

FINANCIAL STATEMENTS AND REPORTS OF
TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
JUNE 30, 2012

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

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 JUNE 30, 2012

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TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
SCHOOL DISTRICT OFFICIALS
JUNE 30, 2012

BOARD OF EDUCATION

President
Vice-President
Clerk
Member
Member

Jay Musgrave
Tara Kirkhart
Aaron Levens
John Moses
Dusty Fowler

School District Treasurer

Johnita Foster

Encumbrance Clerk

Lynette Regier

Minutes Clerk

Micki Robinson

Superintendent of Schools

Bret Rider

INDEPENDENT AUDITORS REPORT

The Honorable Board of Education
Turpin Public School District No. I-128
Beaver County, Oklahoma
Turpin, Oklahoma

I have audited the accompanying fund type and account group financial statements of Turpin Public School District No. I-128, Beaver County, Oklahoma, as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of management of Turpin School District, No. I-128, Beaver 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

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 Turpin Public School District No. I-128, Beaver County, Oklahoma as of June 30, 2012, 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 Turpin Public School District No. I-128, Beaver County, Oklahoma as of June 30, 2012, 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 8, 2013 on my 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing 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 combined financial statements. The combining fund statements and schedules 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 Turpin Public Schools. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, and is also not a required part of the combined financial statements of the 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 combined financial statements and, in my opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole on the regulatory basis of accounting described in Note 1C.



Ralph Osborn
Certified Public Accountant
Bristow, Oklahoma
April 8, 2013

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINED STATEMENT OF ASSETS, LIABILITIES, AND EQUITY
 REGULATORY BASIS - ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2012

	<u>Governmental Fund Type</u>				<u>Fiduciary Fund Types</u>		<u>Total Memorandum (Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Trust And Agency</u>		
<u>ASSETS</u>							
Cash and cash equivalents	\$ 869,338	\$ 113,090	\$ 16,431	\$ 10,864	\$ 114,577		\$ 1,124,300
Investments	300,000	858,661	-	-	-		1,158,661
Total Assets	<u>\$ 1,169,338</u>	<u>\$ 971,751</u>	<u>\$ 16,431</u>	<u>\$ 10,864</u>	<u>\$ 114,577</u>		<u>\$ 2,282,961</u>
<u>LIABILITIES AND FUND EQUITY</u>							
<u>LIABILITIES</u>							
Warrants payable	\$ 123,261	\$ 25,293	\$ -	\$ -	\$ -		\$ 148,554
Encumbrances	11,933	10,000	-	-	-		21,933
Due to other groups	-	-	-	-	114,577		114,577
Total Liabilities	<u>135,194</u>	<u>35,293</u>	<u>-</u>	<u>-</u>	<u>114,577</u>		<u>285,064</u>
<u>FUND EQUITY</u>							
Unreserved	-	-	-	10,864	-		10,864
Designated for capital projects	-	-	16,431	-	-		16,431
Designated for debt service	1,034,144	936,458	-	-	-		1,970,602
Undesignated	1,034,144	936,458	-	-	-		1,970,602
Total fund equity	<u>1,034,144</u>	<u>936,458</u>	<u>16,431</u>	<u>10,864</u>	<u>-</u>		<u>1,997,897</u>
Total liabilities and fund equity	<u>\$ 1,169,338</u>	<u>\$ 971,751</u>	<u>\$ 16,431</u>	<u>\$ 10,864</u>	<u>\$ 114,577</u>		<u>\$ 2,282,961</u>

The accompanying notes are an integral part of this statement.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER 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, 2012

