

Owasso Board of Education Regular
Meeting
Monday, January 12, 2026 6:30 PM Central

Board of Education Conference Room of the
Dale C. Johnson Education Service Center
1501 N Ash St.
Owasso, Oklahoma 74055

I. **Call to Order and Roll Call**

Attendance Taken at 6:30 PM.

Brent England: Present
Neal Kessler: Present
Rhonda Mills: Present
Stephanie Ruttman: Present
Forrest Turpen: Present
Present: 5.

II. **Special Recognition/Pledge of Allegiance** - Ms. Michelle Million, Blade Christie and Preston Dotson

III. **Reports to the Board**

- A. Superintendent - Dr. Margaret Coates Dr. Coates gave special recognition to each of our Board members and expressed appreciation for their dedication and service to Owasso Public Schools.
- B. Teaching and Learning - Mr. Mark Officer Mr. Officer shared that Ed Camp would be taking place on Jan. 20th and thanked those involved in creating a day of professional development for district employees. He shared data regarding students receiving counseling services through Grand Mental Health and CREOKS.
- C. District Services - Mr. Kerwin Koerner Mr. Koerner gave a roofing update stating all roofing projects are now complete and have experienced zero leaks. The parking lot at Ator has been replaced as the completion of that project. He shared we were gifted a replica trophy from Nabholtz construction who won an award for construction of our track project.
- D. Continuous Strategic Improvement (CSI) - Goal Area #2 Ram Team, Mr. Phillip Storm Mr. Storm reported that one initiative to recruit and retain staff is to conduct and attend job fairs in Oklahoma. Our HR staff attended 5 fairs in the fall and has plans to attend 6 more this spring. Our employee referral program has been successful and we currently have 270 substitutes.

IV. **Comments from the Public Regarding Agenda Items**

Each individual will have five (5) minutes to share their remarks related to the specific agenda item identified by the individual when signing up to speak. Board members will not respond to public comment or answer questions posed during public comment. The total time allotted to comments from the public regarding the agenda will not exceed fifteen (15) minutes. There were no comments from the public regarding agenda items.

V. **Consent Agenda:** Board to consider and take possible action on the following consent agenda items. (Dr. Coates)

Motion to approve Consent Agenda items. This motion, made by Rhonda Mills and seconded by Neal Kessler, passed.

Brent England: Yea

Neal Kessler: Yea

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 5, Nay: 0

A. Minutes of December 8, 2025

B. Teaching and Learning

i. Out of State Student Activity Trips

C. Technology

i. Surplus of items listed on the attachment titled Technology Surplus - January 12, 2026

D. Finance

i. Purchase orders (encumbrances) and changes to encumbrances for December 2025

2025-2026 General Fund #1047-1142 (Vendors) \$122,665.74

2025-2026 General Fund Net Change Orders \$154.68

2025-2026 Building Fund #88-89 (Vendors) \$7,545.69

2025-2026 Child Nutrition Fund #41 (Vendors) \$55,139.00

2025-2026 Bond Fund 31 #299-312 (Vendors) \$152,700.48

2025-2026 Bond Fund 39 #9 (Vendors) \$5,076.72

ii. Activity Financial Report for December 2025

E. Human Resources

i. Transitions

VI. District Services - Kerwin Koerner

A. Board to consider and take possible action on a contract with Crossland Construction Corporation for construction management services for the 7th Grade Center Safe Structure and Multi-Use Athletic Facility at a cost of \$29,220 for pre-construction work and a set fee of 3.5% of work after the Guaranteed Maximum Price (GMP) is set, as outlined in the attachment and authorize the Superintendent or designee to execute the contract

Motion to approve a contract with Crossland Construction Corporation for construction management services for the 7th Grade Center Safe Structure and Multi-Use Athletic Facility at a cost of \$29,220 for pre-construction work and a set fee of 3.5% of work after the Guaranteed Maximum Price (GMP) is set, as outlined in the attachment and authorize the Superintendent or designee to execute the contract. This motion, made by Neal Kessler and seconded by Rhonda Mills, passed.

Brent England: Yea

Neal Kessler: Yea

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 5, Nay: 0

VII. **Technology** - Dr. Michelle Baker

- A. Board to consider and take possible action on a quote from Vivacity Tech PBC for the purchase of student Chromebooks at a cost of \$747,900.00, as outlined in the attachment and authorize the Superintendent or designee to execute the Quote

Motion to approve a quote from Vivacity Tech PBC for the purchase of student Chromebooks at a cost of \$747,900.00, as outlined in the attachment and authorize the Superintendent or designee to execute the Quote. This motion, made by Rhonda Mills and seconded by Forrest Turpen, passed.

Brent England: Yea

Neal Kessler: Yea

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 5, Nay: 0

VIII. **Finance** - Phillip Storm

- A. Board to consider and take possible action on the Treasurer's Report for December 2025

Motion to approve the Treasurer's report for December 2025. This motion, made by Neal Kessler and seconded by Rhonda Mills, passed.

Brent England: Yea

Neal Kessler: Yea

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 5, Nay: 0

- B. Board To Consider and Take Possible Action on the Fiscal year 2025 Financial Audit Report.

Motion to accept the Fiscal year 2025 Financial Audit Report. This motion, made by Neal Kessler and seconded by Brent England, passed.

Brent England: Yea

Neal Kessler: Yea

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 5, Nay: 0

IX. **Executive Session**

- A. Vote to convene into executive session for the purpose of discussing the mid-year review of the Superintendent's goals as authorized by Okla.Stat.Tit.25 § 307(B)(1)

Motion at 7:35p.m. to convene into executive session for the purpose of discussing the mid-year review of the Superintendent's goals. This motion, made by Forrest Turpen and seconded by Rhonda Mills, passed.

Brent England: Yea

Neal Kessler: Yea

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 5, Nay: 0

B. Acknowledge return to Open Session Acknowledge return to Open Session at 8:21pm

C. Statement of Executive Session Minutes During the executive session, the members of the Board of Education who were present were Stephanie Ruttman, Rhonda Mills, Neal Kessler, Frosty Turpen and Brent England. Also present during the executive session was Dr. Margaret Coates. During the executive session board members discussed the mid-year review of the Superintendent's goals. Nothing else was discussed and no votes were taken. This will constitute the minutes of the executive session.

X. **New Business** There was no New Business.

XI. **Vote to Adjourn**

Motion to adjourn at 8:22p.m. This motion, made by Rhonda Mills and seconded by Neal Kessler, passed.

Brent England: Yea

Neal Kessler: Yea

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 5, Nay: 0

Owasso Board of Education Regular
Meeting
Monday, December 8, 2025 6:30 PM Central

Board of Education Conference Room of the
Dale C. Johnson Education Service Center
1501 N Ash St.
Owasso, Oklahoma 74055

I. Call to Order and Roll Call

Attendance Taken at 6:30 PM.

Brent England: Present

Neal Kessler: Absent

Rhonda Mills: Present

Stephanie Ruttman: Present

Forrest Turpen: Present

Present: 4, Absent: 1.

II. Special Recognition/Pledge of Allegiance - Ms. Dawn Testa, Hazel Fuller and Sam Hoekstra

III. Special Recognition - Owen Hawzipta - Indian Education Program Award

IV. Reports to the Board

A. Superintendent - Dr. Margaret Coates Dr. Coates reported OEF generously awarded 75 grants to teachers across the district. Mrs. Ruttman ran unopposed for ward #1 and will hold that office for another 5 years.

