,000

The annual debt service requirements of bond principal and payment of interest are as follows:

Year ending June 30	Principal	Interest	Total
2012	\$ 15,000	\$ 4,425	\$ 19,425
2013	15,000	3,750	18,750
2014	15,000	3,263	18,263
2015	15,000	2,760	17,760
2016	15,000	2,235	17,235
2017-2019	45,000	2,835	47,835
	\$ 120,000	\$ 19,268	\$ 139,268

Interest expense on general long-term debt incurred during the current year totaled \$5,325.

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2011

3. General Long-Term Debt (continued)

The District has entered into lease agreements as lessee for financing the acquisition of fixed assets. The lease agreements qualify as capital leases for accounting purposes since title transfers at the end of the lease term and it has been recorded at the present value of the future minimum lease payments. The leases contain a clause, which gives the District the ability to terminate the lease agreement at the end of each fiscal year. Lease payments are made from the General Fund or from bond issues.

The District has recorded the liability for future lease payments of the general long-term debt account group for the equipment. The schedule of the future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, is as follows:

<u>Year ending June 30</u>	<u>Land</u>	<u>Total</u>
2012	\$ 8,418	\$ 8,418
2013	8,418	8,418
2014	<u>2,105</u>	<u>2,105</u>
Total minimum lease payments	18,941	18,941
Less: Amount representing interest	<u>1,199</u>	<u>1,199</u>
Present value of future minimum lease payments	<u>\$ 17,742</u>	<u>\$17,742</u>

4. Employee Retirement System

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

4. Employee Retirement System (continued)

A participant with ten years of creditable service may retire with a normal retirement allowance at the age of sixty-two or with reduced benefits as early as age fifty-five. The normal retirement allowance paid monthly for life and then to beneficiaries, if certain options are exercised, equals two percent of the average of the highest three earning years of contributory service multiplied by the number of years of credited service. A participant leaving employment before attaining retirement age, but completing ten years of service, may elect to vest his accumulated contributions and defer receipt of a retirement annuity until a later date.

When a participant dies in active service and has completed ten years of credited service, the beneficiary is entitled to a death benefit of \$18,000 and the participant's contributions plus interest. If the beneficiary is a surviving spouse, the surviving spouse may, in lieu of the death benefit, elect to receive, subject to the surviving spousal option, the participant's retirement benefits accrued at the time of death.

The contribution rates for the Districts, which are not actuarially determined, and its employees are established by statute and applied to the employee's earnings, plus employer-paid fringe benefits. The District is required by statute to contribute 9.5% of compensation. The District is allowed by the Oklahoma Teacher's Retirement System to make the required contributions on behalf of the participating members. The required contribution for participating members is 7% of total compensation.

The District paid matching retirement on salary paid from federal programs. The Districts total contributions for 2011 and 2010 were \$44,816 and \$49,067 respectively.

The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effect of projected salary increases. There are no actuarial valuations performed on individual school districts.

The unfunded pension benefit obligation (in millions) of the System, as determined as part of the latest actuarial valuation dated June 30, 2011, is as follows:

Total pension benefits obligation	\$ 17,561
Net assets available for benefits, at cost	<u>9,961</u>
Nonfunded pension benefit obligation	<u>\$ 7,600</u>

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

4. Employee Retirement System (continued)

Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2011. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. The annual report may be obtained by writing to Oklahoma Teacher's Retirement System, PO Box 53524, Oklahoma City, OK, 73152.

5. Contingencies

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

6. Risk Management

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

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
COMBINING STATEMENT OF ASSETS, LIABILITIES, AND CASH FUND BALANCES
REGULATORY BASIS - ALL SPECIAL REVENUE FUNDS
JUNE 30, 2011

	<u>Building Fund</u>	<u>Child Nutrition</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 23,214	\$ 15,962	\$ 39,176
Total Assets	<u>\$ 23,214</u>	<u>\$ 15,962</u>	<u>\$ 39,176</u>
LIABILITIES AND FUND EQUITY			
Liabilities:			
Warrants payable	\$ 16,154	\$ 5,928	\$ 22,082
Total Liabilities	<u>16,154</u>	<u>5,928</u>	<u>22,082</u>
Fund Equity:			
Unreserved/Undesignated	<u>7,060</u>	<u>10,034</u>	<u>17,094</u>
Total Fund Equity	<u>7,060</u>	<u>10,034</u>	<u>17,094</u>
Total Liabilities and Fund Equity	<u>\$ 23,214</u>	<u>\$ 15,962</u>	<u>\$ 39,176</u>