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total (Memorandum Only)</u>
Revenues Collected					
Local Resources	\$ 1,222,029	\$ 244,285	\$ 7,073	\$ -	\$ 1,473,387
Intermediate Sources	124,019	-	-	-	124,019
State Sources	1,823,953	23,262	-	-	1,847,215
Federal Sources	<u>177,088</u>	<u>222,250</u>	<u>-</u>	<u>-</u>	<u>399,338</u>
Total Revenues Collected	<u>3,347,089</u>	<u>489,797</u>	<u>7,073</u>	<u>-</u>	<u>3,843,959</u>
Expenditures Paid					
Instruction	2,106,681	41,514	-	-	2,148,195
Support Services	1,076,468	339,283	-	-	1,415,751
Non-Instruction Services	85,620	176,015	-	-	261,635
Other Outlays	120	-	-	-	120
Repayments	1,318	-	-	-	1,318
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Agent Charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures Paid	<u>3,270,207</u>	<u>556,812</u>	<u>-</u>	<u>-</u>	<u>3,827,019</u>
Excess of Revenues Collected Over (Under) Expenditures Paid					
Before Adjustments to Prior Year	76,882	(67,015)	7,073	-	16,940
Adjustments to Prior Year					
Lapsed Appropriations	6,038	-	-	-	6,038
Estopped Warrants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue Collected Over (Under) Expenditures Paid and Other Financing Sources (Uses)					
	82,920	(67,015)	7,073	-	22,978
Fund Balance, Beginning	<u>951,224</u>	<u>1,003,473</u>	<u>9,358</u>	<u>10,864</u>	<u>1,974,919</u>
Fund Balance, Ending	<u>\$ 1,034,144</u>	<u>\$ 936,458</u>	<u>\$ 16,431</u>	<u>\$ 10,864</u>	<u>\$ 1,997,897</u>

The accompanying notes are an integral part of this statement.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 REGULATORY BASIS - BUDGETED GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 2012

	General Fund		Special Revenue Funds		Debt Service Fund	
	Budget	Original Budget	Budget	Original Budget	Budget	Original Budget
Revenues Collected		Final Actual		Final Actual		Final Actual
Local Sources	\$1,070,229	\$ 1,222,029	\$ 192,150	\$ 244,285	\$ -	\$ 7,073
Intermediate Sources	156,572	124,019	-	-	-	-
State Sources	1,513,198	1,823,953	7,519	23,262	-	-
Federal Sources	142,029	177,088	184,568	222,250	-	-
Total Revenues Collected	<u>2,882,028</u>	<u>3,347,089</u>	<u>384,237</u>	<u>489,797</u>	-	<u>7,073</u>
Expenditures Paid						
Instruction	3,833,252	2,106,681	84,406	41,514	-	-
Support Services	-	1,076,468	1,120,416	339,283	-	-
Non-Instruction Services	-	85,620	182,888	176,015	-	-
Other Outlays	-	120	-	-	-	-
Repayments	-	1,318	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal	-	-	-	-	-	-
Agent Charges	-	-	-	-	-	-
Total Expenditures Paid	<u>3,833,252</u>	<u>3,270,207</u>	<u>1,387,710</u>	<u>556,812</u>	-	-
Excess of Revenues Collected						
Over (Under) Expenditures						
Paid Before Adjustments						
To Prior Year	(951,224)	76,882	(1,003,473)	(67,015)	-	7,073
Adjustments to Prior Year						
Lapsed Appropriations	-	6,038	-	-	-	-
Excess (Deficiency) of Revenue						
Collected Over (Under)						
Expenditures Paid and Other						
Financing Sources (Uses)	(951,224)	82,920	(1,003,473)	(67,015)	-	7,073
Fund Balance, Beginning	951,224	951,224	1,003,473	1,003,473	9,358	9,358
Fund Balance, Ending	<u>\$ 0</u>	<u>\$ 1,034,144</u>	<u>\$ 0</u>	<u>\$ 936,458</u>	<u>\$ 9,358</u>	<u>\$ 16,431</u>

The accompanying notes are an integral part of this statement.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

1. Summary of Significant Accounting Policies

The basic financial statements of Turpin Public Schools Independent District No. I-128, Beaver 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 for 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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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 Co-op Fund, 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. The Co-op Fund includes money received for certain current expenditures.

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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

B. Fund Accounting and Description of Funds

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 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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

B. Fund Accounting and Description of Funds

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.

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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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.

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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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, 2012 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.

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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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 expended 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.

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 2012.

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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

2. Cash and Investments

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, 2012, 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 \$2,282,961 at June 30, 2012. The bank balance of the deposits at June 30, 2012 was approximately \$2,282,961.