B. Teaching and Learning - Mr. Mark Officer Mr. Officer shared that our Veterans Day programs were all amazing and expressed appreciation that we continue to put forth the effort honor our veterans.

C. District Services - Mr. Kerwin Koerner Mr. Koerner reported the roofing project at Ator is very close to being completed and the north-side parking lot will be replaced as soon as the roof is finished. The team is in the process of reviewing final plans for the 8th Grade center safe room building addition and that project should go out for bid in February 2026.

D. Continuous Strategic Improvement (CSI) - Goal Area #1 Ram Achievement and Enrichment Opportunities - Mr. Mark Officer Mr. Officer reported that in October we had a little over 500 teachers participate in organizing and planning Common Formative Assessment training. Career Exploration and Interest will begin in January for middle school students, and graduation credit checks will begin for high school students.

V. Comments from the Public Regarding Agenda Items

Each individual will have five (5) minutes to share their remarks related to the specific agenda item identified by the individual when signing up to speak. Board members will not respond to public comment or answer questions posed during public comment. The total time allotted to comments from the public regarding the agenda will not exceed fifteen (15) minutes. There were no comments from the public regarding agenda items.

VI. Consent Agenda: Board to consider and take possible action on the following consent agenda items. (Dr. Coates)

Motion to approve Consent Agenda items VI.A. through VI.F.i. This motion, made by Rhonda Mills and seconded by Brent England, passed.

Brent England: Yea
Neal Kessler: Absent
Rhonda Mills: Yea
Stephanie Ruttman: Yea
Forrest Turpen: Yea

Yea: 4, Nay: 0, Absent: 1

A. Minutes of Regular Meeting November 10, 2025

B. Teaching and Learning

i. Out of State Student Activity Trips

ii. Contract with Amira Learning for EdCamp Professional Development for the 2025-2026 school year at a cost of \$3,990.00, as outlined in the attachment and authorize the Superintendent or designee to execute the Contract

C. District Services

i. Surplus items listed on the attachments for December 2025

D. Technology

i. Current capacity numbers for transfer students

ii. Contract with United Systems for Erate Category 2 Internal Connections project for the 2026-2027 school year at a cost of \$525,272.33 as outlined in the attachment and authorize the Superintendent or designee to execute the contract

E. Finance

i. Purchase orders (encumbrances) and changes to encumbrances for November 2025 2025-2026 General Fund #967-1046 (Vendors) \$79,421.63
2025-2026 Building Fund #82-87 (Vendors) \$40,550.00
2025-2026 Child Nutrition Fund #40 (Vendors) \$1,575.00
2025-2026 Bond Fund 31 #289-298 (Vendors) \$113,457.47

ii. Service Contract with ArbiterSports, LLC for a one-year program subscription for the 2025-2026 school year at a price of \$3,606.00 as outlined in the attachment and authorize the Superintendent or designee to execute the Service Contract

iii. Activity Financial Report for November 2025

iv. Activity Account Budgets

F. Human Resources

i. Transitions

VII. Teaching and Learning -Mark Officer

A. Board to consider and take possible action on the Cherokee Nation Child Care & Development application for authorization for the SPARK program to be a contracted provider at 9 elementary sites and the 6th Grade Center for the 2025-2026 school year at a cost of \$-0-, as outlined in the attachment and authorize the Superintendent or designee to execute the application

Motion to approve the Cherokee Nation Child Care & Development application for authorization for the SPARK program to be a contracted provider at 9 elementary sites and the 6th Grade Center for the 2025-2026 school year at a cost of \$-0-, as outlined in the attachment and authorize the Superintendent or designee to execute the application. This motion, made by Forrest Turpen and seconded by Brent England, passed.

Brent England: Yea
Neal Kessler: Absent
Rhonda Mills: Yea
Stephanie Ruttman: Yea
Forrest Turpen: Yea
Yea: 4, Nay: 0, Absent: 1

VIII. District Services - Kerwin Koerner

A. Board to consider and take possible action on the Supplemental Contract with the Stacy Group for the design of a Maintenance Warehouse, as outlined in the attachment and authorize the Superintendent or designee to execute the Contract

Motion to approve the Supplemental Contract with the Stacy Group for the design of a Maintenance Warehouse, as outlined in the attachment and authorize the Superintendent or designee to execute the Contract. This motion, made by Rhonda Mills and seconded by Forrest Turpen, passed.

Brent England: Yea
Neal Kessler: Absent
Rhonda Mills: Yea
Stephanie Ruttman: Yea
Forrest Turpen: Yea
Yea: 4, Nay: 0, Absent: 1

B. Board to consider and take possible action on a contract with Nabholz Construction Corporation for construction management services for the Owasso Fine Arts Instructional Addition at West Campus at a cost of \$30,000 for pre-construction work and a set fee of 4% of work after the Guaranteed Maximum Price (GMP) is set, as outlined in the attachment and authorize the Superintendent or designee to execute the contract

Motion to approve a contract with Nabholz Construction Corporation for construction management services for the Owasso Fine Arts Instructional Addition at West Campus at a cost of \$30,000 for pre-construction work and a set fee of 4% of work after the Guaranteed Maximum Price (GMP) is set, as outlined in the attachment and authorize the Superintendent or designee to execute the contract. This motion, made by Rhonda Mills and seconded by Brent England, passed.

Brent England: Yea

Neal Kessler: Absent
Rhonda Mills: Yea
Stephanie Ruttman: Yea
Forrest Turpen: Yea
Yea: 4, Nay: 0, Absent: 1

IX. Finance - Phillip Storm

A. Board to consider and take possible action on the Treasurer's Report for November 2025
Motion to approve the Treasurer's Report for November 2025. This motion, made by Forrest Turpen and seconded by Brent England, passed.

Brent England: Yea
Neal Kessler: Absent
Rhonda Mills: Yea
Stephanie Ruttman: Yea
Forrest Turpen: Yea
Yea: 4, Nay: 0, Absent: 1

B. Board to consider and take action on a Resolution authorizing the leasing of certain real property to the Tulsa County Industrial Authority, and authorizing the President, Clerk and Superintendent to execute any and all documents related to the Ground Lease Agreement and the transaction

Motion to approve a Resolution authorizing the leasing of certain real property to the Tulsa County Industrial Authority, and authorizing the President, Clerk and Superintendent to execute any and all documents related to the Ground Lease Agreement and the transaction. This motion, made by Brent England and seconded by Forrest Turpen, passed.

Brent England: Yea
Neal Kessler: Absent
Rhonda Mills: Yea
Stephanie Ruttman: Yea
Forrest Turpen: Yea
Yea: 4, Nay: 0, Absent: 1

C. Board to consider and take action on a Resolution authorizing the acceptance of a Sublease Agreement whereby the Tulsa County Industrial Authority will sublease certain real property and improvements thereto to the district and authorizing and directing the President, Clerk and Superintendent to execute any and all documents related to the Sublease Agreement and the transaction

Motion to approve a Resolution authorizing the acceptance of a Sublease Agreement whereby the Tulsa County Industrial Authority will sublease certain real property and improvements thereto to the district and authorizing and directing the President, Clerk and Superintendent to execute any and all documents related to the Sublease Agreement and the transaction. This motion, made by Forrest Turpen and seconded by Brent England, passed.