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 COMBINING STATEMENT OF REVENUES COLLECTED,
 EXPENDITURES PAID, AND CHANGES IN FUND BALANCES
 REGULATORY BASIS - ALL SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Building Fund</u>	<u>Child Nutrition</u>	<u>Total</u>
Revenues Collected:			
Local Sources	\$ 27,060	\$ 4,280	\$ 31,340
State Sources	-	901	901
Federal Sources	-	<u>60,462</u>	<u>60,462</u>
 Total Revenues	 <u>27,060</u>	 <u>65,643</u>	 <u>92,703</u>
 Expenditures Paid:			
Support Services	34,467	100	34,567
Non-instruction	-	75,246	75,246
Repayments	-	<u>17</u>	<u>17</u>
 Total Expenditures Paid	 <u>34,467</u>	 <u>75,363</u>	 <u>109,830</u>
 Excess of Revenues Collected Over (Under) Expenses Paid	 (7,407)	 (9,720)	 (17,127)
 Fund Balance - Beginning of Year	 <u>14,467</u>	 <u>19,754</u>	 <u>34,221</u>
 Fund Balance - Ending of Year	 <u>\$ 7,060</u>	 <u>\$ 10,034</u>	 <u>\$ 17,094</u>

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 REGULATORY BASIS - ALL SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Building Fund		Child Nutrition Fund		Total	
	Original Budget	Final Budget	Original Budget	Final Budget	Original Budget	Final Budget
Revenue Collected:						
Local Sources	\$ 24,890	\$ 24,890	\$ 8,956	\$ 8,956	\$ 33,846	\$ 31,340
State Sources	-	-	823	823	823	901
Federal Sources	-	-	52,264	52,264	52,264	60,462
Total Revenue Collected	<u>24,890</u>	<u>24,890</u>	<u>62,043</u>	<u>62,043</u>	<u>86,933</u>	<u>92,703</u>
Expenditures Paid:						
Support Services	39,357	39,357	-	-	39,357	34,567
Non-Instruction Services	-	-	81,797	81,797	81,797	75,246
Repayments	-	-	-	-	-	17
Total Expenditures Paid	<u>39,357</u>	<u>39,357</u>	<u>87,797</u>	<u>81,797</u>	<u>121,154</u>	<u>109,830</u>
Excess of Revenues Collected Over (Under) Expenditures	(14,467)	(14,467)	(19,754)	(19,754)	(34,221)	(17,127)
Fund Balance - Beginning	14,467	14,467	19,754	19,754	34,221	34,221
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,060</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 17,094</u>

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND CASH FUND BALANCES
 REGULATORY BASIS - ACTIVITY FUND
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Agency Fund Activity Funds</u>	<u>Total</u>
ASSETS		
Cash and Cash Equivalents	\$ 8,489	\$ 8,489
TOTAL ASSETS	<u>\$ 8,489</u>	<u>\$ 8,489</u>
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Due to Student Groups	\$ 8,489	\$ 8,489
TOTAL LIABILITIES	<u>8,489</u>	<u>8,489</u>
FUND EQUITY		
Unreserved/Undesignated	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 8,489</u>	<u>\$ 8,489</u>

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 REGULATORY BASIS - ACTIVITY FUND
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2011</u>
Athletics	\$ 10	\$ 0	\$ 0	\$ 10
Annual	392	1,594	1,612	374
Band	65	0	0	65
Carnival	4,142	2,434	4,552	2,024
Pie Supper	722	1,808	884	1,646
Library	703	40	0	743
Elementary	278	2,227	1,628	877
School Store	1,076	5,811	4,137	2,750
Blackjack Charity	<u>0</u>	<u>10,141</u>	<u>10,141</u>	<u>0</u>
Total Activities	<u>\$ 7,388</u>	<u>\$ 24,055</u>	<u>\$ 22,954</u>	<u>\$ 8,489</u>

