

AGENDA

Sterling Public Schools
Regular Virtual and Physical Meeting
Sterling Public Schools Library
400 S 2nd Street
Sterling, OK 73567
Monday, December 7, 2020 at 7:00 PM

This meeting will be conducted via teleconferencing, via videoconferencing, and at a physical location.

1. Roll call and call to order.
2. Invocation - Shawn Nunley, and Pledge of Allegiance - Brian Moore.
3. Recognitions - Sterling STAR Awards
4. Discussion/Approval Items
 1. Consent agenda: All of the following items, which concern reports and items of a routine nature normally approved, will be approved by one vote, unless any board member desires to have a separate vote on any or all of these items the consent agenda consists of the discussion, consideration, and approval of the following items:
 1. Approve minutes of the previous meetings.
 2. Approve financial statements.
 3. Approve transfers within activity account.
 4. Approve purchase orders and warrants for the following funds: general, building, sinking, and any change order list.
 5. Approve activity accounts.
 6. Approve resignations.
 7. Discussion and possible vote for the proposed officers of the Oklahoma Public School Investment Interlocal Cooperative.
 2. Discussion and possible vote to approve the 2019-2020 Audit Findings conducted by Sanders, Bledsoe, & Hewett.
5. Administrative reports.
 1. Principal Reports
6. Superintendent report - School Report Cards, Superintendent evaluation, Upcoming Meetings Dec. 7, Jan. 14, Feb. 11, all at 7:00 pm, Pixellot
7. New business.
8. Vote to adjourn

Board Of Education Agenda- Regular Meeting

Tuesday, November 10, 2020 7:00 PM

Sterling Public Schools Library, 400 S 2nd Street, Sterling, OK 73567

Attendance Taken at 6:57 PM.

Jeff Milam: Present

Brian Moore: Present

Shawn Nunley: Absent

Candra Turpin: Present

Shannon Wilmeth: Absent

Present: 3, Absent: 2.

1. Roll call and call to order.

2. Invocation - Kent Lemons, and Pledge of Allegiance – Jeff Milam.

3. Recognitions - State Qualifying Softball Team

4. Discussion/Approval Items

Approve consent agenda Passed with a motion by Brian Moore and a second by Jeff Milam.

Shawn Nunley: Absent, Shannon Wilmeth: Absent, Jeff Milam: Yea, Brian Moore: Yea,

Candra Turpin: Yea

Yea: 3, Nay: 0, Absent: 2

4.1. Consent agenda: All of the following items, which concern reports and items of a routine nature normally approved, will be approved by one vote, unless any board member desires to have a separate vote on any or all of these items the consent agenda consists of the discussion, consideration, and approval of the following items:

4.1.1. Approve minutes of the previous meetings.

4.1.2. Approve financial statements.

4.1.3. Approve purchase orders and warrants for the following funds: general, building, sinking, and any change order list.

4.1.4. Approve activity accounts.

4.2. Review of the COVID 19 safety plan.

4.3. Discussion and possible vote to approve the School Operational Budget and Estimate of Needs for 2020-2021.

Motion to approve the School Operational Budget and Estimate of Needs for 2020-2021
Passed with a motion by Jeff Milam and a second by Brian Moore.

Shawn Nunley: Absent, Shannon Wilmeth: Absent, Jeff Milam: Yea, Brian Moore: Yea,
Candra Turpin: Yea
Yea: 3, Nay: 0, Absent: 2

- 4.4. Discussion and possible vote to declare the listed monitors and computers as surplus.
Motion to declare the listed monitors and computers as surplus Passed with a motion by
Brian Moore and a second by Jeff Milam.
Shawn Nunley: Absent, Shannon Wilmeth: Absent, Jeff Milam: Yea, Brian Moore: Yea,
Candra Turpin: Yea
Yea: 3, Nay: 0, Absent: 2

5. Administrative reports.

5.1. Principal Reports

6. Superintendent report - ACT Scores and College Readiness, Insurance on Storm Repairs,
COVID 19, Board Election Information, School South Fence, Consider moving meetings in
Dec., Jan., and Feb., Cotton Electric Grant, Bad Boy Mower, Pixellot, Sign Current Contracts

7. New business.

8. Vote to adjourn

Motion to adjourn at 7:40 Passed with a motion by Jeff Milam and a second by Brian
Moore.

Shawn Nunley: Absent, Shannon Wilmeth: Absent, Jeff Milam: Yea, Brian Moore: Yea,
Candra Turpin: Yea
Yea: 3, Nay: 0, Absent: 2

Chairperson

Superintendent

Sterling Schools

Revenue Analysis

Options: Type of Revenue: Estimated, As Of Date: 11/30/2020

	Estimated Revenue	Revenue Collected	Revenue Receivable	Unappropriated Receipts	% Rev Collected	Current Month
Fund - 11 GEN FUND-FOR OP						
Series - 1000						
Source - 1110 AD VALOREM TAX LEVY (CURRENT)	\$368,046.91	\$433.02	\$367,613.89	\$0.00	0.12%	\$0.00
Source - 1120 AD VALOREM TAX LEVY (PR.YRS)	\$12,000.00	\$8,642.47	\$3,357.53	\$0.00	72.02%	\$1,963.51
Source - 1130 REVENUE IN LIEU OF TAXES	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00%	\$0.00
Source - 1310 INTEREST EARNINGS	\$3,000.00	\$1,498.20	\$1,501.80	\$0.00	49.94%	\$302.45
Source - 1410 RENTAL OF SCHOOL FACILITIES	\$500.00	\$0.00	\$500.00	\$0.00	0.00%	\$0.00
Source - 1440 SALES OF EQUIP,SERV,& MATERIAL	\$2,940.00	\$0.00	\$2,940.00	\$0.00	0.00%	\$0.00
Source - 1530 DAMAGES TO SCHOOL PROPERTY	\$0.00	\$369.72	\$0.00	\$369.72	N/A	\$77.00
Source - 1590 MISCELLANEOUS REIMBURSEMENTS	\$20,000.00	\$1,611.64	\$18,388.36	\$0.00	8.06%	\$1,141.13
Source - 1610 CONTRIBUTIONS/DONATIONS-PRIV.	\$10,000.00	\$12,000.00	\$0.00	\$2,000.00	120.00%	\$0.00
Source - 1710 STUDENTS' LUNCHES	\$24,685.14	\$4,672.10	\$20,013.04	\$0.00	18.93%	\$0.00
Source - 1720 ALA CARTE	\$2,268.50	\$38.00	\$2,230.50	\$0.00	1.68%	\$0.00
Source - 1730 ADULT LUNCHES/BREAKFASTS	\$2,758.25	\$1,258.10	\$1,500.15	\$0.00	45.61%	\$37.05
Series - 1000 Total	\$448,198.80	\$30,523.25	\$420,045.27	\$2,369.72	6.81%	\$3,521.14
Series - 2000						
Source - 2100 COUNTY 4 MILL AD VALOREM TAX	\$51,969.18	\$1,318.93	\$50,650.25	\$0.00	2.54%	\$83.77
Source - 2200 COUNTY APPORT. (MORTGAGE TAX)	\$10,285.26	\$5,383.66	\$4,901.60	\$0.00	52.34%	\$1,242.57
Source - 2300 RESALE OF PROPERTY FUND DIST.	\$0.00	\$3,486.67	\$0.00	\$3,486.67	N/A	\$0.00
Series - 2000 Total	\$62,254.44	\$10,189.26	\$55,551.85	\$3,486.67	16.37%	\$1,326.34
Series - 3000						
Source - 3110 GROSS PRODUCTION TAX	\$344.34	\$64.79	\$279.55	\$0.00	18.82%	\$16.81
Source - 3120 MOTOR VEHICLE COLLECTIONS	\$133,285.56	\$60,434.73	\$72,850.83	\$0.00	45.34%	\$11,127.77
Source - 3130 RURAL ELECTRIC COOPTAX	\$70,251.93	\$29,866.73	\$40,385.20	\$0.00	42.51%	\$5,916.03
Source - 3140 STATE SCHOOL LAND EARNINGS	\$50,579.31	\$21,395.25	\$29,184.06	\$0.00	42.30%	\$3,039.70
Source - 3150 VEHICLE TAX STAMPS	\$379.92	\$145.04	\$234.88	\$0.00	38.18%	\$25.80
Source - 3210 FOUNDATION AND SALARY INCEN.	\$1,463,529.67	\$526,872.90	\$936,656.77	\$0.00	36.00%	\$131,718.23
Source - 3250 EDUCATION FLEX.BENEFIT ALLOW.	\$315,515.28	\$113,585.50	\$201,929.78	\$0.00	36.00%	\$28,396.38
Source - 3420 STATE TEXTBOOK	\$16,542.77	\$16,542.77	\$0.00	\$0.00	100.00%	\$0.00
Source - 3720 STATE MATCHING	\$903.34	\$0.00	\$903.34	\$0.00	0.00%	\$0.00
Source - 3811 COMP. HS VOC. SALARY REIM.	\$11,200.00	\$1,830.00	\$9,370.00	\$0.00	16.34%	\$0.00
Source - 3812 VOC. PROG. INCENTIVE ASSIST.	\$15,481.00	\$4,741.00	\$10,740.00	\$0.00	30.62%	\$0.00
Series - 3000 Total	\$2,078,013.12	\$775,478.71	\$1,302,534.41	\$0.00	37.32%	\$180,240.72
Series - 4000						
Source - 4130 TITLE VIII-IMPACT AID	\$4,000.00	\$0.00	\$4,000.00	\$0.00	0.00%	\$0.00
Source - 4140 TITLE VII INDIAN EDUCATION	\$11,531.00	\$0.00	\$11,531.00	\$0.00	0.00%	\$0.00
Source - 4180 TITLE VI SMALL RURAL SCHOOL	\$23,228.00	\$501.43	\$22,726.57	\$0.00	2.16%	\$0.00
Source - 4210 TITLE I-BASIC PROGRAM	\$46,229.00	\$19,238.98	\$26,990.02	\$0.00	41.62%	\$0.00

Sterling Schools

Revenue Analysis

Options: Type of Revenue: Estimated, As Of Date: 11/30/2020

	Estimated Revenue	Revenue Collected	Revenue Receivable	Unappropriated Receipts	% Rev Collected	Current Month
Source - 4271 TITLE II PART A TEACHER/PRIN T	\$12,147.00	\$0.00	\$12,147.00	\$0.00	0.00%	\$0.00
Source - 4310 INDIV.WITH DISABIL.IDEA -B	\$64,935.00	\$21,207.34	\$43,727.66	\$0.00	32.66%	\$0.00
Source - 4340 PRESCHOOL AGES 3-5 IDEA-B	\$1,821.00	\$1,821.70	\$0.00	\$0.70	100.04%	\$0.00
Source - 4442 TITLE IV LEAS FORMULA	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00%	\$0.00
Source - 4689 OTHER MISC. SOURCES OF FED.REV	\$38,000.00	\$7,967.57	\$30,032.43	\$0.00	20.97%	\$0.00
Source - 4710 LUNCHES	\$25,610.82	\$34,308.20	\$0.00	\$8,697.38	133.96%	\$5,097.92
Source - 4720 BREAKFASTS	\$9,069.19	\$12,204.00	\$0.00	\$3,134.81	134.57%	\$2,076.94
Source - 4821 EQUALIZATION (CARL PERKINS)	\$3,500.00	\$0.00	\$3,500.00	\$0.00	0.00%	\$0.00
Series - 4000 Total	\$250,071.01	\$97,249.22	\$164,654.68	\$11,832.89	38.89%	\$7,174.86
Series - 5000						
Source - 5100 Return of Assets	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00%	\$0.00
Source - 5160 ACTIVITY FUND REIMBURSEMENT	\$0.00	\$7,800.00	\$0.00	\$7,800.00	N/A	\$0.00
Source - 5600 CORRECTING ENTRY	\$0.00	\$0.00	\$0.00	\$0.00	N/A	\$0.00
Series - 5000 Total	\$10,000.00	\$7,800.00	\$10,000.00	\$7,800.00	78.00%	\$0.00
Series - 6000						
Source - 6110 CASH FORWARD-SURPLUS CASH FWD.	\$365,299.10	\$0.00	\$365,299.10	\$0.00	0.00%	\$0.00
Series - 6000 Total	\$365,299.10	\$0.00	\$365,299.10	\$0.00	0.00%	\$0.00
Fund - 11 GEN FUND-FOR OP Total	\$3,213,836.47	\$921,240.44	\$2,318,085.31	\$25,489.28	28.66%	\$192,263.06