Brent England: Yea

Neal Kessler: Absent

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 4, Nay: 0, Absent: 1

X. New Business There was no New Business.

XI. Vote to Adjourn

Motion to adjourn at 7:22 p.m. This motion, made by Forrest Turpen and seconded by Brent England, passed.

Brent England: Yea

Neal Kessler: Absent

Rhonda Mills: Yea

Stephanie Ruttman: Yea

Forrest Turpen: Yea

Yea: 4, Nay: 0, Absent: 1

January 12, 2026 Overnight/Out of State Student Activity Requests

- **January 30 - 31, 2026 - 84th Annual Ted Anderson Memorial Edmond Jr High Wrestling Tournament - Jr High Wrestling - Edmond, OK**
- **January 31, 2026 - Arkansas Flute Festival - OHS Flute Ensemble - Fayetteville, AR**
- **February 7, 2026 - University of Arkansas Saxophone Day - OHS Saxophone Ensemble - Fayetteville, AR**
- **February 25-28, 2026 - State Tournament - OHS Girls Wrestling - Oklahoma City, OK**

TECHNOLOGY SURPLUS - JANUARY 12, 2026	
Item	Quantity
Dell D6000 Laptop Docking Station	693
VCR	2
Document Camera - Hovercam	2
Insignia Stereo Receiver	1
NewLine TT7518RS	1
SonicWall Firewall	2
WatchGuard Firewall	11
Dell Switch	7
Extreme Switch	3
UPS	12
Brother Fax Machine	1
Various Media Converters	10
Lightspeed Server	2
Adtran Router	2
Masterview KVM	1
Asus Monitor	7
Dell Monitor	12
Acer Monitor	1
Dell PC 9010	24
Dell PC 7010	2
Dell PC M75Q1	1
Dell PC Tower	53
Dell PC DH55TC	1
Shortel Phone Switch	3
Shortel Phones	1070
Epson 455WI Projector	6
Epson 485WI Projector	3
Epson 595WI Projector	3
Epson 695WI Projector	50
Epson Projectors (PL 99WH, PL965, PL965H, PLS27)	4
Dell S560P Projector	1
Chromebooks	Quantity
Lenovo 100e 2nd Gen AST	18
HP 11A G8 EE	812
Dell 3100	66
TOTAL CHROMEBOOKS	896

CERTIFICATE OF APPROVAL

January 12, 2026

Purchase Orders to be approved by the Board of Education:

2025-2026 General Fund

		<u>P.O. Nos.</u>	
<i>VENDORS</i>		1047-1142	122,665.74
<i>VENDORS</i>	Change Orders		154.68
			<u>\$ 122,820.42</u>

2025-2026 Building Fund

		<u>P.O. Nos.</u>	
<i>VENDORS</i>		88-89	7,545.69
<i>VENDORS</i>	Change Orders		0.00
			<u>\$ 7,545.69</u>

2025-2026 Child Nutrition Fund

		<u>P.O. Nos.</u>	
<i>VENDORS</i>		41	55,139.00
<i>VENDORS</i>	Change Orders		0.00
			<u>\$ 55,139.00</u>

2025-2026 Bond Fund 31

		<u>P.O. Nos</u>	
<i>VENDORS</i>		299-312	152,700.48
<i>VENDORS</i>	Change Orders		0.00
			<u>\$ 152,700.48</u>

2025-2026 Bond Fund 33

<i>VENDORS</i>		<u>P.O. Nos</u>	0.00
<i>VENDORS</i>	Change Orders		0.00
		<u>\$</u>	<u>-</u>

2025-2026 Bond Fund 35

<i>VENDORS</i>		<u>P.O. Nos.</u>	0.00
<i>VENDORS</i>	Change Orders		0.00
		<u>\$</u>	<u>-</u>

2025-2026 Bond Fund 39

<i>VENDORS</i>		<u>P.O. Nos.</u>	
		9	5,076.72
<i>VENDORS</i>	Change Orders		0.00
		<u>\$</u>	<u>5,076.72</u>

Purchase Order Register

Options: Year: 2025-2026, Fund(s): 11 - GENERAL, Date Range: 12/4/2025 - 1/7/2026, PO Range: 1047 - 1142

PO No	Date	Vendor No	Vendor	Description	Amount
1047	12/05/2025	9410	CUMMINS SOUTHERN PLAINS LLC	Bus repairs	10,000.00
1048	12/05/2025	19937	PREVENTION SCIENCE PRESS INC	Life Skills Training Materials	885.00
1049	12/05/2025	20254	NATIONAL ASSOCIATION OF	2026 NASRO National School Safety Conference	550.00
1050	12/09/2025	20130	AMIRA LEARNING INC	Professional Development for EdCamp 2026	3,990.00
1051	12/09/2025	11351	AMAZON	Program promotional stickers	600.00
1052	12/09/2025	11351	AMAZON	Gloves, Light Boxes, and Frog Scale Games	313.48
1053	12/09/2025	19993	BAMBULAB USA INC	4-pack Filament for 3D printer	197.97
1054	12/09/2025	19993	BAMBULAB USA INC	3D Printer	799.00
1055	12/09/2025	17072	FAT BRAIN HOLDINGS LLC	Games for developing analytical skills	156.75
1056	12/09/2025	4999	OFFICE DEPOT	Paper Supply	1,000.00
1057	12/09/2025	11351	AMAZON	Adaptive Supplies for Stone Canyon	34.99
1058	12/09/2025	276	WALMART #168	Supplies for Students at 7GC	125.00
1059	12/09/2025	18676	STEVE HOLLAND	Cultural Craft Supplies	100.00
1060	12/09/2025	11351	AMAZON	Tech Supplies - Microphones	500.00
1061	12/09/2025	5655	OKLAHOMA STATE UNIVERSITY	College Career Fair	100.00
1062	12/09/2025	8950	OSU CAREER SERVICES	College Career Fair	125.00
1063	12/09/2025	4650	UNIVERSITY OF OKLAHOMA	College Career Fair	150.00
1064	12/09/2025	3531	ORAL ROBERTS UNIVERSITY	College Career Fair	200.00
1065	12/09/2025	9422	NSU	College Career Fair	125.00
1066	12/09/2025	276	WALMART #168	STEM PROJECT EGG DROP-EGGS 1ST GRADE	19.50
1067	12/09/2025	11351	AMAZON	EGGS DROP 1ST GRADE STEM SUPPLIES	18.50
1068	12/09/2025	11351	AMAZON	CHICKA BOOM KINDER STEM PROJECT	38.00
1069	12/09/2025	11351	AMAZON	5TH GRADE STEM PROJECT KITES	274.00
1070	12/09/2025	11351	AMAZON	2ND GRADE STEM PROJECT LEARNING OBJECTIVE/STEM	90.00
1071	12/09/2025	14863	ANYPROMO INC	Student leadership incentive	900.00
1072	12/09/2025	5732	SAM'S CLUB	Cleaning Supplies	43.92
1073	12/09/2025	18354	SCHOOL SPECIALTY LLC	Paper for art closet	36.46
1074	12/09/2025	9589	REALITYWORKS	LEANDER/CAREER TECH GRANT/REALCARE BABY SUPPLIES	19,874.66
1075	12/09/2025	11351	AMAZON	Materials for Lessons	60.00
1076	12/09/2025	15498	FASTSIGNS	Pencils for Bailey	350.00
1077	12/09/2025	11351	AMAZON	Classroom supplies for Math--BADONI	45.00
1078	12/11/2025	20213	PROJECT LEAD THE WAY, INC	PLTW Gateway Participation Fee	950.00
1079	12/11/2025	19213	LENOVO (UNITED STATES) INC	Computer, Monitor, Headset, & Keyboard	2,308.97
1080	12/11/2025	276	WALMART #168	Cooking Lab Supplies for 12/15 lab	300.00
1081	12/11/2025	9608	HOBBY LOBBY #25	OPEN PO - Sewing lab supplies	500.00
1082	12/11/2025	276	WALMART #168	FACS Classroom Supplies	300.00