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 SCHEDULE OF FEDERAL AWARDS EXPENDED
 FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass Through Grantor/Program Title	Federal Grantor's Approved Balance at			Receipts	Expenditures*	June30,2011	
	CFDA#	Number	Amount				
U.S. Department of Education							
Direct Programs							
Impact Aid	84.041		\$ -	\$ -	\$ 30,678	\$ 19,571	\$ -
Title VII	84.060		-	-	8,920	9,023	-
Title VI, Subpart 1	84.358A		-	-	14,217	24,188	-
Total Direct			-	-	53,815	52,782	-
Passed Through State							
Department of Education							
Title 1, Part A	84.010		-	-	32,288	32,541	-
IDEA, Part B	84.027		-	-	50,377	25,988	-
Preschool	84.173		-	-	2,334	2,334	-
Title IV, Part A	84.186		-	-	-	-	-
Title II, Part A	84.336		-	-	-	-	-
Teacher/Principal	84.367		-	-	9,587	-	-
ARRA, Education Stabilization	84.394		-	-	29,425	32,551	-
ARRA, Governmental Serv Fund	84.397		-	-	-	-	-
ARRA Title 1	84.389		-	-	825	-	-
ARRA, IDEA, Part B	84.391A		-	-	3,108	-	-
Title II, Part D	84.318X		-	-	108	-	-
Education Jobs Fund	84.318X		-	-	25,117	25,356	-
Total Passed Through State			-	-	153,169	118,770	-
Department of Education			-	-	153,169	118,770	-
Total U.S. Department of Education			-	-	206,984	171,552	-
U.S. Dept. Of Health & Human Serv.							
Passed through Oklahoma							
Health Care Authority							
Medical Assistance Program	93.778		-	-	1,153	-	-
Passed Through Bureau							
of Indian Affairs							
Johnson O'Malley	15.130		-	-	3,658	1,714	-
U.S. Dept. Of Agriculture							
Passed Through State							
Department of Education							
School Breakfast Program	10.553		-	-	21,639	21,639*	-
School Lunch Program	10.555		-	-	38,823	38,823*	-
Passed Through State Dept.							
Of Human Services							
Child Nutrition Cluster							
Non-cash Asst. (Commodities)	10.555		-	-	3,572	3,572	-
Total U.S. Dept. Of Agriculture			-	-	64,034	64,034	-
Total Expenditures of Federal Awards			\$ -	\$ -	\$ 275,829	\$ 237,300	\$ -

Note 1 - *Represents federal share of expenditures only.

Note 2 - Commodities received in the amount of \$3,572 were of a nonmonetary nature and therefore the total revenue does not agree with the financial statements by this amount.

Note 3 - This schedule is prepared using the regulatory basis of accounting described in Note 1C.

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

TURKEY FORD SCHOOL DISTRICT NO. C-10
 OTTAWA COUNTY, OKLAHOMA
 STATEMENT OF STATUTORY, FIDELITY, AND HONESTY BONDS
 FOR THE YEAR ENDED JUNE 30, 2011

<u>Bond Type</u>	<u>Bonding Company</u>	<u>Bond Number</u>	<u>Amount</u>	<u>Effective Date</u>
Surety/Position	Liberty Mutual	E771297	\$ 56,000	04/03/10-04/03/11
Surety/Position	CNA Surety	70781336	\$ 56,000	08/25/10-08/25/11
Surety/Position	CNA Surety	70769149	\$ 100,000	07/30/10-07/30/11

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"

To the Board of Education
Turkey Ford School District No. C-10
Ottawa County
Wyandotte, Oklahoma

I have audited the regulatory basis financial statements of Turkey Ford School District No. C-10, Ottawa County, Oklahoma as of and for the year ended June 30, 2011, and have issued my report thereon dated April 19, 2012 which did not include the General Fixed Assets Account Group. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Turkey Ford School District No. C-10, Ottawa County, Oklahoma's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Turkey Ford School District No. C-10, Ottawa County, Oklahoma's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Turkey Ford School District No. C-10, Ottawa County, Oklahoma's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Turkey Ford School District No. C-10, Ottawa County, Oklahoma's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Sincerely,



Ralph Osborn
Certified Public Accountant
Bristow, Oklahoma
April 19, 2012

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED JUNE 30, 2011

Section I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:

Qualified on regulatory
Basis of accounting

Internal control over financial reporting:

Material weakness(es) identified?

Yes No

Reportable condition(s) identified that are
not considered to be material weakness(es)?

Yes None Reported

Noncompliance material to financial
statements noted?

Yes No

Section II - Financial Statement Findings

There were no financial statement findings.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
STATUS OF PRIOR AUDIT FINDING
FOR THE YEAR ENDED JUNE 30, 2011

There were no prior year audit findings.

TURKEY FORD SCHOOL DISTRICT NO. C-10
OTTAWA COUNTY, OKLAHOMA
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2010 TO JUNE 30, 2011

State of Oklahoma)
County of Creek)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Turkey Ford School District No. C-10 for the audit year 2010-2011.

Ralph Osborn, CPA
Auditing Firm

By *Ralph Osborn*
Authorized Agent

Subscribed and sworn to before me
on this 19th day of April, 2012.

Shannon Holderfield
Notary Public

My commission expires on:

9th day of April, 2016

My commission number:

08004053