Sterling Schools Revenue Analysis

Options: Type of Revenue: Estimated, As Of Date: 11/30/2020

	Estimated Revenue	Revenue Collected	Revenue Receivable	Unappropriated Receipts	% Rev Collected	Current Month
Fund - 21 Building						
Series - 1000						
Source - 1110 AD VALOREM TAX LEVY (CURRENT)	\$52,601.09	\$61.89	\$52,539.20	\$0.00	0.12%	\$0.00
Source - 1120 AD VALOREM TAX LEVY (PR.YRS)	\$0.00	\$1,234.98	\$0.00	\$1,234.98	N/A	\$280.52
Source - 1310 INTEREST EARNINGS	\$0.00	\$25.36	\$0.00	\$25.36	N/A	\$0.00
Series - 1000 Total	\$52,601.09	\$1,322.23	\$52,539.20	\$1,260.34	2.51%	\$280.52
Series - 6000						
Source - 6110 CASH FORWARD-SURPLUS CASH FWD.	\$66,870.43	\$0.00	\$66,870.43	\$0.00	0.00%	\$0.00
Series - 6000 Total	\$66,870.43	\$0.00	\$66,870.43	\$0.00	0.00%	\$0.00
Fund - 21 Building Total	\$119,471.52	\$1,322.23	\$119,409.63	\$1,260.34	1.11%	\$280.52

Sterling Schools Revenue Analysis

Options: Type of Revenue: Estimated, As Of Date: 11/30/2020

	Estimated Revenue	Revenue Collected	Revenue Receivable	Unappropriated Receipts	% Rev Collected	Current Month
Fund - 31 BOND FUND						
Series - 1000						
Source - 1310 INTEREST EARNINGS	\$0.00	\$68.56	\$0.00	\$68.56	N/A	\$6.26
Series - 1000 Total	\$0.00	\$68.56	\$0.00	\$68.56	N/A	\$6.26
Series - 6000						
Source - 6110 CASH FORWARD-SURPLUS CASH FWD.	\$79,167.10	\$0.00	\$79,167.10	\$0.00	0.00%	\$0.00
Series - 6000 Total	\$79,167.10	\$0.00	\$79,167.10	\$0.00	0.00%	\$0.00
Fund - 31 BOND FUND Total	\$79,167.10	\$68.56	\$79,167.10	\$68.56	0.09%	\$6.26

Sterling Schools Revenue Analysis

Options: Type of Revenue: Estimated, As Of Date: 11/30/2020

	Estimated Revenue	Revenue Collected	Revenue Receivable	Unappropriated Receipts	% Rev Collected	Current Month
Fund - 41 Sinking						
Series - 1000						
Source - 1110 AD VALOREM TAX LEVY (CURRENT)	\$0.00	\$94.41	\$0.00	\$94.41	N/A	\$0.00
Source - 1120 AD VALOREM TAX LEVY (PR.YRS)	\$0.00	\$1,921.69	\$0.00	\$1,921.69	N/A	\$430.97
Source - 1310 INTEREST EARNINGS	\$0.00	\$76.33	\$0.00	\$76.33	N/A	\$16.99
Series - 1000 Total	\$0.00	\$2,092.43	\$0.00	\$2,092.43	N/A	\$447.96
Fund - 41 Sinking Total	\$0.00	\$2,092.43	\$0.00	\$2,092.43	N/A	\$447.96

Sterling Schools

Revenue Analysis

Options: Type of Revenue: Estimated, As Of Date: 11/30/2020

	Estimated Revenue	Revenue Collected	Revenue Receivable	Unappropriated Receipts	% Rev Collected	Current Month
Fund - 60 SCHOOL ACTIVITY FNDS						
Series - 1000						
Source - 1310 INTEREST EARNINGS	\$0.00	\$106.52	\$0.00	\$106.52	N/A	\$22.55
Source - 1460 COMMISSIONS	\$0.00	\$110.00	\$0.00	\$110.00	N/A	\$0.00
Source - 1540 LOST TEXTBOOKS	\$0.00	\$47.00	\$0.00	\$47.00	N/A	\$0.00
Source - 1610 CONTRIBUTIONS/DONATIONS-PRIV.	\$0.00	\$1,241.17	\$0.00	\$1,241.17	N/A	\$261.17
Source - 1810 ADMISSIONS	\$0.00	\$2,316.00	\$0.00	\$2,316.00	N/A	\$2,316.00
Source - 1870 STATE PLAY-OFF REVENUE	\$0.00	\$4,605.00	\$0.00	\$4,605.00	N/A	\$0.00
Source - 1880 SUPPLIES & MAT.SOLD TO STUD.	\$0.00	\$620.00	\$0.00	\$620.00	N/A	\$0.00
Source - 1890 OTHER ATHLETIC REVENUE	\$0.00	\$4,472.40	\$0.00	\$4,472.40	N/A	\$722.40
Source - 1910 ADMISSIONS	\$0.00	\$7,343.00	\$0.00	\$7,343.00	N/A	\$431.00
Source - 1920 CONCESSION SALES	\$0.00	\$15,105.42	\$0.00	\$15,105.42	N/A	\$2,620.91
Source - 1950 RESALE MERCH.(NOT STU. STORE)	\$0.00	\$78,724.15	\$0.00	\$78,724.15	N/A	\$24,038.15
Source - 1971 FEES OR DUES	\$0.00	\$5,552.00	\$0.00	\$5,552.00	N/A	\$1,040.00
Source - 1990 OTHER SCHOOL ACT.FUND RECEIPTS	\$0.00	\$3,994.00	\$0.00	\$3,994.00	N/A	\$691.00
Series - 1000 Total	\$0.00	\$124,236.66	\$0.00	\$124,236.66	N/A	\$32,143.18
Series - 5000						
Source - 5120 CASH OR CHANGE	\$0.00	\$100.00	\$0.00	\$100.00	N/A	\$100.00
Series - 5000 Total	\$0.00	\$100.00	\$0.00	\$100.00	N/A	\$100.00
Series - 6000						
Source - 6140 ESTOPPED WARRANTS BY STATUTES	\$0.00	\$1,000.00	\$0.00	\$1,000.00	N/A	\$0.00
Series - 6000 Total	\$0.00	\$1,000.00	\$0.00	\$1,000.00	N/A	\$0.00
Fund - 60 SCHOOL ACTIVITY FNDS Total	\$0.00	\$125,336.66	\$0.00	\$125,336.66	N/A	\$32,243.18

Sterling Schools Revenue Analysis

Options: Type of Revenue: Estimated, As Of Date: 11/30/2020

	Estimated Revenue	Revenue Collected	Revenue Receivable	Unappropriated Receipts	% Rev Collected	Current Month
Fund - 86 HAIL STORM INSURANCE CLAIM						
Series - 1000						
Source - 1510 INSURANCE LOSS RECOVERIES	\$0.00	\$88,912.91	\$0.00	\$88,912.91	N/A	\$0.00
Series - 1000 Total	\$0.00	\$88,912.91	\$0.00	\$88,912.91	N/A	\$0.00
Fund - 86 HAIL STORM INSURANCE CLAIM Total	\$0.00	\$88,912.91	\$0.00	\$88,912.91	N/A	\$0.00

**TREASURER'S CASH BALANCES
AS OF NOVEMBER 30, 2020**

FNB OF FLETCHER

CHECKING .40

ACTIVITY FUND	\$130,503.04
GENERAL FUND	-\$45,064.47
BUILDING FUND	\$22,737.01
BOND FUND	\$75,501.97
BOND TRANSPORATION FUND	\$0.00
SINKING FUND	\$72,887.04
INSURANCE FUND	-\$3,357.09
	\$253,207.50

CD'S

GENERAL FUND (#7713)		
MATURES 6/10/21 1.50%	\$100,000.00	
GENERAL FUND (#7725)		
MATURES 4/17/21 2.00%	\$100,000.00	
		<u>\$200,000.00</u>

TOTAL CASH @ FNB OF FLETCHER **\$453,207.50**

TOTAL PLEDGES AS OF 11/30/2020 **\$2,150,000.00**

LIBERTY NATIONAL BANK

GENERAL FUND MATURES (1283) 1/8/2021 2.00%	\$100,001.64
GENERAL FUND	\$254,935.53
BUILDING FUND	\$22,737.01
BOND FUND	\$75,501.97
BOND TRANSPORATION FUND	\$0.00
SINKING FUND	\$72,887.04
INSURANCE FUND	-\$3,357.09
ACTIVITY FUND	\$130,503.04
	\$553,207.50

Board Meeting Date: DECEMBER 7, 2020

FY 20 GENERAL FUND

FY 21 BUILDING FUND

Vote to approve warrant #2 in the amount of \$8949.00

FY 21 GENERAL FUND

Vote to approve purchase orders #173 through #175 in the amount of \$20640.00

Vote to approve warrants #375 though #467 in the amount of \$228143.21

FY 21 INSURANCE FUND

Vote to apporve purchase orders #1 and #2 in the amount of \$121,070.00

FY 21 BOND FUND

Sterling Schools
Encumbrance Register

Options: Year: 2020-2021, Date Range: 7/1/2020 - 6/30/2021, PO Range: 173 - 999, Fund Codes: 11

Fund	PO No	Date	Vendor No	Vendor	Description	Amount
11	173	11/02/2020	22607	GRANT STANLEY	CLEAN GYM	2,000.00
11	174	11/10/2020	22608	GILLS FRAMING & PHOTOGRAPHY	PICTURE REFURBISHING	1,000.00
11	175	11/19/2020	479	CDI DALLAS LLC	HP CHROMEBOOK 11 G8 EE	17,640.00
Non-Payroll Total:						\$20,640.00
Payroll Total:						\$0.00
Balance Forward:						\$0.00
Report Total:						\$20,640.00

Sterling Schools

Payment Register

Options: Year: 2020-2021, Fund: GEN FUND-FOR OP, Date Range: 11/1/2020 - 11/30/2020, Print Payroll Payments: True