Credit Risk

Fixed-income securities are subject to credit risk. However, the District did not have fixed income securities at June 30, 2012.

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, 2012, all of the District's deposits consisted of demand deposits or certificate of deposit.

3. 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 administered by the Board of Trustees of the Oklahoma Teachers' Retirement System. The System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Title 70 Section 17 of Oklahoma Statutes establishes benefit provisions and may be amended only through legislative action.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

The System's financial statements are prepared using the cash basis of accounting, except for accruals of interest income. Plan member contributions are recognized in the period in which the contributions are made. Benefits and refunds are recognized when paid. 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 System has an under funded pension benefit obligation as determined as part of the latest actuarial valuation.

The District, the State of Oklahoma, and the participating employee make contributions. The contribution rates for the District and its employees are established by and may be amended by Oklahoma Statutes. 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 required contribution for participating members is 7% of compensation. Additionally, OTRS receives federal matching contributions for positions whose funding comes from federal sources or certain grants. The District and State are required to contribute 14% of applicable compensation. Contributions received by the System from the State of Oklahoma are from 3.54% of its revenue from sales tax, use tax, corporate income tax, and individual income tax. 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.

Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2012. 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 or by calling 405-521-2387.

The Districts total contributions for 2012, 2011, and 2010 were \$204,548, \$187,689 and \$191,824 respectively.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

4. 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.

5. 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.

6. Subsequent Events

The District has considered subsequent events through April 8, 2013, the date which the financial statements were available for release. The District is not aware of any items which need to be disclosed during that period.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINING STATEMENT OF ASSETS, LIABILITIES, AND CASH FUND BALANCES
 REGULATORY BASIS - ALL SPECIAL REVENUE FUNDS
 JUNE 30, 2012

	<u>Co-op Fund</u>	<u>Building Fund</u>	<u>Child Nutrition</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents	\$ 10,966	\$ 58,175	\$ 43,949	\$ 113,090
Investments	<u>-</u>	<u>858,661</u>	<u>-</u>	<u>858,661</u>
Total Assets	<u>\$ 10,966</u>	<u>\$ 916,836</u>	<u>\$ 43,949</u>	<u>\$ 971,751</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Warrants Payable	\$ 5,738	\$ 18,137	\$ 1,418	\$ 25,293
Encumbrances	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total Liabilities	<u>5,738</u>	<u>28,137</u>	<u>1,418</u>	<u>35,293</u>
Fund Equity:				
Unreserved Undesignated	<u>5,228</u>	<u>888,699</u>	<u>42,531</u>	<u>936,458</u>
Total Fund Equity	<u>5,228</u>	<u>888,699</u>	<u>42,531</u>	<u>936,458</u>
Total Liabilities and Fund Equity	<u>\$ 10,966</u>	<u>\$ 916,836</u>	<u>\$ 43,949</u>	<u>\$ 971,751</u>

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

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINING STATEMENT OF REVENUES COLLECTED,
 EXPENDITURES PAID, AND CHANGES IN FUND BALANCES
 REGULATORY BASIS - ALL SPECIAL REVENUE FUNDS
 JUNE 30, 2012

	<u>Co-op</u> <u>Fund</u>	<u>Building</u> <u>Fund</u>	<u>Child</u> <u>Nutrition</u>	<u>Total</u>
Revenues Collected				
Local Sources	\$ -	\$192,684	\$ 51,601	\$ 244,285
State Sources	5,711	8,266	9,285	23,262
Federal Sources	<u>111,528</u>	<u>-</u>	<u>110,722</u>	<u>222,250</u>
Total Revenues	<u>117,239</u>	<u>200,950</u>	<u>171,608</u>	<u>489,797</u>
Expenditures Paid				
Instruction	41,514	-	-	41,514
Support Services	59,506	279,777	-	339,283
Non-instruction	<u>-</u>	<u>-</u>	<u>176,015</u>	<u>176,015</u>
Total Expenditures Paid	<u>101,020</u>	<u>279,777</u>	<u>176,015</u>	<u>556,812</u>
Excess of Revenues Collected Over (Under) Expenses Paid	16,219	(78,827)	(4,407)	(67,015)
Fund Balance - Beginning of Year	<u>(10,991)</u>	<u>967,526</u>	<u>46,938</u>	<u>1,003,473</u>
Fund Balance - Ending of Year	<u>\$ 5,228</u>	<u>\$888,699</u>	<u>\$ 42,531</u>	<u>\$ 936,458</u>