Purchase Order Register

Options: Year: 2025-2026, Fund(s): 11 - GENERAL, Date Range: 12/4/2025 - 1/7/2026, PO Range: 1047 - 1142

PO No	Date	Vendor No	Vendor	Description	Amount
1083	12/11/2025	10180	BEST BUY #1401	2 Meta Quest 3 w/ charging stations & head straps	1,259.94
1084	12/11/2025	8190	HOME DEPOT	Storage cabinet for STEM supplies	230.43
1085	12/11/2025	10483	SAM'S CLUB	2025 - 2026 College Career Fairs	200.00
1086	12/11/2025	10483	SAM'S CLUB	District Wide Supplies	5,000.00
1087	12/11/2025	11351	AMAZON	Sports equipment for student use.	300.00
1088	12/15/2025	11351	AMAZON	Books for Classroom--Zawada	150.00
1089	12/15/2025	11351	AMAZON	STEM Supplies for projects	1,500.00
1090	12/15/2025	11351	AMAZON	Supplies for Students in the Transition Program	1,640.00
1091	12/15/2025	8382	BOARD OF REGENTS OF THE UNIVERSITY	Professional Development Registration 2/26/26	700.00
1092	12/15/2025	11351	AMAZON	Adaptive supplies for students at Morrow	37.98
1093	12/15/2025	11351	AMAZON	Adaptive supplies for students	250.00
1094	12/15/2025	9589	REALITYWORKS	SMITH/CAREER TECH GRANT/REALCARE BABY SUPPLIES	18,784.82
1095	12/15/2025	9589	REALITYWORKS	SMITH/REALCARE BABY SUPPLIES	2,327.60
1096	12/15/2025	9608	HOBBY LOBBY #25	SMITH/CLOTHING LAB SUPPLIES,	1,000.00
1097	12/15/2025	166	QUILL CORPORATION	WALSH/COUNSELING OFFICE SUPPLIES	737.75
1098	12/15/2025	18354	SCHOOL SPECIALTY LLC	various construction paper for STEM	150.00
1099	12/15/2025	11351	AMAZON	various stem supplies - magnetiles, magnets,	1,350.00
1100	12/15/2025	195	FELKINS ENTERPRISES, LLC	Tardy Slips	300.00
1101	12/15/2025	18996	LITERACY RESOURCES, LLC	Kinder Phonics Yearly Subscription	89.00
1102	12/16/2025	5732	SAM'S CLUB	Drinks and paper goods for faculty Christmas party	300.00
1103	12/16/2025	11351	AMAZON	Instructional Tutor Supplies-Morrow	150.00
1104	12/16/2025	19405	INSTITUTE FOR MULTI-SENSORY EDUC	Registration-Virtual IMSE Morphology Plus	16,200.00
1105	12/16/2025	15160	BRADY HOLLON	battery	238.71
1106	12/16/2025	19913	MENTIMETER AB	Yearly Subscription	143.88
1107	12/17/2025	11351	AMAZON	Behavior Intervention Plan Book	150.00
1108	12/17/2025	11795	EMBASSY SUITES NORMAN	Hotel and Parking for Law Conference 1/25-1/26	138.00
1109	12/17/2025	70073	CCOSA OF OKLAHOMA CITY	Registration for ODSS Conference Feb 19 - 20, 2026	717.00
1110	12/17/2025	16840	COVELL PARTNERS IN DEVELOPMENT LLC	Hotel Stay for ODSS Conference 2/18-2/20, 2026	696.00
1111	12/17/2025	82953	CHARLENE D DUNCAN	Per Diem for ODSS Conference 2/18-2/20, 2026	137.50
1112	12/17/2025	84393	KATHLEEN WEHMEYER	Per Diem for ODSS Conference 2/18-2/20, 2026	137.50
1113	12/17/2025	85149	CHRISTINA L HUMES	Per Diem for ODSS Conference 2/18-2/20, 2026	137.50

Purchase Order Register

Options: Year: 2025-2026, Fund(s): 11 - GENERAL, Date Range: 12/4/2025 - 1/7/2026, PO Range: 1047 - 1142

PO No	Date	Vendor No	Vendor	Description	Amount
1114	12/17/2025	5773	CICI'S PIZZA	JOM Student Travel Lunch Refreshment	200.00
1115	12/17/2025	11771	SUPERNAW'S	Cultural Craft Supplies	150.00
1116	12/17/2025	11771	SUPERNAW'S	Native American Christmas Supplies	100.00
1117	12/17/2025	16008	SHIRT NUTZ	Student Program Apparel	600.00
1118	12/17/2025	11351	AMAZON	Cultural Craft Supplies	100.00
1119	12/17/2025	276	WALMART #168	Cultural Craft Supplies	100.00
1120	12/18/2025	15900	HOLIDAY INN EXPRESS-BRICKTOWN	Hotel Accommodations for OASA	525.00
1121	12/18/2025	16346	MARK OFFICER	Per Diem OASA Legislative Conference	150.00
1122	12/18/2025	83750	KERWIN E KOERNER	Per Diem OASA Legislative Conference	150.00
1123	12/18/2025	86393	PHILLIP S STORM	Per Diem OASA Legislative Conference	150.00
1124	12/18/2025	20318	NF V NASHVILLE OP CO LLC	Hotel Accommodations for AASA National Conference	3,000.00
1125	12/18/2025	81953	MARGARET M COATES	Per Diem AASA National Conference	450.00
1126	12/18/2025	9873	LAKESHORE LEARNING MATERIALS	STEM Activities	573.71
1127	12/18/2025	8328	SHERWIN WILLIAMS	Paint for library	200.00
1128	12/18/2025	11351	AMAZON	Office supplies	205.00
1129	12/18/2025	4999	OFFICE DEPOT	Open PO for Office Supplies	500.00
1130	12/19/2025	86756	JORDAN SAMUEL KORPHAGE	Per Diem AASA National Conference	450.00
1131	12/19/2025	86664	MICHELLE ANN BAKER	Per Diem AASA National Conference	450.00
1132	12/19/2025	11351	AMAZON	Nurse Supplies-blanket	1,350.00
1133	12/19/2025	3095	WILLIAM V. MACGILL & CO	Blanket for Nurse Supplies	1,720.00
1134	01/06/2026	1560	UNION HIGH SCHOOL	Galoob - Speech Tournament	350.00
1135	01/06/2026	1491	JENKS HIGH SCHOOL	Galoob - Speech Tournament	350.00
1136	01/06/2026	449	BARTLESVILLE HIGH SCHOOL	Galoob - Speech Tournament	350.00
1137	01/06/2026	6782	BIXBY HIGH SCHOOL	Galoob - Speech Tournament	350.00
1138	01/06/2026	11351	AMAZON	3RD GRADE STEM PROJECT ATTN ASHLEY HEARN	50.00
1139	01/06/2026	4243	SOUTHPAW ENTERPRISES	Adaptive supplies for Transition program	1,285.92
1140	01/06/2026	473	OKLAHOMA MUSIC EDUCATORS ASSOC	Rejoice-OkMEA Registration Jan. 21-24, 2026	320.00
1141	01/06/2026	11351	AMAZON	Book for teacher use.	130.00
1142	01/06/2026	19788	ELITE SYSTEMS INC	Blanket PO for Service and Maintenance	7,141.30