Year	Fund	No	Date	Vendor	Date Type	Date Registered	Clearing Date	Clearing No	Amount
2021	11	375	11/05/2020	CHRISSEY ALCORN	PD	11/5/2020			\$0.00
2021	11	376	11/05/2020	GARY B BARRETT	PD	11/5/2020			\$0.00
2021	11	377	11/05/2020	GINA K BARRETT	PD	11/5/2020			\$0.00
2021	11	378	11/05/2020	SHEILA BARTLETT	PD	11/5/2020			\$0.00
2021	11	379	11/05/2020	TAMRA BARTLETT	PD	11/5/2020			\$0.00
2021	11	380	11/05/2020	TIMOTHY BLACK	PD	11/5/2020			\$0.00
2021	11	381	11/05/2020	LETISHA BREAK	PD	11/5/2020			\$0.00
2021	11	382	11/05/2020	KARLI BRIDGES	PD	11/5/2020			\$0.00
2021	11	383	11/05/2020	KELLEY BRIDGES	PD	11/5/2020			\$0.00
2021	11	384	11/05/2020	RONITA BRIDGES	PD	11/5/2020			\$0.00
2021	11	385	11/05/2020	LISA BYRD	PD	11/5/2020			\$0.00
2021	11	386	11/05/2020	MEGAN COLE	PD	11/5/2020			\$0.00
2021	11	387	11/05/2020	ANNETTE COOK	PD	11/5/2020			\$0.00
2021	11	388	11/05/2020	GEORGIA CROKE	PD	11/5/2020			\$0.00
2021	11	389	11/05/2020	ANNA F CURRY	PD	11/5/2020			\$0.00
2021	11	390	11/05/2020	MARTIN CURRY	PD	11/5/2020			\$0.00
2021	11	391	11/05/2020	MAUDIE ELIZABETH DAVIS	PD	11/5/2020			\$0.00
2021	11	392	11/05/2020	PENNY FASSETT	PD	11/5/2020			\$0.00
2021	11	393	11/05/2020	CASEY JOHNSON	PD	11/5/2020			\$0.00
2021	11	394	11/05/2020	ORVILLE FESLER	PN	11/5/2020	11/30/2020	5	\$60.03
2021	11	395	11/05/2020	ZOE FOREHAND	PD	11/5/2020			\$0.00
2021	11	396	11/05/2020	TASHA GARRETT	PD	11/5/2020			\$0.00
2021	11	397	11/05/2020	ASHLEY HALE	PD	11/5/2020			\$0.00
2021	11	398	11/05/2020	JOHN B HOLMES	PD	11/5/2020			\$0.00
2021	11	399	11/05/2020	JANIE INGRAM	PD	11/5/2020			\$0.00
2021	11	400	11/05/2020	TIFFANY JOHLE	PD	11/5/2020			\$0.00
2021	11	401	11/05/2020	TONYA JORDAN	PD	11/5/2020			\$0.00
2021	11	402	11/05/2020	KIEL ROWAN	PD	11/5/2020			\$0.00
2021	11	403	11/05/2020	LORI A KING	PD	11/5/2020			\$0.00
2021	11	404	11/05/2020	WANDA L KITTELSON	PD	11/5/2020			\$0.00
2021	11	405	11/05/2020	GREGORY K LEMONS	PD	11/5/2020			\$0.00
2021	11	406	11/05/2020	CONNIE LOWE	PD	11/5/2020			\$0.00
2021	11	407	11/05/2020	TERRI MANSEL	PD	11/5/2020			\$0.00
2021	11	408	11/05/2020	ASHLYN MCCLURE	PD	11/5/2020			\$0.00
2021	11	409	11/05/2020	MARANDA MILAM	PD	11/5/2020			\$0.00
2021	11	410	11/05/2020	CHANDRA MONROE	PD	11/5/2020			\$0.00
2021	11	411	11/05/2020	VAN MONROE	PD	11/5/2020			\$0.00
2021	11	412	11/05/2020	KIM MOORE	PD	11/5/2020			\$0.00
2021	11	413	11/05/2020	KATHY R NICKELL	PD	11/5/2020			\$0.00
2021	11	414	11/05/2020	TRENT PARRISH	PD	11/5/2020			\$0.00
2021	11	415	11/05/2020	LISA PAWLOWSKI	PD	11/5/2020			\$0.00
2021	11	416	11/05/2020	LISA QUICKLE	PD	11/5/2020			\$0.00
2021	11	417	11/05/2020	GINGER K SEIBOLD	PD	11/5/2020			\$0.00
2021	11	418	11/05/2020	DANIEL SMART	PD	11/5/2020			\$0.00
2021	11	419	11/05/2020	JESSICA SMART	PD	11/5/2020			\$0.00
2021	11	420	11/05/2020	CHERYL L SMITH	PD	11/5/2020			\$0.00
2021	11	421	11/05/2020	DARRELL STANLEY	PD	11/5/2020			\$0.00
2021	11	422	11/05/2020	JENNIFER TAYLOR	PD	11/5/2020			\$0.00
2021	11	423	11/05/2020	SHELDON THORNTON	PD	11/5/2020			\$0.00
2021	11	424	11/05/2020	LINDA SUE WARNER	PD	11/5/2020			\$0.00
2021	11	425	11/05/2020	MICHELE WOOLBRIGHT	PD	11/5/2020			\$0.00
2021	11	426	11/05/2020	DONALD YOUNGSTEDT	PD	11/5/2020			\$0.00
2021	11	427	11/05/2020	AMERICAN FIDELITY ASSURANCE CO	R	11/5/2020	11/30/2020	5	\$3,731.63

Sterling Schools Payment Register

Options: Year: 2020-2021, Fund: GEN FUND-FOR OP, Date Range: 11/1/2020 - 11/30/2020, Print Payroll Payments: True

Year	Fund	No	Date	Vendor	Type	Date Voided	Date Registered	Clearing Date	Clearing No	Amount
2021	11	428	11/05/2020	AMERICAN FIDELITY ASSURANCE CO	R		11/5/2020	11/30/2020	5	\$741.66
2021	11	429	11/05/2020	American Fidelity HSA Admin	R		11/5/2020	11/30/2020	5	\$100.00
2021	11	430	11/05/2020	CCOSA	R		11/5/2020	11/30/2020	5	\$102.00
2021	11	431	11/05/2020	INTERNAL REVENUE SERVICE	R		11/5/2020	11/30/2020	5	\$31,418.99
2021	11	432	11/05/2020	FNB OF FLETCHER	R		11/5/2020	11/30/2020	5	\$103,478.06
2021	11	433	11/05/2020	EMPLOYEE DEPOSIT ACCOUNT	R		11/5/2020	11/30/2020	5	\$1,265.00
2021	11	434	11/05/2020	OMES	R		11/5/2020	11/30/2020	5	\$34,660.86
2021	11	435	11/05/2020	OKLAHOMA TAX COMMISSION	R		11/5/2020	11/30/2020	5	\$4,803.00
2021	11	436	11/05/2020	OK TEACHERS' RETIREMENT SYSTEM	R		11/5/2020	11/30/2020	5	\$23,910.67
2021	11	437	11/05/2020	PROFESSIONAL OK. EDUCATORS FOU	R		11/5/2020	11/30/2020	5	\$168.00
2021	11	438	11/05/2020	STERLING CHILD NUTRITION FUND	R		11/5/2020	11/30/2020	5	\$37.05
2021	11	439	11/05/2020	TEXAS LIFE INS COMPANY	R		11/5/2020	11/30/2020	5	\$560.35
2021	11	440	11/05/2020	UNUM Life Insurance	R		11/5/2020	11/30/2020	5	\$189.63
2021	11	441	11/05/2020	BEN E KEITH			11/5/2020	11/30/2020	5	\$2,794.46
2021	11	442	11/05/2020	RACHEL BUSH			11/5/2020	11/30/2020	5	\$2,000.00
2021	11	443	11/05/2020	CAMERON UNIVERSITY			11/5/2020	11/30/2020	5	\$66.15
2021	11	444	11/05/2020	AIMEE CARTER, PT			11/5/2020	11/30/2020	5	\$336.50
2021	11	445	11/05/2020	CENTERPOINT			11/5/2020	11/30/2020	5	\$441.64
2021	11	446	11/05/2020	DEPT OF LABOR			11/5/2020	11/30/2020	5	\$325.00
2021	11	447	11/05/2020	MOBILE DEFENDERS			11/5/2020	11/30/2020	5	\$105.96
2021	11	448	11/05/2020	FLOOR TECH JANITORIAL			11/5/2020	11/30/2020	5	\$1,021.10
2021	11	449	11/05/2020	TOMMY GARDNER			11/5/2020	11/30/2020	5	\$250.00
2021	11	450	11/05/2020	HILAND			11/5/2020	11/30/2020	5	\$1,315.22
2021	11	451	11/05/2020	JOHNSON PLUMBING			11/5/2020	11/30/2020	5	\$155.00
2021	11	452	11/05/2020	OTA PIKEPASS CUSTOMER SERVICE			11/5/2020	11/30/2020	5	\$122.35
2021	11	453	11/05/2020	ROBERTSON THERAPY SERVICES, LLC			11/5/2020	11/30/2020	5	\$420.00
2021	11	454	11/05/2020	SELLERS AIR CONDITIONING, INC.			11/5/2020	11/30/2020	5	\$543.75
2021	11	455	11/05/2020	SOUTHERN HARDLINES, INC.-ELGIN			11/5/2020	11/30/2020	5	\$1.59
2021	11	456	11/05/2020	STERLING PUB. WORKS AUTHORITY			11/5/2020	11/30/2020	5	\$493.77
2021	11	457	11/05/2020	WINDSTREAM			11/5/2020	11/30/2020	5	\$350.69
2021	11	458	11/19/2020	SYNCB/AMAZON			11/19/2020	11/30/2020	5	\$211.21
2021	11	459	11/19/2020	BLEDSE, HEWETT, & GULLEKSON IN			11/19/2020	11/30/2020	5	\$3,500.00
2021	11	460	11/19/2020	CARDMEMBER SERVICES			11/19/2020	11/30/2020	5	\$157.98
2021	11	461	11/19/2020	COMANCHE EXISE			11/19/2020	11/30/2020	5	\$5,869.91
2021	11	462	11/19/2020	GRADY COUNTY TREASURER			11/19/2020	11/30/2020	5	\$276.05
2021	11	463	11/19/2020	LAWTON CONSTITUTION			11/19/2020	11/30/2020	5	\$78.40
2021	11	464	11/19/2020	PURELAND SUPPLY, LLC			11/19/2020	11/30/2020	5	\$89.70
2021	11	465	11/19/2020	SUMMIT TRUCK GROUP, LLC			11/19/2020	11/30/2020	5	\$612.44
2021	11	466	11/19/2020	TIGER PAW QUICK MART			11/19/2020	11/30/2020	5	\$1,321.27
2021	11	467	11/19/2020	WILLIAMS DISCOUNT FOODS			11/19/2020	11/30/2020	5	\$56.14

Non-Payroll Total:	\$22,916.28
Payroll Total:	\$205,226.93
Balance Forward:	\$805,114.82
Total:	\$1,033,258.03

Sterling Schools Payment Register

Options: Year: 2020-2021, Fund: Building, Date Range: 11/1/2020 - 11/30/2020, Print Payroll Payments: True

Year	Fund	No	Date	Vendor	Date Type Voided	Date Registered	Clearing Date	Clearing No	Amount
2021	21	2	11/19/2020	B & B GARAGE		11/19/2020	11/30/2020	5	\$8,949.00
Non-Payroll Total:									\$8,949.00
Payroll Total:									\$0.00
Balance Foward:									\$36,506.65
Total:									\$45,455.65

Sterling Schools

Cash Balances

Options: Fiscal Years: 2021, Funds: 60, As Of Date: 11/30/2020, Account Types: AC

Cash By Account and Fund

AC 0102	FNB FLETCHER/ACTIVITY FUND				
2021	60	SCHOOL ACTIVITY FNDS			\$130,503.04
			Total AC	0102	\$130,503.04
AC 0105	OLAP / GENERAL FUND				\$0.00
2021	60	SCHOOL ACTIVITY FNDS			\$0.00
			Total AC	0105	\$0.00
					\$130,503.04