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

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 REGULATORY BASIS - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

	<u>Co-op Fund</u>		
	<u>Original</u>	<u>Final</u>	
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>
Revenue Collected:			
Local Sources	\$ -	\$ -	\$ -
State Sources	4,500	6,230	5,711
Federal Sources	<u>90,897</u>	<u>114,353</u>	<u>111,528</u>
Total Revenue Collected	<u>95,397</u>	<u>120,583</u>	<u>117,239</u>
Expenditures Paid:			
Instruction	84,406	109,592	41,514
Support Services	-	-	59,506
Non-Instruction Services	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures Paid	<u>84,406</u>	<u>109,592</u>	<u>101,020</u>
Excess of Revenues Collected Over (Under) Expenditures Paid	10,991	10,991	16,219
Fund Balance - Beginning	<u>(10,991)</u>	<u>(10,991)</u>	<u>(10,991)</u>
Fund Balance - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,228</u>

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

<u>Building Fund</u>			<u>Child Nutrition Fund</u>			<u>Total</u>		
<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
\$ 152,890	\$ 152,890	\$192,684	\$ 39,260	\$ 39,260	\$ 51,601	\$ 192,150	\$ 192,150	\$ 244,285
-	-	8,266	3,019	3,019	9,285	7,519	9,249	23,262
-	-	-	93,671	93,671	110,722	184,568	208,024	222,250
<u>152,890</u>	<u>152,890</u>	<u>200,950</u>	<u>135,950</u>	<u>135,950</u>	<u>171,608</u>	<u>384,237</u>	<u>409,423</u>	<u>489,797</u>
-	-	-	-	-	-	84,406	109,592	41,514
1,120,416	1,120,416	279,777	-	-	-	1,120,416	1,120,416	339,283
-	-	-	182,888	182,888	176,015	182,888	182,888	176,015
<u>1,120,416</u>	<u>1,120,416</u>	<u>279,777</u>	<u>182,888</u>	<u>182,888</u>	<u>176,015</u>	<u>1,387,710</u>	<u>1,412,896</u>	<u>556,812</u>
(967,526)	(967,526)	(78,827)	(46,938)	(46,938)	(4,407)	(1,003,473)	(1,003,473)	(67,015)
<u>967,526</u>	<u>967,526</u>	<u>967,526</u>	<u>46,938</u>	<u>46,938</u>	<u>46,938</u>	<u>1,003,473</u>	<u>1,003,473</u>	<u>1,003,473</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$888,699</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 42,531</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 936,458</u>

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND EQUITY
 REGULATORY FUNDS - ALL AGENCY FUNDS
 JUNE 30, 2012

	Agency Fund Activity Funds	Total
ASSETS		
Cash and Cash Equivalents	\$ 114,577	\$ 114,577
Total Assets	<u>\$ 114,577</u>	<u>\$ 114,577</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Due to Others	\$ 114,577	\$ 114,577
Total Liabilities	<u>114,577</u>	<u>114,577</u>
Fund Equity:		
Unreserved/Undesignated	<u>-</u>	<u>-</u>
Total Liabilities and Fund Equity	<u>\$ 114,577</u>	<u>\$ 114,577</u>