Non-Payroll Total: \$122,665.74

Payroll Total: \$0.00

Report Total: \$122,665.74

Owasso Public Schools
Change Order Listing

Options: Fund(s): 11 - GENERAL, Year: 2025-2026, ReferenceDate: PO Date, Date Range: 12/4/2025 - 1/7/2026, PO Range: 1 - 1046, Minimum Percentage Change: 20.00%, Include Negative Changes: False

PO No	Date	Vendor No	Vendor	Description	Amount
145	07/01/2025	87209	DANIELLE DAWN GREENE	Per Diem Reimbursement-Solution Tree Workshop	112.68
821	09/30/2025	87556	AUSTIN STEELE HIGGS	Parking Reimbursement OKSTE Conference	10.00
904	10/27/2025	276	WALMART #168	Food for Science Lab	32.00
Non-Payroll Total:					\$154.68
Payroll Total:					\$0.00
Report Total:					\$154.68

Owasso Public Schools
Purchase Order Register

Options: Year: 2025-2026, Fund(s): 21 - BUILDING, Date Range: 12/4/2025 - 1/7/2026, PO Range: 88 - 89

PO No	Date	Vendor No	Vendor	Description	Amount
88	12/05/2025	112	MURRAY WOMBLE, INC.	6th Grade Scoreboard Installation	3,465.00
89	01/06/2026	19788	ELITE SYSTEMS INC	Blanket for Extinguisher and Fire Inspections	4,080.69
Non-Payroll Total:					\$7,545.69
Payroll Total:					\$0.00
Report Total:					\$7,545.69

Owasso Public Schools
Purchase Order Register

Options: Year: 2025-2026, Fund(s): 22 - CHILD NUTRITION, Date Range: 12/4/2025 - 1/7/2026, PO Range: 41 - 41

PO No	Date	Vendor No	Vendor	Description	Amount
41	12/15/2025	20317	BOB HOWARD DODGE INC	CN Maintenance Vehicle	55,139.00
Non-Payroll Total:					\$55,139.00
Payroll Total:					\$0.00
Report Total:					\$55,139.00

Purchase Order Register

Options: Year: 2025-2026, Fund(s): 31 BOND - 2022, Date Range: 12/4/2025 - 1/7/2026, PO Range: 299 - 312

PO No	Date	Vendor No	Vendor	Description	Amount
299	12/09/2025	19995	FOLLETT CONTENT SOLUTIONS LLC	Library Books	1,197.78
300	12/09/2025	17622	OVERDRIVE, INC.	Books for the Library	500.00
301	12/09/2025	4940	MIRACLE RECREATION EQUIPMENT CO INC	Mills shade structure	44,066.74
302	12/09/2025	19987	ACE MART RESTAURANT SUPPLY COMPANY	New Ice Machine for RAM Academy	10,756.00
303	12/09/2025	20294	RUBY CLAY COMPANY LLC	Bratcher - Art Kiln	5,000.00
304	12/11/2025	11345	MATLOCK SECURITY SERVICES	Existing access control change to Avigilon/Hodson	7,491.00
305	12/11/2025	19835	SECONDARY RHODES	Morrow roof repairs	9,667.50
306	12/18/2025	19124	VICENTE MANDUJANO VASQUEZ	HighSchool Sidewalk Ramp Replacement	20,000.00
307	12/18/2025	16997	KAL-AN ASPHALT INC	Ator asphalt repair after roofing damages	44,500.00
308	12/19/2025	20181	POWERS OF OKLAHOMA	Hodson Music room HVAC connections	4,417.00
309	01/06/2026	705	GARRETT BOOK COMPANY	Books for the Library	3,363.87
310	01/06/2026	19995	FOLLETT CONTENT SOLUTIONS LLC	Books for the Library	147.00
311	01/06/2026	247	BOUND TO STAY BOUND BOOKS	Books for the Library	1,433.59
312	01/06/2026	11351	AMAZON	Books for the Library	160.00

Non-Payroll Total: \$152,700.48

Payroll Total: \$0.00

Report Total: \$152,700.48

Purchase Order Register

Options: Year: 2025-2026, Fund(s): 39 BOND - 2020, Date Range: 12/4/2025 - 1/7/2026, PO Range: 9 - 9

PO No	Date	Vendor No	Vendor	Description	Amount
9	12/09/2025	16860	L&M OFFICE FURNITURE LLC	PAC Office/Dressing Room Furniture	5,076.72

Non-Payroll Total: \$5,076.72**Payroll Total:** \$0.00**Report Total:** \$5,076.72

Cash Balances

Options: Fiscal Years: 2026, Funds: 60, As Of Date: 12/31/2025, Account Types: All

Cash By Account and Fund

AC 0110	ROGERS COUNTY BANK				
2026	60	60 - ACTIVITY FUND			\$3,499,127.59
			Total AC	0110	\$3,499,127.59
AC 0111	RCB - SPECIAL ACCT				
2026	60	60 - ACTIVITY FUND			\$0.00
			Total AC	0111	\$0.00
					\$3,499,127.59