Cash By Fund

2021	60	SCHOOL ACTIVITY FNDS			\$130,503.04
					\$130,503.04

Sterling Schools

Revenue/Expenditure Summary

Options: Fund: 60, Date Range: 11/1/2020 - 11/30/2020

	Begin Balance	Receipts	Adjusting Entries	Payments	Cash End Balance	Unpaid POs	End Balance
801 GENERAL	\$2,019.79	\$152.55	\$0.00	\$60.00	\$2,112.34	\$0.00	\$2,112.34
802 ATHLETICS	\$9,693.97	\$4,438.40	\$0.00	\$5,054.95	\$9,077.42	\$0.00	\$9,077.42
803 FCCLA NATIONAL CONFERENCE	\$5,127.24	\$360.00	\$0.00	\$331.28	\$5,155.96	\$0.00	\$5,155.96
804 FCA	\$184.36	\$183.00	\$0.00	\$0.00	\$367.36	\$0.00	\$367.36
805 FLOWER FUND	\$238.11	\$0.00	\$0.00	\$0.00	\$238.11	\$0.00	\$238.11
806 FFA	\$28,732.59	\$20,715.00	\$0.00	\$6,069.92	\$43,377.67	\$0.00	\$43,377.67
807 FCCLA	\$2,479.82	\$0.00	\$0.00	\$181.53	\$2,298.29	\$0.00	\$2,298.29
808 ACADEMIC TEAM	\$14.49	\$0.00	\$0.00	\$0.00	\$14.49	\$0.00	\$14.49
809 POOL	\$571.87	\$0.00	\$0.00	\$0.00	\$571.87	\$0.00	\$571.87
810 AG SCHOLARSHIP	\$2,700.00	\$0.00	\$0.00	\$0.00	\$2,700.00	\$0.00	\$2,700.00
811 STUDENT COUNCIL	\$861.08	\$105.00	\$0.00	\$0.00	\$966.08	\$0.00	\$966.08
813 LIBRARY	\$1,049.88	\$2,626.15	\$0.00	\$113.00	\$3,563.03	\$0.00	\$3,563.03
814 FIT FOR EDUCATION	\$182.52	\$0.00	\$0.00	\$0.00	\$182.52	\$0.00	\$182.52
815 JH & HS CHEERLEADING	\$1,518.08	\$0.00	\$0.00	\$109.42	\$1,408.66	\$0.00	\$1,408.66
816 YEARBOOK	\$18,295.42	\$175.00	\$0.00	\$4,570.65	\$13,899.77	\$0.00	\$13,899.77
818 ELEMENTARY	\$5,652.34	\$1,142.01	\$0.00	\$825.05	\$5,969.30	\$0.00	\$5,969.30
820 JAMES BRAGG SCHOLARSHIP	\$1,285.18	\$0.00	\$0.00	\$0.00	\$1,285.18	\$0.00	\$1,285.18
830 TEACHER/SUPPORT OF YEAR	\$751.00	\$0.00	\$0.00	\$0.00	\$751.00	\$0.00	\$751.00
841 2019 SENIORS	\$0.00	\$60.00	\$0.00	\$0.00	\$60.00	\$0.00	\$60.00
843 2021 SENIORS	\$22,856.68	\$123.00	\$0.00	\$0.00	\$22,979.68	\$0.00	\$22,979.68
844 2022 SENIORS	\$9,053.11	\$1,969.07	\$0.00	\$1,710.28	\$9,311.90	\$0.00	\$9,311.90
845 2023 SENIORS	\$4,018.41	\$194.00	\$0.00	\$0.00	\$4,212.41	\$0.00	\$4,212.41
Total	\$117,285.94	\$32,243.18	\$0.00	\$19,026.08	\$130,503.04	\$0.00	\$130,503.04



OKLAHOMA PUBLIC SCHOOL INVESTMENT INTERLOCAL

2801 North Lincoln Boulevard, Suite 125 • Oklahoma City, OK 73105
(405) 528-3571 • (405) 528-5695 (FAX) • www.olaponline.org

November 10, 2020

To: Superintendents of Districts Belonging to the Oklahoma Public School Investment Interlocal [Oklahoma Liquid Asset Pool (OLAP)]

From: Roger Adair, Board President

Re: Board of Directors' Nominee

The sponsoring organizations are recommending the following nominees to be presented to the boards of member districts. The nominees and the organizations recommending those nominees are as follows:

Position No. 1: Pam Deering, Executive Director of Cooperative Council for Oklahoma School Administration (CCOSA)

Position No. 2: Don Ford, Executive Director of Organization of Rural Oklahoma Schools (OROS)

Position No. 3: Sean McDaniel, Superintendent of Oklahoma City Public Schools (CCOSA)

Position No. 5: Matt Gindhart, Director of Finance of Metro Technology Center (OASBO)

Position No. 12: Don Tice, Board Member of Oologah-Talala Public Schools (OSSBA)

Agenda item should read as follows:

Consideration and vote to elect or not to elect the following as new members of the board of directors of the Oklahoma Public School Investment Interlocal Cooperative (55K001):

Yes ___ No ___ Position No. 1: Pam Deering (CCOSA), Executive Director of Cooperative Council for Oklahoma School Administration, to a 2021-2024 term.

Yes ___ No ___ Position No. 2: Don Ford (OROS), Executive Director of Organization of Rural Oklahoma Schools, to a 2021-2024 term.

Yes ___ No ___ Position No. 3: Sean McDaniel (CCOSA), Superintendent of Oklahoma City Public Schools, to a 2021-2023 term.

Yes ___ No ___ Position No. 5: Matt Gindhart (OKASBO), Director of Finance of Metro Technology Center, to a 2021-2023 term.

Yes ___ No ___ Position No. 12: Don Tice (OSSBA), Board Member of Oologah-Talala Public Schools, to a 2021-2023 term.

School District: _____

Board Clerk: _____

Please include this item on your December/January board agenda and notify the Oklahoma Public School Investment Interlocal of the action of your board, by returning the above ballot **via facsimile to Mong Chia, Board Clerk, at 405-528-5695 or email to mong@ossba.org by Friday, January 29, 2021.** Should you have any questions, feel free to contact me or Mong Chia at 405-528-3571. Your prompt reply is needed in order to begin the new term of the newly elected board members for the 2021 calendar year (January 1-December 31). Thank you for your cooperation.

**FINANCIAL STATEMENTS – REGULATORY BASIS
AND REPORTS OF INDEPENDENT AUDITOR**

**STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3,
COMANCHE COUNTY, OKLAHOMA**

JUNE 30, 2020

Audited by

**BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP**

BROKEN ARROW, OK

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
SCHOOL DISTRICT OFFICIALS
JUNE 30, 2020

BOARD OF EDUCATION

President

Candra Turpin

Vice-President

Shannon Wilmeth

Clerk

Brian Moore

Member

Shawn Nunley

Jeff Milam

SUPERINTENDENT OF SCHOOLS

Kent Lemons

SCHOOL DISTRICT TREASURER

Ronita Bridges

www.sterling.k12.ok.us

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
JUNE 30, 2020

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STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
JUNE 30, 2020

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BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA
Jeffrey D. Hewett, CPA
Christopher P. Gullekson, CPA

P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3631 • FAX (918) 449-9779

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Sterling School District Number I-3
Sterling, Comanche County, Oklahoma

Report on the Financial Statements

We have audited the accompanying combined fund type and account group financial statements – regulatory basis of the Sterling School District Number I-3, Sterling, Comanche County, Oklahoma (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with financial reporting provisions of the Oklahoma State Department of Education to meet financial reporting requirements of the State of Oklahoma; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

As discussed in Note 1, the financial statements are prepared by the District, on the basis of the financial reporting provisions of the Oklahoma State Department of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Oklahoma State Department of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonable determined, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2020, the changes in its financial position, or, where applicable, its cash flows for the year then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

The financial statements referred to above do not include the general fixed asset account group, which is a departure from the regulatory basis of accounting prescribed by the Oklahoma State Department of Education. The amount that should be recorded in the general fixed asset account group is not known.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Regulatory Basis of Accounting” paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balance arising from regulatory basis transactions of each fund type and account group of the District, as of June 30, 2020, and the revenues collected and expenditures paid and encumbered for the year then ended on the regulatory basis of accounting described in Note 1.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The combining statements – regulatory basis, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2020 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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* in considering the District’s internal control over financial reporting and compliance.

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

November 13, 2020



BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA
Jeffrey D. Hewett, CPA
Christopher P. Gullekson, CPA

P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3831 • FAX (918) 449-9779

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

The Honorable Board of Education
Sterling School District Number I-3
Sterling, Comanche County, Oklahoma

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying fund type and account group financial statements – regulatory basis within the combined financial statements of the Sterling School District Number I-3, Sterling, Comanche County, Oklahoma (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 13, 2020, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States because the presentation followed the regulatory basis of accounting for Oklahoma school districts and did not conform to the presentation requirements of the Governmental Accounting Standards Board. However, our report was qualified for the omission of the general fixed asset account group with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Board of Education.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

November 13, 2020

STERLING INDEPENDENT SCHOOL DISTRICT NO. 1-3, COMANCHE COUNTY
DISPOSITION OF PRIOR YEAR'S SIGNIFICANT DEFICIENCIES AND
MATERIAL INSTANCES OF NON-COMPLIANCE
JUNE 30, 2020

There were no prior year significant deficiencies.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
SCHEDULE OF AUDIT RESULTS, FINDINGS, AND QUESTIONED COSTS
JUNE 30, 2020

Section 1 - Summary of Auditor's Results:

1. An adverse opinion on the combined financial statements in conformity with generally accepted accounting principles and a qualified opinion for the omission of the general fixed asset account group on the combined financial statements in conformity with a regulatory basis of accounting prescribed by the Oklahoma State Department of Education.
2. The audit did not report any significant deficiencies in the internal controls over financial reporting.
3. The audit disclosed no instances of noncompliance which are material to the financial statements.

Section 2 – A finding relating to the financial statements required to be reported in accordance with GAGAS:

None

STERLING INDEPENDENT SCHOOL DISTRICT NO. 1-3, COMANCHE COUNTY
 COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
 ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS
 JUNE 30, 2020

	GOVERNMENTAL FUND TYPES				FIDUCIARY	ACCOUNT	TOTALS (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	FUND TYPES EXPENDABLE TRUSTS AND AGENCY FUNDS	GROUP GENERAL LONG-TERM DEBT	
<u>ASSETS</u>							
Cash and Investments	\$ 510,111	70,404	79,167	75,545	107,906		843,133
Amounts available in debt service						75,545	75,545
Amount to be provided for retirement of long-term debt						404,033	404,033
Total Assets	<u>\$ 510,111</u>	<u>70,404</u>	<u>79,167</u>	<u>75,545</u>	<u>107,906</u>	<u>479,578</u>	<u>1,322,711</u>
 <u>LIABILITIES AND FUND BALANCE</u>							
Liabilities:							
Warrants payable	\$ 131,936						131,936
Encumbrances	12,876	3,534					16,410
Funds held for school organizations					107,906		107,906
Long-term debt:							
Capital leases						179,578	179,578
Bonds payable						300,000	300,000
Total liabilities	<u>144,812</u>	<u>3,534</u>	<u>0</u>	<u>0</u>	<u>107,906</u>	<u>479,578</u>	<u>735,830</u>
Fund Balance:							
Restricted		66,870	79,167	75,545			221,582
Unassigned	365,299						365,299
Fund balances	<u>365,299</u>	<u>66,870</u>	<u>79,167</u>	<u>75,545</u>	<u>0</u>	<u>0</u>	<u>586,881</u>
Total Liabilities and Fund Balance	<u>\$ 510,111</u>	<u>70,404</u>	<u>79,167</u>	<u>75,545</u>	<u>107,906</u>	<u>479,578</u>	<u>1,322,711</u>

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

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES IN CASH FUND BALANCES
 - ALL GOVERNMENTAL FUND TYPES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2020