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

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 REGULATORY BASIS - ACTIVITY FUND - HIGH SCHOOL
 JUNE 30, 2012

	<u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2012</u>
SCHOOL ACTIVITY PROGRAM	\$ 28	\$ 0	\$ 0	\$ 28
ANNUAL	24,661	917	2,249	23,329
BAND AND VOCAL	1,046	2,108	1,000	2,154
FCA	5,884	17,543	12,815	10,612
FLOWER	357	780	288	849
ELEMENTARY STUDENT EMERGENCY	332	0	0	332
GENERAL	1,432	1,201	2,263	370
COCA COLA FUND	0	8,594	5,966	2,628
LETTERMEN'S CLUB	3,597	37,513	39,044	2,066
LIBRARY	374	6,345	6,214	505
CHEERLEADERS	2,458	8,721	9,359	1,820
PETTY CASH	0	200	200	0
SCHOLARSHIP	2,065	1,424	800	2,689
TURPIN EDUCATION FUND	563	1,453	1,403	613
SHOP	5,703	4,933	5,309	5,327
TECHNOLOGY	2,754	5,042	1,470	6,326
STUDENT COUNCIL	1,233	2,500	2,383	1,350
FOOTBALL	9,471	8,703	9,952	8,222
BOYS BASKETBALL	103	4,989	3,501	1,591
TRACK	4,316	5,663	4,467	5,512
CLASS OF 2012	2,782	110	2,648	244
GIRLS FAST PITCH SOFTBALL	305	508	520	293
JUNIOR HIGH CHEERLEADERS	709	2,159	1,669	1,199
ACADEMIC ACHIEVEMENT	3,234	2,760	3,034	2,960
BASEBALL	1,164	508	981	691
GIRLS BASKETBALL	8	5,128	5,280	(144)
HS SPEECH DEPARTMENT	347	0	0	347
ELEMENTARY BOX TOP	628	3,081	1,755	1,954
BASEBALL/SOFTBALL	1,767	3,261	3,492	1,536
EXCESS CLASS FUNDS	3,828	0	1,386	2,442
MUSIC THEORY	26	0	0	26
AFTER PROM COMMITTEE	5	5,165	5,016	154
CLASS OF 2012	290	25	0	315
LUNCH	0	1,541	1,541	0
FIFTH & SIXTH GRADE PARTY	189	0	0	189
ART	576	2,312	1,705	1,183
METAL SHOP	2,791	1,035	1,431	2,395
CLASS OF 2011	177	25	0	202
WEIGHTLIFTING	1,035	220	522	733
DRIVER'S EDUCATION	1,038	0	0	1,038
FIFTH & SIXTH GRADE SCIENCE	331	2,500	54	2,777
OFFICIALS	606	0	30	576
CAFETERIA	516	293	540	269
ACCELERATED READER	1,600	828	1,543	885

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 REGULATORY BASIS - ACTIVITY FUND - HIGH SCHOOL
 JUNE 30, 2012

	<u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2012</u>
QUIZ BOWL	497	0	0	497
PLAYGROUND EQUIPMENT	3,875	0	1,664	2,211
AP TESTS	307	114	105	317
JOURNALISM	1,861	1,515	2,317	1,059
CLASS OF 2013	4,238	8,834	8,623	4,449
CLASS OF 2014	33	16,543	10,133	6,443
ART HONOR SOCIETY	869	502	446	924
KINDERGARTEN	0	90	0	90
TOTAL	<u>\$ 102,009</u>	<u>\$ 177,686</u>	<u>\$ 165,118</u>	<u>\$ 114,577</u>

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 SCHEDULE OF FEDERAL AWARDS EXPENDED
 FOR THE YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA#	Grantor's Number	Approved Amount	Balance at July1, 2012	Receipts	Expenditures*	Balance at June30, 2012
U.S. Department of Education							
Direct Program							
Title VI, Subpart 1	84.358A		\$ -	\$ -	\$ 41,248	\$ 54,284	\$ -
Passed Through State							
Department of Education							
Title 1, Part A	84.010		-	-	77,398	77,398	-
IDEA-Part B	84.027		-	-	110,447	93,708	-
Preschool IDEA - Part B	84.173		-	-	1,081	1,081	-
Title III, Part A	84.365		-	-	10,407	10,407	-
Title II, Part A	84.367		-	-	13,035	-	-
ARRA, Title I	84.389		-	-	628	-	-
ARRA, Ed. Stabilization	84.394		-	-	-	4,038	-
Education Jobs Fund	84.410		-	-	34,371	-	-
Total Passed Through State Dept. of Educ.			-	-	247,367	186,632	-
Total U.S. Department of Education			-	-	288,615	240,916	-
U.S. Dept. Of Agriculture							
Passed Through State							
Department of Education							
School Lunch Program	10.555		-	-	110,723	110,723*	-
Passed Through State Dept. Of Human Services							
Child Nutrition Cluster							
Non-Cash Asst. (Commodities)	10.555		-	-	9,253	9,253	-
Total U.S. Department Of Agriculture			-	-	119,976	119,976	-
Total Expenditures Of Federal Awards			\$ -	\$ -	\$408,591	\$ 360,892	\$ -