Cash By Fund

2026	60	60 - ACTIVITY FUND			\$3,499,127.59
					\$3,499,127.59

Owasso Public Schools

Revenue/Expenditure Summary

Options: Fund: 60, Date Range: 7/1/2025 - 12/31/2025

	Begin Balance	Receipts	Adjusting Entries	Payments	Cash End Balance	Unpaid POs	End Balance
801 ESC ACTIVITY FUND	\$0.00	\$39,803.25	\$212,412.54	\$24,025.87	\$228,189.92	\$11,233.66	\$216,956.26
804 CN REFUND SUB ACCT	\$0.00	\$10,000.00	\$0.00	\$2,932.15	\$7,067.85	\$0.00	\$7,067.85
805 OHS ACTIVITY	\$0.00	\$22,255.00	\$144,060.05	\$11,401.06	\$154,913.99	\$56,051.29	\$98,862.70
806 HS AP	\$0.00	\$2,100.00	\$36,807.13	\$236.51	\$38,670.62	\$400.00	\$38,270.62
807 HS NATIONAL HONOR SOCIETY	\$0.00	\$3,005.00	\$19,775.00	\$3,502.75	\$19,277.25	\$787.00	\$18,490.25
808 HS STUDENT COUNCIL	\$0.00	\$34,135.23	\$78,420.45	\$27,100.46	\$85,455.22	\$1,300.00	\$84,155.22
809 HS SPEECH/DEBATE	\$0.00	\$0.00	\$4,345.40	\$0.00	\$4,345.40	\$0.00	\$4,345.40
810 OHS - TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$3,000.00	\$1,129.84	\$1,870.16	\$939.66	\$930.50
811 HS YOUTH ALIVE	\$0.00	\$0.00	\$805.69	\$0.00	\$805.69	\$0.00	\$805.69
812 HS YEARBOOK	\$0.00	\$1,492.80	\$12,024.96	\$1,159.45	\$12,358.31	\$410.00	\$11,948.31
814 HS ACADEMIC BOWL	\$0.00	\$0.00	\$409.86	\$120.00	\$289.86	\$100.00	\$189.86
815 HS EQUALITY CLUB	\$0.00	\$0.00	\$178.43	\$0.00	\$178.43	\$0.00	\$178.43
816 HS BAND	\$0.00	\$253,289.05	\$214,405.99	\$150,220.76	\$317,474.28	\$39,033.47	\$278,440.81
817 5TH GRADE HONOR CHOIR- DISTRICTWIDE	\$0.00	\$0.00	\$4,071.82	\$0.00	\$4,071.82	\$0.00	\$4,071.82
818 HS FFA	\$0.00	\$48,125.13	\$35,358.35	\$38,661.70	\$44,821.78	\$14,200.00	\$30,621.78
819 HS EAST - THE RAM RESERVE - SCHOOL STORE	\$0.00	\$2,385.00	\$297.51	\$2,086.31	\$596.20	\$0.00	\$596.20
820 HS STEM CLUB	\$0.00	\$0.00	\$79.25	\$0.00	\$79.25	\$0.00	\$79.25
821 HS COUNSELORS	\$0.00	\$0.00	\$2,892.15	\$34.25	\$2,857.90	\$0.00	\$2,857.90
822 HS ART	\$0.00	\$8,997.00	\$1,905.54	\$2,052.26	\$8,850.28	\$2,294.00	\$6,556.28
824 HS STAGECRAFT	\$0.00	\$0.00	\$405.18	\$0.00	\$405.18	\$0.00	\$405.18
825 HS LIBRARY	\$0.00	\$17,090.33	\$14,013.73	\$14,505.51	\$16,598.55	\$7,698.86	\$8,899.69
826 HS SENIOR CLASS	\$0.00	\$13,417.36	\$38,449.06	\$4,200.94	\$47,665.48	\$1,515.54	\$46,149.94
827 HS UNIFIED CLUB	\$0.00	\$0.00	\$866.54	\$0.00	\$866.54	\$0.00	\$866.54
828 HS JUNIOR CLASS	\$0.00	\$0.00	\$52,900.73	\$4,556.80	\$48,343.93	\$0.00	\$48,343.93
830 SPARK	\$0.00	\$539,832.57	\$186,776.27	\$352,515.00	\$374,093.84	\$49,828.73	\$324,265.11
831 E-SPORTS	\$0.00	\$3,985.75	\$1,232.74	\$1,532.76	\$3,685.73	\$380.00	\$3,305.73
834 HS FCA - FELLOWSHIP OF CHRISTIAN ATHLETES	\$0.00	\$115.00	\$115.00	\$0.00	\$230.00	\$0.00	\$230.00
835 HS HISTORY CLUB	\$0.00	\$894.00	\$430.62	\$457.43	\$867.19	\$200.00	\$667.19
836 HS WORLD TRAVEL CLUB	\$0.00	\$0.00	\$605.57	\$0.00	\$605.57	\$0.00	\$605.57
837 HS ROBOTICS	\$0.00	\$0.00	\$1,018.72	\$0.00	\$1,018.72	\$0.00	\$1,018.72
838 OHS LARP CLUB	\$0.00	\$0.00	\$139.99	\$0.00	\$139.99	\$80.00	\$59.99
839 HS DRAMA/PRODUCTIONS	\$0.00	\$15,546.30	\$14,821.99	\$4,206.98	\$26,161.31	\$6,016.25	\$20,145.06
840 8GC TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,500.00	\$314.15	\$1,185.85	\$0.00	\$1,185.85
841 EIGHTH GRADE ACTIVITY	\$0.00	\$40.00	\$19,303.72	\$0.00	\$19,343.72	\$0.00	\$19,343.72
842 EIGHTH GRADE STUDENT COUNCIL	\$0.00	\$887.00	\$6,631.07	\$1,255.77	\$6,262.30	\$140.00	\$6,122.30
844 EIGHTH GRADE FACS	\$0.00	\$930.00	\$3,386.66	\$511.51	\$3,805.15	\$0.00	\$3,805.15
845 EIGHTH GRADE YEARBOOK	\$0.00	\$43.00	\$3,503.73	\$119.83	\$3,426.90	\$0.00	\$3,426.90
848 EIGHTH GRADE ART	\$0.00	\$2,315.00	\$1,624.01	\$432.02	\$3,506.99	\$0.00	\$3,506.99
849 EIGHTH GRADE FOREIGN LANGUAGE	\$0.00	\$1,320.00	\$1,687.77	\$331.84	\$2,675.93	\$0.00	\$2,675.93
850 8GC ARCHERY CLUB	\$0.00	\$1,060.00	\$0.00	\$0.00	\$1,060.00	\$0.00	\$1,060.00
851 EIGHTH GRADE ROBOTICS	\$0.00	\$0.00	\$24.62	\$0.00	\$24.62	\$0.00	\$24.62
853 EIGHTH GRADE COMPUTER	\$0.00	\$160.00	\$441.42	\$0.00	\$601.42	\$0.00	\$601.42
855 EIGHTH GRADE ENGLISH	\$0.00	\$0.00	\$114.52	\$0.00	\$114.52	\$0.00	\$114.52
856 EIGHTH GRADE TEACHERS WELFARE	\$0.00	\$340.00	\$913.12	\$0.00	\$1,253.12	\$450.00	\$803.12
857 7TH GRADE STEM	\$0.00	\$1,245.00	\$92.81	\$372.69	\$965.12	\$850.00	\$115.12
858 EIGHTH GRADE FCCLA	\$0.00	\$1,230.00	\$8,075.87	\$1,709.85	\$7,596.02	\$462.14	\$7,133.88
859 EIGHTH GRADE STRENGTH & CONDITIONING / PE	\$0.00	\$230.00	\$924.98	\$891.57	\$263.41	\$42.99	\$220.42
860 EIGHTH GRADE STEM	\$0.00	\$200.00	\$591.09	\$0.00	\$791.09	\$0.00	\$791.09
861 SEVENTH GRADE ACTIVITY	\$0.00	(\$1.00)	\$24,418.94	\$2,187.66	\$22,230.28	\$70.00	\$22,160.28
862 SEVENTH GRADE YEARBOOK	\$0.00	\$0.00	\$5,212.49	\$3,126.76	\$2,085.73	\$0.00	\$2,085.73
863 SEVENTH FOREIGN LANGUAGE	\$0.00	\$981.00	\$522.08	\$741.53	\$761.55	\$70.00	\$691.55
864 SEVENTH GRADE STUDENT COUNCIL	\$0.00	\$3,652.00	\$2,447.06	\$3,434.06	\$2,665.00	\$891.00	\$1,774.00