	GOVERNMENTAL FUND TYPES				TOTALS (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	
Revenues Collected:					
Local sources	\$ 507,876	58,338		89,099	655,313
Intermediate sources	68,029				68,029
State sources	2,187,877				2,187,877
Federal sources	276,045	5,977			282,022
Interest earnings	3,561	116	159	183	4,019
Non-revenue receipts	9,626				9,626
Total revenues collected	<u>3,053,014</u>	<u>64,431</u>	<u>159</u>	<u>89,282</u>	<u>3,206,886</u>
Expenditures:					
Instruction	1,901,162	64,079	32,434		1,997,675
Support services	1,027,973	17,576	81		1,045,630
Operation of non-instructional services	184,026				184,026
Facilities acquisition & construction services		4,967			4,967
Other outlays:					
Debt service requirements				96,413	96,413
Correcting entry	126				126
Total expenditures	<u>3,113,287</u>	<u>86,622</u>	<u>32,515</u>	<u>96,413</u>	<u>3,328,837</u>
Excess of revenues collected over (under) expenditures before other financing sources (uses)	(60,273)	(22,191)	(32,356)	(7,131)	(121,951)
Other financing sources (uses):					
Adjustments to prior year encumbrances	733	0	0	0	733
Excess of revenues collected over (under) expenditures	(59,540)	(22,191)	(32,356)	(7,131)	(121,218)
Cash fund balances, beginning of year	<u>424,839</u>	<u>89,061</u>	<u>111,523</u>	<u>82,676</u>	<u>708,099</u>
Cash fund balances, end of year	<u>\$ 365,299</u>	<u>66,870</u>	<u>79,167</u>	<u>75,545</u>	<u>586,881</u>

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

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND
 CHANGES IN CASH FUND BALANCES - BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2020

	GENERAL FUND		
	Original/Final Budget	Actual	Prior Year (Memorandum Only)
Revenues Collected:			
Local sources	\$ 492,847	507,876	540,353
Intermediate sources	57,842	68,029	66,232
State sources	2,210,910	2,187,877	2,125,487
Federal sources	300,257	276,045	278,771
Interest earnings	5,000	3,561	4,967
Non revenue receipts	10,000	9,626	10,827
Total revenues collected	<u>3,076,856</u>	<u>3,053,014</u>	<u>3,026,637</u>
Expenditures:			
Instruction	1,901,236	1,901,162	1,888,759
Support services	1,028,266	1,027,973	1,078,798
Operation of non-instructional services	184,157	184,026	208,221
Other outlays:			
Correcting entry	126	126	24
Other uses	387,910		
Total expenditures	<u>3,501,695</u>	<u>3,113,287</u>	<u>3,175,802</u>
Excess of revenues collected over (under) expenditures before adjustments to prior year encumbrances	(424,839)	(60,273)	(149,165)
Adjustments to prior year encumbrances	<u>0</u>	<u>733</u>	<u>469</u>
Excess of revenues collected over (under) expenditures	(424,839)	(59,540)	(148,696)
Cash fund balance, beginning of year	<u>424,839</u>	<u>424,839</u>	<u>573,535</u>
Cash fund balance, end of year	<u>\$ 0</u>	<u>365,299</u>	<u>424,839</u>

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

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND
 CHANGES IN CASH FUND BALANCES - BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2020

	SPECIAL REVENUE FUNDS (BUILDING FUND)		
	Original/Final Budget	Actual	Prior Year (Memorandum Only)
Revenues Collected:			
Local sources	\$ 52,677	58,338	58,214
Federal sources		5,977	16,154
Interest earnings		116	134
Total revenues collected	52,677	64,431	74,502
Expenditures:			
Instruction	64,079	64,079	63,262
Support services	17,576	17,576	
Facilities acquisition & construction services	4,967	4,967	
Other uses	55,116		
Total expenditures	141,738	86,622	63,262
Excess of revenues collected over (under) expenditures	(89,061)	(22,191)	11,240
Cash fund balances, beginning of year	89,061	89,061	77,821
Cash fund balances, end of year	\$ 0	66,870	89,061

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

STERLING INDEPENDENT SCHOOL DISTRICT NO. 1-3, COMANCHE COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND
 CHANGES IN CASH FUND BALANCES - BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2020

	DEBT SERVICE FUND		
	Original/Final Budget	Actual	Prior Year (Memorandum Only)
Revenues Collected:			
Local sources	\$ 84,320	89,099	90,209
Interest		183	81
Total revenues collected	84,320	89,282	90,290
Requirements:			
Bonds	77,000	85,000	
Coupons	11,094	11,413	11,412
Total expenditures	88,094	96,413	11,412
Excess of revenue collected over (under) expenditures	(3,774)	(7,131)	78,878
Cash fund balance, beginning of year	82,676	82,676	3,798
Cash fund balance, end of year	\$ 78,902	75,545	82,676

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

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Sterling Public Schools Independent District, No. I-3 (the “District”), have been prepared in conformity with another comprehensive basis of accounting prescribed by the Oklahoma State Department of Education as authorized by Oklahoma Statutes. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with the accounting principles generally accepted in the United States of America. The District’s accounting policies are described in the following notes that are an integral part of the District’s financial statements.

A. Reporting Entity

The District is a corporate body for public purposes created under Title 70 of the 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 five elected members. The appointed superintendent is the executive officer of the District. The Board, constituting an on-going entity, is the level of government, which has governance responsibilities over all activities, related to public elementary and secondary school education within the jurisdiction of the local independent school district. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental “reporting entity” as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

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

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

A. Reporting Entity – cont’d

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.

B. Measurement Focus

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 a government’s general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

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

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

B. Measurement Focus - cont’d

Special Revenue Funds – Special revenue funds account for revenue sources that are restricted to expenditures for specific purposes. The special revenue funds typically include the building, co-op and child nutrition funds. The district did not maintain a co-op or child nutrition fund during the 2019-20 fiscal year.

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

Co-op Fund – The co-op fund is established when the boards of education of two or more school districts enter into cooperative agreements and maintain joint programs. The revenues necessary to operate a cooperative program can come from federal, state, or local sources, including the individual contributions of participating school districts. The expenditures for this fund would consist of those necessary to operate and maintain the joint programs.

Child Nutrition Fund - The child nutrition fund consists of monies derived from federal and state financial assistance and food sales. This fund is used to account for the various nutrition programs provided to students. The District operates their child nutrition programs through their general fund.

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 (including judgments) debt principal, interest and related costs. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

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.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

B. Measurement Focus – cont'd

Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. The terms “non-expendable” and “expendable” refer to whether or not the District is under an obligation to maintain the trust principal. 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 operation.

Expendable Trust Funds – Expendable trust funds typically include the gifts and endowments fund. The District did not maintain an expendable trust fund during the 2019-20 fiscal year.

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

Agency Fund – The agency fund is the school activities fund which is used to account for monies collected principally through the fundraising efforts of students and District-sponsored groups. The administration is responsible, under the authority of the Board, for collecting, disbursing and accounting for these activity funds.

Account Groups

An account group is not a fund and consists of a self-balancing set of accounts used only to establish accounting control over long-term debt and fixed assets.

General Long-Term Debt Account Group – This account group is established to account for all the 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 other liabilities (judgments and lease purchases) which are to be paid from funds provided in future years.

General Fixed Assets Account Group – This account group is used by governments to account for the property, plant and equipment of the school district. The District does not have the information necessary to include this group in its financial statements.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

B. Measurement Focus – cont’d

Memorandum Only - Total Column

The total column on the combined financial statements – regulatory basis is captioned “memorandum only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States. 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 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* with certain modifications. This format differs significantly from that required by GASB 34.

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

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies are recorded as expenditures when approved.
- Investments are recorded as assets when purchased.
- Inventories of school supplies are recorded as expenditures and not as inventory assets.
- Warrants payable are recorded as liabilities when issued.
- Long-term debt is recorded in the General Long-Term Debt Account Group and not in the basic financial statements.
- Compensated absences are recorded as expenditures when paid and not recorded as a liability.
- Fixed assets are recorded in the General Fixed Asset Account Group and not in the basic financial statements. Fixed assets are not depreciated.

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.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

C. Basis of Accounting and Presentation – cont’d

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental type funds are accounted for using the regulatory basis of accounting. Revenues are recognized when they are received rather than earned and expenditures are generally recognized when encumbered/reserved rather than at the time the related fund liability is incurred. These practices differ from accounting principles generally accepted in the United States.

D. Budgets and Budgetary Accounting

The District is required by state law to prepare an annual budget. The Board of Education request an initial temporary appropriations budget from their county excise board before June 30. The District uses the temporary appropriation amounts as their legal expenditure limit until annual estimate of needs is completed.

A budget is legally adopted by the Board of Education for all funds (with the exception of the trust and agency funds) that includes revenues and expenditures. No later than October 1, each board of education shall prepare a financial statement and estimate of needs to be filed with the applicable county clerk and the State Department of Education.

The 2019-20 Estimate of Needs was not amended by any supplemental appropriations. Any amendments must be approved by the county excise board.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund – is utilized in all governmental funds of the District. Unencumbered appropriations lapse at the end of each fiscal year. While the Debt Service Fund is a governmental fund, a comparison of budget to actual schedule is presented in the financial statements, although the board can exercise no control of the revenue sources for this fund (except interest earnings), and no control over its expenditures.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity

Cash and cash equivalents – The District considers all cash on hand, demand deposit accounts, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments – The District considers investments of direct obligations of the United States government and agencies, certificates of deposits, savings accounts or savings certificates with maturities of greater than three months. All investments are recorded at cost, which approximates market value.

Inventories – The value of consumable inventories at June 30, 2020, is not material to the combined financial statements.

Fixed Assets and Property, Plant and Equipment – The District has not maintained a record of general fixed assets, and, accordingly, a General Fixed Assets Account Group required by the regulatory basis of accounting prescribed by the Oklahoma State Department of Education is not included in the financial statements. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchase.

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

Encumbrances – Encumbrances represent commitments related to purchase orders, contracts, other commitments for expenditures or resources, and goods or services received by the District for which a warrant has not been issued. An expenditure is recorded and a liability is recognized for outstanding encumbrances at year end in accordance with the regulatory basis of accounting. While the regulatory basis that is used for the Debt Service Fund approximates full accrual accounting, the accruals recorded are reported to meet regulatory requirements, as opposed to the requirements of generally accepted accounting principles.

Compensated Absences – The District provides vacation and sick leave benefits in accordance with Title 70 of the Oklahoma Statutes, Article 6-104, which provides for annual sick leave and personal business days. District policy allows certified employees to accumulate such days to a maximum number of days. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources had not been reported as an expenditure of the governmental fund that will pay it since the financial statements have been prepared on the regulatory basis of accounting. This practice differs from generally accepted accounting principles.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity – cont'd

Funds Held for School Organizations – Funds held for school organizations represent the funds received or collected from students or other cocurricular and extracurricular activities conducted in the District, control over which is exercised by the board of education. These funds are credited to the account maintained for the benefit of each particular activity within the school activity fund.

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 – In the fund financial statements, governmental funds report the hierarchy of fund balances. The hierarchy is based primarily on the degree of spending constraints placed upon use of resources for specific purposes versus availability of appropriation. An important distinction that is made in reporting fund balance is between amounts that are considered *nonspendable* (i.e., fund balance associated with assets that are not in spendable form, such as inventories or prepaid items, long-term portions of loans and notes receivable, or items that are legally required to be maintained intact (such as the corpus of a permanent fund)) and those that are *spendable* (such as fund balance associated with cash, investments or receivables).

Amount in the spendable fund balance category are further classified as *restricted*, *committed*, *assigned* or *unassigned*, as appropriate.

Restricted fund balance represents amounts that are constrained either externally by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments; or by law, through constitutional provisions or enabling legislation.