Note 1 - * Represents federal share of expenditures only.

Note 2 - Commodities received in the amount of \$9,253 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.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
 BEAVER COUNTY, OKLAHOMA
 STATEMENT OF STATUTORY, FIDELITY, AND HONESTY BONDS
 FOR THE YEAR ENDED JUNE 30, 2012

Bond Type	Bonding Company	Bond Number	Amount	Effective Date
Surety/Treasurer	Western Surety	18306263	\$ 50,000	06/01/11 - 06/01/12
Surety/Treasurer	Western Surety	18306263	\$100,000	06/01/12 - 06/01/13
Surety/Payroll Clerk	Western Surety	70168488	\$ 5,000	09/20/10 - 09/20/11
Surety/Payroll Clerk	Western Surety	70168488	\$ 5,000	09/20/11 - 09/20/12
Surety/Encumbrance Clerk	Western Surety	69782467	\$ 5,000	09/20/10 - 09/20/11
Surety/Encumbrance Clerk	Western Surety	69782467	\$100,000	09/20/11 - 09/20/12
Surety/Activity	Western Surety	68895902	\$ 40,000	08/23/10 - 08/23/11
Surety/Activity	Western Surety	68895902	\$ 5,000	08/23/11 - 08/23/12
Surety/Minutes	Western Surety	69186531	\$ 5,000	06/27/10 - 06/27/11
Surety/Minutes	Western Surety	69186531	\$ 5,000	06/27/11 - 06/27/12
Surety/Superintendent	Western Surety	70942365	\$100,000	06/03/11 - 06/03/12
Surety/Superintendent	Western Surety	70942365	\$100,000	06/03/12 - 06/03/13

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
Turpin Public School District No. I-128
Beaver County
Turpin, Oklahoma

I have audited the regulatory basis financial statements of Turpin Public School District No. I-128, Beaver County, Oklahoma as of and for the year ended June 30, 2012, and have issued my report thereon dated April 8, 2013 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 Turpin Public School District No. I-128, Beaver 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 Turpin Public School District No. I-128, Beaver County, Oklahoma's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Turpin Public School District No. I-128, Beaver 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 Turpin Public School District No. I-128, Beaver 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 8, 2013

TURPIN SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COST
FOR THE YEAR ENDED JUNE 30, 2012

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 X No

Significant deficiency identified that is
not considered to be material weakness(es)? ___ Yes X None Reported

Noncompliance material to financial
statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

Material Weakness(es) identified? ___ Yes X No

Significant deficiency identified that is
not considered to be material weakness(es)? ___ Yes X None Reported

Type of auditor's report issued on compliance
to major programs: Unqualified

Auditee qualified as low-risk auditee? ___ Yes X No

Section II - Financial Statement Findings

No matters were noted.

Section III - Federal Award Findings and Questioned Cost

No matters were noted.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

No findings were reported in the prior audit.

TURPIN PUBLIC SCHOOL DISTRICT NO. I-128
BEAVER COUNTY, OKLAHOMA
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2011 TO JUNE 30, 2012

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 Turpin Public School District No. I-128 for the audit year 2011-2012.

Ralph Osborn, CPA
Auditing Firm

By *Ralph Osborn*
Authorized Agent

Subscribed and sworn to before me
on this 8th day of April, 2013.

Christie Williams
Notary Public



My commission expires on:

20th day of April, 2016

My commission number:

12003834