Owasso Public Schools

Revenue/Expenditure Summary

Options: Fund: 60, Date Range: 7/1/2025 - 12/31/2025

	Begin Balance	Receipts	Adjusting Entries	Payments	Cash End Balance	Unpaid POs	End Balance
866 SEVENTH GRADE SCIENCE	\$0.00	\$0.00	\$137.11	\$0.00	\$137.11	\$0.00	\$137.11
868 SEVENTH GRADE PHYS ED	\$0.00	\$345.00	\$3,378.28	\$0.00	\$3,723.28	\$0.00	\$3,723.28
869 7GC FACS	\$0.00	\$5,407.00	\$207.71	\$3,298.89	\$2,315.82	\$626.00	\$1,689.82
870 7GC TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,500.00	\$158.07	\$1,341.93	\$500.00	\$841.93
872 SEVENTH GRADE NATL JR HON SOC	\$0.00	\$0.00	\$1,991.74	\$400.00	\$1,591.74	\$200.00	\$1,391.74
874 SEVENTH GRADE LIBRARY	\$0.00	\$3,612.71	\$2,958.82	\$2,409.08	\$4,162.45	\$1,065.00	\$3,097.45
875 BARNES ACTIVITY	\$0.00	\$3,024.00	\$32,993.92	\$8,547.80	\$27,470.12	\$2,091.21	\$25,378.91
876 BARNES ALL IN	\$0.00	\$300.00	\$750.90	\$750.90	\$300.00	\$0.00	\$300.00
877 BARNES LIBRARY	\$0.00	\$4,458.25	\$22,802.73	\$5,970.41	\$21,290.57	\$3.42	\$21,287.15
879 SEVENTH GRADE ART	\$0.00	\$3,420.00	\$1,516.61	\$2,552.87	\$2,383.74	\$0.00	\$2,383.74
880 BARNES TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$412.66	\$587.34	\$50.15	\$537.19
881 BARNES MUSIC	\$0.00	\$495.00	\$34.30	\$15.00	\$514.30	\$480.00	\$34.30
882 ATOR LIBRARY	\$0.00	\$3,345.35	\$4,001.01	\$6,617.38	\$728.98	\$100.98	\$628.00
883 ATOR ACTIVITY	\$0.00	\$430.00	\$13,045.16	\$591.04	\$12,884.12	\$475.71	\$12,408.41
884 ATOR PHYSICAL EDUCATION	\$0.00	\$0.00	\$1,594.70	\$0.00	\$1,594.70	\$0.00	\$1,594.70
887 MILLS ACTIVITY	\$0.00	\$2,875.75	\$14,500.37	\$3,955.00	\$13,421.12	\$2,331.25	\$11,089.87
888 STUDENT LEADERSHIP	\$0.00	\$0.00	\$1,457.64	\$0.00	\$1,457.64	\$0.00	\$1,457.64
889 MILLS TEACHER WELFARE	\$0.00	\$789.00	\$3,899.71	\$740.87	\$3,947.84	\$0.00	\$3,947.84
890 MILLS TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$347.16	\$652.84	\$652.84	\$0.00
891 MILLS LIBRARY	\$0.00	\$5,066.37	\$7,949.13	\$4,767.93	\$8,247.57	\$3,284.79	\$4,962.78
892 SMITH TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$165.17	\$834.83	\$588.00	\$246.83
893 SMITH ACTIVITY	\$0.00	\$2,234.50	\$27,143.58	\$2,502.97	\$26,875.11	\$1,925.72	\$24,949.39
894 SMITH LIBRARY	\$0.00	\$4,160.15	\$10,298.10	\$3,249.78	\$11,208.47	\$3,411.50	\$7,796.97
895 SMITH RUN CLUB	\$0.00	\$0.00	\$23.00	\$0.00	\$23.00	\$0.00	\$23.00
897 SMITH TEACHERS WELFARE	\$0.00	\$1,175.00	\$1,883.37	\$1,688.47	\$1,369.90	\$0.00	\$1,369.90
898 HODSON ACTIVITY	\$0.00	\$3,894.29	\$37,409.06	\$9,654.45	\$31,648.90	\$3,799.67	\$27,849.23
899 HODSON TEACHER WELFARE	\$0.00	\$400.00	\$294.02	\$226.51	\$467.51	\$457.59	\$9.92
900 HODSON TEACHER/STAFF APPRECIATION-FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$724.04	\$275.96	\$15.13	\$260.83
901 HODSON LIBRARY	\$0.00	\$6,433.54	\$11,437.61	\$7,915.72	\$9,955.43	\$0.00	\$9,955.43
902 HODSON PHYS ED	\$0.00	\$0.00	\$813.26	\$0.00	\$813.26	\$0.00	\$813.26
903 HODSON MUSIC	\$0.00	\$2,075.00	\$817.08	\$1,621.35	\$1,270.73	\$695.28	\$575.45
904 NORTHEAST TEACHER/STAFF APPRECIATION-FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$129.60	\$870.40	\$670.40	\$200.00
905 NORTHEAST ACTIVITY	\$0.00	\$1,692.00	\$35,668.85	\$2,155.42	\$35,205.43	\$2,010.00	\$33,195.43
906 NORTHEAST TEACHERS WELFARE	\$0.00	\$0.00	\$220.54	\$124.28	\$96.26	\$0.00	\$96.26
907 NORTHEAST LIBRARY	\$0.00	\$7,341.63	\$33,208.79	\$10,604.26	\$29,946.16	\$4,891.87	\$25,054.29
911 BAILEY ACTIVITY	\$0.00	\$4,283.09	\$18,903.96	\$2,170.15	\$21,016.90	\$1,144.00	\$19,872.90
912 BAILEY TEACHERS WELFARE	\$0.00	\$7,632.92	\$190.56	\$418.57	\$7,404.91	\$2,270.00	\$5,134.91
914 BAILEY LIBRARY	\$0.00	\$5,519.33	\$7,489.55	\$5,596.59	\$7,412.29	\$1,843.00	\$5,569.29
915 BAILEY TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$150.64	\$849.36	\$0.00	\$849.36
924 EIGHTH GRADE LIBRARY	\$0.00	\$1,478.85	\$3,088.76	\$1,184.25	\$3,383.36	\$0.00	\$3,383.36
926 EIGHTH GRADE NATL JR HONOR SOC	\$0.00	\$1,665.00	\$2,659.25	\$1,441.10	\$2,883.15	\$170.00	\$2,713.15
927 EIGHTH GRADE SCIENCE	\$0.00	\$0.00	\$24.07	\$0.00	\$24.07	\$0.00	\$24.07
929 SPECIAL ED PROGRAMS	\$0.00	\$0.00	\$213,953.11	\$5,624.25	\$208,328.86	\$3,216.43	\$205,112.43
930 ATOR TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$221.34	\$778.66	\$540.00	\$238.66
932 SPEC OLYMPICS - DIST WIDE	\$0.00	\$9,555.00	\$80,295.51	\$2,373.05	\$87,477.46	\$500.00	\$86,977.46
933 RAM ACADEMY	\$0.00	\$5,158.01	\$6,673.95	\$3,735.99	\$8,095.97	\$2,346.42	\$5,749.55
934 INDIAN EDUCATION ACTIVITY	\$0.00	\$4,837.50	\$9,615.83	\$5,990.66	\$8,462.67	\$1,550.00	\$6,912.67
936 GRANTS - (OEF ONLY)	\$0.00	\$78,733.00	\$0.00	\$0.00	\$78,733.00	\$0.00	\$78,733.00
937 GRANTS (EXCEPT OEF-SEE 936)	\$0.00	\$10,000.00	\$5,451.56	\$9,234.27	\$6,217.29	\$1,566.00	\$4,651.29
938 STAFF APPRECIATION-DISTRICT SERVICES-FOOD ONLY	\$0.00	\$0.00	\$5,726.55	\$1,942.54	\$3,784.01	\$0.00	\$3,784.01