Committed fund balance represents amounts that are useable only for specific purposes by formal action of the government's highest level of decision-making authority. Such amounts are not subject to legal enforceability (like restricted amounts), but cannot be used for any other purpose unless the government removes or changes the limitation by taking action similar to that which imposed the commitment.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity – cont'd

Assigned fund balance represents amounts that are intended to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body itself, or a subordinated high-level body or official who the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining spendable amounts (except negative balances) that are reported in governmental funds other than the general fund, that are neither restricted nor committed, and amounts in the general fund that are intended to be used for specific purposes in accordance with the provisions of the standard.

Unassigned fund balance is the residual classification for the general fund. It represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes within the general fund.

F. Revenue and Expenditures

Local Revenues – Revenue from local sources is the money generated from within the boundaries of the District and available to the District for its use. The District is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the District. These property taxes are distributed to the District's general, building and sinking funds based on the levies approved for each fund. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax rolls for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes is due prior to January 1. The second half is due prior to April 1. If the first payment is not made in a timely manner, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1, of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. Other local sources of revenues include tuition, fees, rentals, disposals, commissions and reimbursements.

Intermediate Revenues - Revenue from intermediate sources is the amount of money from funds collected by an intermediate administrative unit, or a political subdivision between the District and the state, and distributed to Districts in amounts that differ in proportion to those which are collected within such systems.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

F. Revenue and Expenditures – cont’d

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 from or additions to the revenue of the year when the adjustment is made.

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

Federal Revenues – Federal revenues consist of revenues from the federal government in the form of operating grants or entitlements. An operating grant is a contribution to be used for a specific purpose, activity or facility. A grant may be received either directly from the federal government or indirectly as a passthrough from another government, such as the state. Entitlement is the amount of payment to which the District is entitled pursuant to an allocation formula contained in applicable statutes. The majority of the federal revenues received by the District are apportioned to the general fund. The District also deposits federal revenues received for the child nutrition programs into their general fund.

Non-Monetary Transactions – The District receives commodities from the U.S. Department of Agriculture. The value of these commodities has been included in the Schedule of Expenditures of Federal Awards; however, they have not been included in the financial statements as either revenue or expense since they are not reported under the regulatory basis of accounting.

Interest Earnings – Represent compensation for the use of financial sources over a period of time.

Non-Revenue Receipts – Non-revenue receipts represent receipts deposited into a fund that are not new revenues to the District, but the return of assets.

NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

F. Revenue and Expenditures – cont'd

Instruction Expenditures – Instruction expenditures include the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location, such as a home or hospital, and in other learning situations, such as those involving cocurricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Included here are the activities of teacher assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instructional process. The activities of tutors, translators and interpreters would be recorded here. Department chairpersons who teach for any portion of time are included here. Tuition/transfer fees paid to other LEAs would be included here.

Support Services Expenditures – Support services expenditures provide administrative, technical (such as guidance and health) and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services and enterprise programs, rather than as entities within themselves.

Operation of Non-Instructional Services Expenditures – Activities concerned with providing non-instructional services to students, staff or the community.

Facilities Acquisition and Construction Services Expenditures – Consists of activities involved with the acquisition of land and buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvements to sites.

Other Outlays Expenditures – A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These are classified as Other Outlays. These include debt service payments (principal and interest).

Other Uses Expenditures – This includes scholarships provided by private gifts and endowments; student aid and staff awards supported by outside revenue sources (i.e., foundations). Also, expenditures for self-funded employee benefit programs administered either by the District or a third party administrator.

Repayment Expenditures – Repayment expenditures represent checks/warrants issued to outside agencies for refund or restricted revenue previously received for overpayment, non-qualified expenditures and other refunds to be repaid from District funds.

NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

F. Revenue and Expenditures – cont'd

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. There were no interfund transfers made during the 2019-20 fiscal year.

2. CASH AND INVESTMENTS

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to the District. The District's cash deposits and investments at June 30, 2020, were \$848,697, at financial institutions, and were completely insured or collateralized by federal depository insurance, direct obligations of the U.S. Government, or securities held by the District or by its agent in the District's name.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. Due to the required liquidity for those investments, these funds have no defined maturity dates. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Investment Credit risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a formal policy limiting its investment choices, other than the limitation of state law as follows:

- Direct obligations of the U.S. Government, its agencies and instrument to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY

NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

2. CASH AND INVESTMENTS – cont'd

- County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous bullet items.

Concentration of Investment Credit Risk – The District places no limit on the amount it may invest in any one issuer.

3. INTERFUND RECEIVABLES AND PAYABLES

There were no interfund receivables or payables at June 30, 2020.

4. 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 of the date of issue.

General long-term debt of the District consists of general obligation bonds payable and capital leases. Debt service requirements for bonds and judgments are payable solely from the fund balance and the 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, 2020:

	Bonds Payable	Capital Leases	Total
Balance, July 1, 2019	\$ 385,000	249,548	634,548
Additions	-	-	-
Retirements	(85,000)	(69,970)	(154,970)
Balance, June 30, 2020	\$ 300,000	179,578	479,578

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
 NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2020

4. GENERAL LONG-TERM DEBT – cont'd

A brief description of the outstanding long-term debt at June 30, 2020, is set forth below

	<u>Amount Outstanding</u>
<u>General Obligation Bonds:</u>	
Combined Purpose Bonds, Series 2018, original issue \$385,000, interest rate of 2.25% to 3.50%, due in initial installment of \$85,000 and annual installments of \$100,000, final payment due 5-01-23	\$ 300,000
<u>Capital Leases:</u>	
Lighting lease purchase, dated 1-09-18, totaling \$80,454, due in annual principal and interest installments of varying amounts	41,092
QZAB lease purchase, dated 7-08-10, totaling \$250,000, due in annual principal and interest installments of varying amounts	34,000
QZAB lease purchase, dated 2-28-14, totaling \$250,000, due in annual principal and interest installments of varying amounts	<u>104,486</u>
 Total	 <u>\$ 479,578</u>

The annual debt service requirements for retirement of bond principal, capital lease principal and payment of interest are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 172,783	15,144	187,927
2022	139,616	9,131	148,747
2023	140,471	4,776	145,247
2024	<u>26,708</u>	<u>401</u>	<u>27,109</u>
Total	<u>\$ 479,578</u>	<u>29,452</u>	<u>509,030</u>

Interest paid on general long-term debt incurred during the 2019-20 fiscal year totaled \$20,043.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

5. EMPLOYEE RETIREMENT SYSTEM

Description of Plan

The District participates in the state-administered Oklahoma Teachers' Retirement System, which is a cost sharing, multiple-employer defined benefit public employee retirement system (PERS), which is administered by the Board of Trustees of the Oklahoma Teachers' Retirement System (the "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 the Oklahoma Statutes establishes benefit provisions and may be amended only through legislative action. The Oklahoma Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53624, Oklahoma City, OK 73152, or by calling 405-521-2387.

Basis of Accounting

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.

Funding Policy

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 rates are not actuarially determined. The rates are applied to the employee's earnings plus employer-paid fringe benefits. The required contribution for the participating members is 7.0% of compensation. Contributions received by the System from the State of Oklahoma are used to offset required employer contributions by the local school district. For the 2019-20 fiscal year, the District contributed 9.5% and the State of Oklahoma contributed the remaining amount during the year. The District is allowed by Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. In addition, if a member's salary is paid in part by federal or private funds, the contribution on that portion of the salary paid by those funds must be matched by the District at 7.70%.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

5. EMPLOYEE RETIREMENT SYSTEM – cont'd

Annual Pension Cost

The District's total contributions for 2020, 2019 and 2018 were \$299,876, \$287,188, and \$254,882, respectively. Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2020. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. Please visit www.ok.gov/TRS for all plan information.

GASB Statement 68 became effective for fiscal years beginning after June 15, 2014, and significantly changes pension accounting and financial reporting for governmental employers who participate in a pension plan, such as the System, and who prepare published financial statements on an accrual basis using Generally Accepted Accounting Principles. Since the District does not prepare and present their financial statements on an accrual basis, the net pension amount is not required to be presented on the audited financial statements.

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District purchases commercial insurance to cover these risks, including general and auto liability, property damage, and public officials liability. Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The District participates in a risk pool for Workers' Compensation coverage in which there is a transfer or pooling of risks among the participants of that pool. In accordance with GASB No. 10, the District reports the required contribution to the pool, net of refunds, as insurance expense. The risk pool is the Oklahoma School Assurance Group (OSAG), an organization formed for the purpose of providing workers' compensation coverage to participating schools in the State of Oklahoma. In that capacity, OSAG is responsible for providing loss control services and certain fiscal activities, including obtaining contract arrangements for the underwriting, excess insurance agreements, claims processing, and legal defense for any and all claims submitted to it during the plan year. As a member of OSAG, the District is required to pay fees set by OSAG according to an established payment schedule. A portion of the fees paid by the District goes into a loss fund for the District. The fee for the loss fund is calculated by projecting losses based on the school's losses for the last five years. OSAG provides coverage in excess of the Loss Fund so the District's liability for claim loss is limited to the balance of the loss fund. If the District does not use its loss fund in three years, it is returned to the District with no interest.

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

6. RISK MANAGEMENT – cont'd

The District is also a member of the Oklahoma State School Boards Association (OSSBA) Employment Services program, which helps to cover the cost of unemployment claims. Depending on which level of membership the District elects, the District makes a deposit into an account administered by OSSBA, or will make payments periodically as needed. The money contributed by each District earns interest and is fully insured. If the District has claims in excess of the amount in its account, it will be liable for the excess.

7. CONTINGENCIES

Federal Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, 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.

Schedule of Expenditure of Federal Awards

The schedule shows the federal awards received and expended by the District during the 2019-20 fiscal year. The revised Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations, established uniform audit requirements for nonfederal entities which expended more than \$750,000 in federal awards.

The District did not fall under this threshold during the 2019-20 fiscal year, therefore, the schedule is not required and is for information purposes only.

Litigation

School officials are not aware of any pending or threatened litigation, claims or assessments or unasserted claims or assessments against the District.

STERLING INDEPENDENT SCHOOL DISTRICT NO. 1-3, COMANCHE COUNTY
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES
 IN CASH FUND BALANCES - ALL CAPITAL PROJECTS FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2020

	BOND FUND (31)	BOND FUND (32)	TOTAL
Revenues Collected:			
Interest earnings	\$ 159	0	159
Expenditures:			
Instruction	32,434		32,434
Support services		81	81
Total expenditures	32,434	81	32,515
Excess of revenues collected over (under) expenditures	(32,275)	(81)	(32,356)
Cash fund balances, beginning of year	111,442	81	111,523
Cash fund balances, end of year	\$ 79,167	0	79,167

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2020

<u>ASSETS</u>	<u>BALANCE 7-01-19</u>	<u>ADDITIONS</u>	<u>TRANSFERS/ ADJUSTMENTS</u>	<u>DEDUCTIONS</u>	<u>BALANCE 6-30-20</u>
Cash	\$ 92,612	260,104	0	243,810	108,906
<u>LIABILITIES</u>					
Funds held for school organizations:					
General	\$ 2,066	7,587	(70)	7,455	2,128
Athletics	7,747	46,295		45,279	8,763
FCCLA National Conference	2,967	7,304	275	5,807	4,739
FCA	317	282		375	224
Flower Fund	252	255		219	288
FFA	13,329	61,663		43,832	31,160
FCCLA	1,940	19,336		17,964	3,312
Academic Team	14	0		0	14
Pool	5,613	13,592	(460)	14,432	4,313
AG Scholarship	2,700	0		0	2,700
Student Council	1,296	256		583	969
Library Book Fair	120	3,076	150	2,343	1,003
Fit for Education	483	0		200	283
High School Cheer	3,117	5,422		7,021	1,518
Yearbook	23,152	5,395		13,522	15,025
Prom	2,261	4,925	(3,331)	3,855	0
Elementary	5,442	15,761	(150)	15,426	5,627
James Bragg Scholarship	1,301	0	484	500	1,285
Teacher/Support of Year	751	0		0	751
2020 Seniors	484	10,680	16,173	27,337	0
2021 Seniors	15,041	43,026	(10,852)	26,736	20,479
2022 Seniors	2,219	15,249	(2,219)	10,924	4,325
Total Liabilities	\$ 92,612	260,104	0	243,810	108,906

INDEPENDENT SCHOOL DISTRICT NO. I-18, CREEK COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2005

<u>ASSETS</u>	<u>BALANCE</u> 7-01-04	<u>ADDITIONS</u>	<u>NET</u> <u>TRANSFERS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 6-30-05
Cash	5,792	125,878		123,270	8,400
Investments	7,018	104			7,122
Total Assets	\$ 12,810	125,982	0	123,270	15,522
<u>LIABILITIES</u>					
Funds held for school organizations:					
General	\$ 956	5,645		6,505	96
Athletics	2,011	63,644		61,194	4,461
H.S. Cheerleading	588	8,543		8,417	714
7-8th Cheerleading	724	2,433		2,898	259
Comupter Club	453	0		0	453
FCA	0	1,124		1,025	99
Library	979	1,784		2,198	565
Band	319	3,147		2,717	749
Spanish Club	1	0		0	1
Student Council	731	3,278		3,289	720
Annual	3,485	6,518		9,076	927
Beta Club	66	0		0	66
Elementary	138	2,987		2,638	487
TMH	522	1,118		832	808
Senior Class	378	1,635		1,874	139
Junior Class	280	22,610		18,547	4,343
Sophomore Class	738	0		738	0
Trojan Bucks	(363)	369		0	6
Newspaper	78	0		0	78
Band Flag Corps	72	882		826	128
Dare	59	0		0	59
Art Supply Account	1	0		0	1
Elementary Special G/T Acct	39	1		0	40
7th Grade	19	1		0	20
8th Grade	324	0		323	1
Academic Team	84	0		73	11
Alternative Ed	100	0		0	100
Middle School StuCo	28	263		100	191
Total Liabilities	\$ 12,810	125,982	0	123,270	15,522

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2020

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Project Number	Program or Award Amount	Balance at 7/1/2019	Revenue Collected	Total Expenditures	Balance at 6/30/2020
<u>U.S. Department of Education:</u>							
Indian Education	84.060	561	11,531		11,531	11,531	
Indian Education 2018-19 - Note	84.060	799		1,207	1,207		
Impact Aid	84.041	591	5,977		5,977	5,977	
Impact Aid Disabled	84.041	592	1,200		1,200	1,200	
Small Rural School Achievement	84.358	588	36,351		35,850	36,351	501
Sub Total			55,059	1,207	55,765	55,059	501
<u>Passed Through State Department of Education:</u>							
Title I	84.010	511	68,400		44,887	64,126	19,239
Title I 2018-19 - Note	84.010	799		5,973	5,973		
Title II, Part A	84.298	541	12,886		12,700	12,700	
Title II, Part A 2018-19 - Note	84.298	799		14,124	14,124		
Title IV, Part A	84.424	552	15,000		15,000	15,000	
IDEA-B Flow Through	84.027	621	68,994		53,914	68,994	15,080
IDEA-B Flow Through 2018-19 - Note	84.027	799		7,420	7,420		
IDEA-B Project ECHO	84.027	615	1,008		1,008	1,008	
IDEA-B Covid Assist	84.027	617	3,456				
IDEA-B Pre-school	84.173	641	1,871		1,871	1,871	
CARES Act	84.425	788	38,579			6,253	6,253
Sub Total			210,194	27,517	156,897	169,952	40,572
<u>U.S. Department of Agriculture:</u>							
<u>Passed Through State Department of Education:</u>							
Child Nutrition Programs:							
School breakfast program	10.553	764			18,139	18,139	
National school lunch program	10.555	763			51,222	44,498	
Sub Total					69,361	62,637	
<u>Passed Through Department of Human Services:</u>							
Non-Cash Assistance - Commodities - Note 1							
National school lunch program	10.555	n/a			12,833	12,833	
Total Federal Assistance			\$ 265,253	28,724	294,856	300,481	41,073

Note - These amounts represent reimbursements for prior year expenditures which were not received until the current fiscal year.

Note 1 - Non-Monetary Assistance - Commodities received by the District in the amount of \$12,833 were of a non-monetary nature and therefore the total revenue does not agree with the financial statements

Note 2 - Basis of Presentation - The accompanying schedule of expenditures of federal awards includes the federal activity of the District for the year ended June 30, 2020. The information is presented on another comprehensive basis of accounting conforming with the accounting practices prescribed or permitted by the Oklahoma State Department of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles. Because the schedule presents only a selected portion of the operations of the District, it is not intended and does not present the financial position, changes in net assets, or cash flows of the District.

Note 3 - Summary of Significant Accounting Policies - Expenditures reported on this schedule are reported on the regulatory basis of accounting consistent with the preparation of the combined financial statements except as noted in Note 1. Expenditures are recognized when an approved purchase order is issued.

STERLING INDEPENDENT SCHOOL DISTRICT NO. 1-3, COMANCHE COUNTY
STATEMENT OF STATUTORY, FIDELITY AND HONESTY BONDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>BONDING COMPANY</u>	<u>POSITION COVERED</u>	<u>BOND NUMBER</u>	<u>COVERAGE AMOUNT</u>	<u>EFFECTIVE DATES</u>
CNA Surety -				
Westen Surety Company	Treasurer	601125618	\$ 100,000	7/1/19 - 7/1/20
	Superintendent	7198679	100,000	7/1/19 - 7/1/20
	Blanket Position Bond	68384219	15,000	7/1/19 - 7/1/20
	Minutes Clerk	LSM0802988	1,000	7/1/19 - 7/1/20
	Activity Fund Custodians	LSM0802988	1,000	7/1/19 - 7/1/20
	Child Nutrition Custodians	LSM0802988	1,000	7/1/19 - 7/1/20
	Encumbrance Clerk	LSM0802988	1,000	7/1/19 - 7/1/20

STERLING INDEPENDENT SCHOOL DISTRICT NO. I-3, COMANCHE COUNTY
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE
AFFIDAVIT
JULY 1, 2019 TO JUNE 30, 2020

State of Oklahoma)
) ss
County of Tulsa)


The undersigned auditing firm of lawful ages, being first duly sworn on oath says that said 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 Sterling Public Schools for the audit year 2019-20.

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP
Auditing Firm

By 
Authorized Agent

Subscribed and sworn to before me
This 13th day of November, 2020




Notary Public (or Clerk or Judge)

My Commission Expires: 3/11/2023
Commission No. 19002530



BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA
Jeffrey D. Hewett, CPA
Christopher P. Gullekson, CPA

P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3831 • FAX (918) 449-9779

November 13, 2020

Mr. Kent Lemons, Supt.
Sterling Public Schools
P.O. Box 158
Sterling, Oklahoma 73567

Dear Mr. Lemons:

Listed below are the observations and recommendations from the final audit work we performed for you. Please review them very carefully, along with the review copy of your audit report. If you have questions or desire additional information, please call us so that any discrepancies may be resolved.

No Audit Exceptions

We take this opportunity to thank you and your professional staff for the outstanding cooperation and invaluable assistance you gave us during our recent onsite audit work.

Sincerely,

Eric M. Bledsoe

For

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP



Sterling Public Schools

P.O. Box 158 400 Tiger Blvd.
Sterling, Ok 73567

Kent Lemons, Superintendent
(580) 365-4307 Fax (580) 365-4705

Marty Curry, High School Principal
(580) 365-4303

Tasha Garrett, Counselor
(580) 365-4303

Trent Parrish, Elementary Principal
(580) 365-4166

Ronita Bridges, Treasurer
(580) 365-4307

12-1-2020

Dear Sterling Public Schools Board of Trustees,

The past year has been a challenge for me, personally and with COVID issues here at school. It has also been a year of joy and excitement with a major recovery, and seeing the 20-21 school year start up despite COVID 19. We have been able to have many great weeks, almost like normal. As a Superintendent I know that the least expected thing is what you should expect. Under that assumption, I have tried to establish a school system that will function even under adverse conditions. It has not been perfect, but we have done a good job of taking care of our people and still having school. I have so enjoyed being a part of our school for the last three and a half years, and am looking forward to where we are headed in the future. Thank you all your work in supporting the school as we work through this tough time. You all truly are a part of our "Team of Six" that includes you and me. We are making a difference, and are headed toward a wonderful future.

Sincerely,

A handwritten signature in black ink that reads "Kent Lemons". The signature is written in a cursive, flowing style.

Kent Lemons

SUPERINTENDENT SELF-APPRAISAL

Date: December 2020

Superintendent: Kent Lemons

Sterling Public Schools.

ACCOMPLISHMENTS AND ACTIONS

❶ Oklahoma State Testing Program (OSTP):

We had no State testing last year since we were in shutdown during the testing window. I have left the report from last year below to help me remember where we were and where we want to be.

Our scores were higher than the Oklahoma state average in nine of the fourteen exams and we were close in the other five. We will work to improve from this level.

Graduation Rate was greater than 90% in 2018 (Expectation 100%).

❷ Facility improvements:

We continue to make improvements that will add years to the life of our facilities and will make our schools a place students can be proud to attend. Our funding keeps us from tackling big projects right now, but we do what we can. The maintenance list has become our Facilities Improvement Plan with all items included. What we do now is take problems as they come and make sure we can have school without distraction. We are in the money saving mode, but still try to do the things needed to keep the school safe and running smoothly.

❸ Extracurricular Success:

The 2020-2021 school year has gone well so far for Sterling Public Schools. Our fall softball team advanced to the State Tournament and won their first game, and the baseball team played well in the finals of the District Tournament. Basketball looks promising at all levels for the boys and girls. FFA and FCCLA have been active in the fall and are leaders in our area. The remainder of this school year looks to be exciting with many more opportunities for our students to excel. The second semester of the 19-20 school year was a sad time with Oklahoma closing all schools and cancelling all extracurricular activities. Hopefully, we will have a wonderful spring with our extracurricular activities.

❹ Bond, Budget Monitoring, Grant Awards, and Insurance:

Again, this year we were granted the SRSA grant that provided us with much needed funds in the amount over \$30,000 that we applied toward technology throughout the school building. We have applied for E-Rate again and will use it to maintain our network equipment, Wi-Fi, and other network expenses. We also receive the Perkins Grant that provides money for career tech issues. The McMahon Foundation Grant that we were awarded is continuing to add school safety to our schools with more cameras.

Insurance is going to pay for the damages from the April 21, 2020 hail storm. The plans have been finished and bidding will take place after the holidays. Work will start soon after that. It could be a year long for them to finish all the repairs.

⑤ Atmosphere, Culture, and Public Relations of our Schools

The overall atmosphere and attitude of the school has been so positive this year through all the adversity and virtual times. The students are so glad to be at school and they know that every game or event could be their last for the school year. Below are some of the things I try to do to keep moral up.

- Each school day I have the opportunity to walk the halls and greet the students, teachers, and principals in each building.
- Leadership Lunch has been held twice a semester inviting student leaders to lunch where some facet of leadership is discussed.
- The Sterling Star Awards have been issued to recognize students in grades 3-12 each 9 weeks grading period who have the highest GPA and no discipline referrals. We had to drop the attendance part this year.
- I have not visited the “table of knowledge” with the local coffee drinkers since COVID 19 hit. I will go back to visit after the vaccines come through and make gatherings safe again.
- Our extracurricular activities have presented an opportunity for me to visit parents and school supporters and to see our students in activities outside the school classroom. This year I try to stay clear of everyone, but will begin to mingle again next year hopefully.
- Weekly updates are sent to all Board members along with any relevant news that comes across my desk.
- We continue College Mondays, with faculty and staff wearing college attire to keep students focused on the future and their future plans.
- Tiger Thursdays are also still going. We all wear Tiger apparel on Thursdays to show school spirit.
- Board meeting notes are sent to the staff after every Board meeting.
- We recognize students at Board meetings who compete above the District level.
- We have an end of year faculty and staff meeting where we celebrate our teachers who have stayed here 5, 10, 15, 20, 25, 30, and even more years.
- I attend county wide Superintendent meetings and weekly Zoom meetings with the State Superintendent, so that I will know where we stand with issues that affect our school.

⑥ School Safety improved

An emphasis has been placed on school safety and the following steps have been taken to improve Safety at our school.

- Handguns are on campus. Signs are at the entrances, and we have the handguns either on us or in our office during the school day.
- As administrators, we discuss the safety of the school at each meeting, and what we could do to make it more secure.
- We have encouraged the students to keep the administrators informed of any unsafe behavior going on. The school is only as safe as the students keep it, since they know when something is in the works that compromises school safety.
- We have improved the inside cameras with bond money and have improved the outside cameras and

entrances with grant money.

- We have recruited the police to make daily walkthroughs of the school. These are on hold right now.
- All local law enforcement officers are aware of our efforts to increase security and are on board with us.

7 Technology

The technology available to the students has more than tripled in the last three and a half years, and more is available to the teachers for their use and instruction. The experience of being exposed to technology is important for our students after high school so they will not be intimidated at college or during their future training.

UPCOMING CONCERNS

What will be the most significant challenges for 2021-22?

BUDGET:

The 2020-2021 budget will be a challenge because we know we have a loss in funding due to loss of enrollment three years ago and from a decrease in the tax intake by the State caused by COVID 19.

These are the factors that have put us in this situation:

- A drop in enrollment 3 years ago has caused us to suffer money cuts from the State. The State looks at three years and uses the highest enrollment. The oldest data drops each year and is replaced with more recent information.
- The State Government has not come up with solid resources for school funding and going to be hard pressed next year in funding schools.
- The largest portion of our budget goes out in payroll.
- We are not able to bring in enough money locally to provide any surplus.
- State funding use to allow us to break even, but not any longer.

This is the situation we are currently in, but we will continue to do all we can to provide the best education possible for our students. I remain positive that great things are going to happen financially.

TRANSPORTATION FLEET:

We are in great shape when our buses are all up and running, but we often have one or two in the shop. I started taking buses in the summer to Summit in Wichita Falls for routine servicing. This has helped prevent breakdowns, and keep us up and running through the school year. Right now we try to fix problems as they occur.

FACILITIES REPAIR AND RENOVATION:

We need to continue the improvements and repairs of our facilities so that our buildings will last into the future. The buildings have been well maintained. Money for major renovations is not available, so we will do what we can till we find a source of funding. We continue to refine our facilities improvement plan.

The damage from the April 21, 2020 hail storm will be paid for by our insurance.

OSTP PREPARATION (STUDENTS AND TEACHERS):

Accountability will continue to increase in difficulty through the State. Each year the standards will increase. We will work to stay ahead of the State in all areas of testing, and Sterling Public Schools will strive for the top rating status from the State.

PERSONNEL RETENTION AND RECRUITMENT:

We have pulled together a well prepared and dedicated faculty and staff, and we will do what we can to retain them. The four day week has brought some great teachers in and this has also helped us find applicants when other schools are having a shortage of interested, qualified applicants. We have a Christmas Dinner planned and we will have an end of year meeting with the school employees. I work to support our employees and to get to know them as a person.

CONTINUE IMPROVING SCHOOL SAFETY:

We will continue to monitor school safety to ensure our schools are as safe as they can be. Our school is safer now than it has ever been, but we will continue to find ways to improve.

DEVELOPMENT OF A PLAN THAT SUPPORTS THE TEAM OF SIX'S VISION:

The only potential new monies for Sterling Public Schools coming from a reduction in personnel and cutting local budgets, so this is a tough situation. Hopefully, the Legislature will come through with more school funding. We are already functioning with a skeleton crew and local budgets have been reduced drastically the past few years. The loss in enrollment may require further cuts. We were able to absorb two and a half positions last year, but that is about as tight as we can go.

MAINTAIN OUR PUSH TO EXCEL WITH OUR TECHNOLOGY:

We will continue to provide emerging technology for our teachers and students the best we can. We will encourage teachers to use technology during instruction, so our students are prepared for future training or college.

PERSONNEL HIRES/CHANGES:

Teachers make the difference. The relationships and support that teachers build with students is what makes a lasting impression and influences students after graduation. It is very important for the board and administration to provide a firm, consistent foundation that allows our teachers and staff to function at the highest possible level and establish these positive relationships. This will guarantee continuous improvement of the school system in the future.

With these concerns in mind what support of the board is needed?

- It is important for the Board to understand the financial picture and budget requirements and restraints, as I know you do. We will not use a lack of funds to be an excuse for not providing an excellent education for our students, but we do have some limitations due to funding.
- Maintain your vision as a Board, focused on academic success - student future success.
- Stay updated on legislative issues that will have an effect on Schools.
- Promote Longevity of our quality personnel.
- Continue to support the professional educators as they perform their duties by maintaining the expectation that problems are handled at the lowest level.
- Stay the course on building a culture of professionalism associated with our school.

- Participate in training opportunities to increase knowledge of overall school operations and guidelines
- Stay focused on "charting the district's course." Micromanaging can sidetrack our vision. To maintain focus it is imperative that everyone follows the procedures set in place. Continue to follow our District procedures and Board procedures when problems arise.

Sterling Public Schools

MISSION

Sterling Public Schools will have high expectations of achievement in all areas fostering adequate emotional stability, intellectual understanding, physical development, and social competence for every student, preparing them for success in the future.

VISION

Sterling Public Schools will strive for excellence in all areas of education developing contributing citizens in our society.

GOALS

- Sterling Public Schools will place student success as the priority in all decisions.
- Sterling Public Schools will recruit, develop, train, and support highly motivated staff members who are determined to help students succeed.
- Sterling Public Schools will strive to provide high performing campuses using relevant and effective instruction coupled with high expectations for all students and staff.
- Sterling Public Schools will provide facilities that support an exemplary learning environment.
- Sterling Public Schools will encourage parents to become partners in their student's learning.
- Sterling Public Schools will exercise fiscal responsibility.

SUPERINTENDENT EVALUATION

STERLING INDEPENDENT SCHOOL DISTRICT

Calendar:

January

Summative Evaluation (written) and Conference - Set performance goals that define expectations and set priorities for the Superintendent. - Action to retain or non-renew will be taken annually following the evaluation.

Objectives:

- Provide positive and constructive feedback to the Superintendent that will support and promote the superintendent's professional growth and development;
- Help the Board evaluate their work in planning the educational program in this community;
- Strengthen the working relationship between the Board and the Superintendent by providing a comprehensive vehicle of communication.

Evaluation Directions for the Board of Trustees:

- *Board members should individually complete this document and then collaboratively complete the document to be presented to the Superintendent.*
- *The scores and all subsequent comments reported to the Superintendent should reflect the consensus of the board.*
- *Should a score of "below expectations" be awarded for any objective, comments must be provided that clearly specify the reasons for the score with suggestions for improvement.*
- *The Board shall provide the Superintendent with a signed copy of the completed appraisal instrument and discuss the contents with the Superintendent in executive session.*
- *All discussions and the evaluation are confidential.*

Rating Scale:

Exceeds Expectations: Score 3

Well satisfied with this function of the district.

Meets Expectations: Score 2

Acceptable

Below Expectations: Score 1

Not happy with how the district is performing.

SUPERINTENDENT EVALUATION

STERLING INDEPENDENT SCHOOL DISTRICT

School Year: 2020-2021

Superintendent: Kent Lemons

Exceeds Expectations: Score 3

Meets Expectations: Score 2

Below Expectations: Score 1

LEADERSHIP

- _____ Creates a direction for the District
- _____ Takes ownership of actions
- _____ Shows a willingness and an ability to make decisions
- _____ Faces controversy openly
- _____ Remains true to convictions and succeeds in a high-pressure job
- _____ Supports staff development
- _____ Delegates when possible
- _____ Willing to listen and consider different approaches to situations
- _____ Focused on improving the school district
- _____ Provides opportunity for staff to develop potential

- _____ TOTAL FOR LEADERSHIP (10-30)

Comments:

COMMUNICATION

- _____ Writes and speaks effectively
- _____ Is accessible to staff, parents, students, and community members
- _____ Builds relationships among staff, parents, students, and community members
- _____ Listens and is receptive to concerns
- _____ Shares information openly and frequently
- _____ Communicates Board expectations, standards of professional behavior, and areas of growth to staff

- _____ TOTAL FOR COMMUNICATION (6-18)

Comments:

Exceeds Expectations: Score 3

Meets Expectations: Score 2

Below Expectations: Score 1

PUBLIC RELATIONS

- _____ Promotes the District, employees, and students
- _____ Available to the press, staff, and community groups with special or general interests
- _____ Is visible in the community at school and community events

- _____ TOTAL FOR PUBLIC RELATIONS (3-9)

Comments:

MANAGEMENT

- _____ Follows the Board Policies
- _____ Stays current with State and Federal laws and keeps the district in compliance
- _____ Competent in the decision-making process
- _____ Responsive to school problems
- _____ Identifies and analyzes issues
- _____ Effective problem solver
- _____ Competent in curriculum and program planning
- _____ Competent in business management, plant operations and maintenance, and personal administration
- _____ Seeks to foster high morale and cohesiveness among staff
- _____ Recruits and retains high quality staff

- _____ TOTAL FOR MANAGEMENT (10-30)

Comments:

PROFESSIONALISM

- _____ Participates in professional activities for professional growth
- _____ Exhibits confidence
- _____ Professional appearance
- _____ Promotes integrity and professionalism
- _____ Promotes a climate of excellence among school personnel
- _____ Loyal to the District

- _____ TOTAL FOR PROFESSIONALISM (6-18)

Comments:

SUPERINTENDENT EVALUATION

BOARD SUMMARY

What are the strongest areas of the Superintendent's performance during this past year?

List areas where the Superintendent should place additional time and consideration:

STERLING PUBLIC SCHOOLS BOARD OF TRUSTEES RECOMMENDATION:

- Retain/Recommendation for Contract pay increase and a year Extension
- Retain/Continue with present Contract pay and a year Extension
- Retain/Plan of Improvement (may be with or without a year Extension)
- Non-Renewal – no extension

Signature of Board President

Signature of Superintendent

Date

The signature of the Superintendent indicates receipt of the evaluation. The Superintendent has 5 business days to respond to the Board President in the case of a disagreement of findings. The response and the documentation will be attached to the evaluation.

NOTE: The following salary and benefits package should be reviewed and acted upon after completing the Superintendent's annual appraisal.

Salary and Benefits Package

	2020-2022	2021-2023
Contract Length/Type Term Contract with annual action to be taken in January of each year	2 year	2 year
Current Salary - Annual	\$94,762.50 (with raise applied)	\$94,762.50
Cell Phone Allowance	\$50.00 a month	\$50.00 a month
Health Insurance	Health Choice High member premium	Health Choice High member premium
Reimbursement for School Related Expenses	Actual expenses incurred in the performance of duties	Actual expenses incurred in the performance of duties
Professional Dues	CCOSA/OASA	CCOSA/OASA

The above salary and benefits package was developed by consensus and approved by the Sterling Public Schools Board of Trustees.

Board President: _____
(Signature)

Date: _____

Board Vice-President: _____
(Signature)

Date: _____

Board Clerk: _____
(Signature)

Date: _____

Board Member: _____
(Signature)

Date: _____

Board Member: _____
(Signature)

Date: _____