Owasso Public Schools

Revenue/Expenditure Summary

Options: Fund: 60, Date Range: 7/1/2025 - 12/31/2025

	Begin Balance	Receipts	Adjusting Entries	Payments	Cash End Balance	Unpaid POs	End Balance
941 ATHLETICS	\$0.00	\$383,169.86	\$492,714.48	\$439,506.70	\$436,377.64	\$64,965.49	\$371,412.15
942 RAM PARTNERS	\$0.00	\$181,970.00	\$140,827.16	\$106,945.55	\$215,851.61	\$57,700.04	\$158,151.57
944 VIRTUAL/SUMMER SCHOOL	\$0.00	(\$25.00)	\$31,025.00	\$0.00	\$31,000.00	\$0.00	\$31,000.00
946 DISTRICT FINE ARTS	\$0.00	\$57,393.00	\$117,100.13	\$20,063.32	\$154,429.81	\$28,985.75	\$125,444.06
947 OPERATIONS WELFARE FUND	\$0.00	\$0.00	\$179.58	\$0.00	\$179.58	\$0.00	\$179.58
949 HEALTH SERVICES	\$0.00	\$0.00	\$106.29	\$0.00	\$106.29	\$0.00	\$106.29
951 RAM TEACHER WELFARE	\$0.00	\$0.00	\$4,327.98	\$67.93	\$4,260.05	\$250.00	\$4,010.05
953 HS FACS	\$0.00	\$8,737.30	\$6,806.67	\$4,659.17	\$10,884.80	\$2,441.65	\$8,443.15
957 HS VOCAL	\$0.00	\$69,435.35	\$49,060.12	\$71,262.70	\$47,232.77	\$29,433.00	\$17,799.77
960 STEM - 6GC	\$0.00	\$1,115.00	\$1,642.53	\$446.94	\$2,310.59	\$300.00	\$2,010.59
962 STUDENT HOLDING ACCOUNT	\$0.00	\$2,408.02	\$107,318.26	\$0.00	\$109,726.28	\$0.00	\$109,726.28
963 HS LIBERTY COMMITTEE	\$0.00	\$3,546.00	\$6,028.21	\$3,416.21	\$6,158.00	\$0.00	\$6,158.00
965 HS TEACHERS WELFARE	\$0.00	\$3,011.17	\$15,016.22	\$3,228.89	\$14,798.50	\$3,349.33	\$11,449.17
968 MORROW ACTIVITY	\$0.00	\$16,196.32	\$33,289.80	\$16,307.97	\$33,178.15	\$3,530.12	\$29,648.03
969 MORROW TEACHER/STAFF APPRECIATION-FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$468.18	\$531.82	\$281.82	\$250.00
970 RAM ACADEMY TEACHER/STAFF APPRECIATION-FOOD ONLY	\$0.00	\$0.00	\$300.00	\$122.94	\$177.06	\$0.00	\$177.06
971 HS FCCLA	\$0.00	\$2,410.50	\$4,912.89	\$3,625.75	\$3,697.64	\$825.94	\$2,871.70
972 MORROW TEACHER WELFARE	\$0.00	\$1,378.00	\$5,650.22	\$1,580.16	\$5,448.06	\$0.00	\$5,448.06
973 HS FOREIGN LANGUAGE CLUB	\$0.00	\$2,738.06	\$10,476.94	\$1,570.18	\$11,644.82	\$1,320.45	\$10,324.37
974 MORROW LIBRARY	\$0.00	\$6,803.72	\$12,485.68	\$11,978.28	\$7,311.12	\$861.50	\$6,449.62
975 SIXTH GRADE ACTIVITY	\$0.00	\$0.00	\$21,273.25	\$2,192.13	\$19,081.12	\$460.67	\$18,620.45
976 SIXTH GRADE PHYS ED	\$0.00	\$20.00	\$936.98	\$0.00	\$956.98	\$0.00	\$956.98
977 SIXTH GRADE STUDENT COUNCIL	\$0.00	\$0.00	\$5,343.45	\$446.52	\$4,896.93	\$75.00	\$4,821.93
978 SIXTH GRADE YEARBOOK	\$0.00	\$555.10	\$20,065.94	\$0.00	\$20,621.04	\$0.00	\$20,621.04
979 SIXTH GRADE COMPUTER	\$0.00	\$5.00	\$22.42	\$0.00	\$27.42	\$0.00	\$27.42
980 6GC TEACHER/STAFF APPRECIATION- FOOD ONLY	\$0.00	\$0.00	\$1,500.00	\$0.00	\$1,500.00	\$300.00	\$1,200.00
982 SIXTH GRADE SCIENCE	\$0.00	\$0.00	\$117.39	\$0.00	\$117.39	\$0.00	\$117.39
983 SIXTH GRADE ART	\$0.00	\$3,505.00	\$4,501.31	\$885.41	\$7,120.90	\$0.00	\$7,120.90
984 SIXTH GRADE TEACHERS WELFARE	\$0.00	\$0.00	\$1,875.54	\$678.30	\$1,197.24	\$0.00	\$1,197.24
988 SIXTH GRADE SOCIAL STUDIES	\$0.00	\$0.00	\$2,123.01	\$104.46	\$2,018.55	\$0.00	\$2,018.55
989 SIXTH GRADE LIBRARY	\$0.00	\$2,670.70	\$14,992.74	\$2,947.20	\$14,716.24	\$0.00	\$14,716.24
990 STONE CANYON TEACHER/STAFF APPRECIATION-FOOD ONLY	\$0.00	\$0.00	\$1,000.00	\$255.35	\$744.65	\$300.00	\$444.65
993 SIXTH GRADE E.S.C.	\$0.00	\$0.00	\$1,572.00	\$0.00	\$1,572.00	\$0.00	\$1,572.00
994 STONE CANYON ACTIVITY	\$0.00	\$9,831.05	\$20,333.71	\$9,358.73	\$20,806.03	\$2,672.61	\$18,133.42
995 STONE CANYON TEACHERS WELF	\$0.00	\$700.00	\$971.97	\$657.00	\$1,014.97	\$0.00	\$1,014.97
997 STONE CANYON LIBRARY	\$0.00	\$9,253.10	\$19,749.84	\$11,848.96	\$17,153.98	\$12,112.90	\$5,041.08
998 CHROMEBOOK INS/ACCESORIES	\$0.00	\$30,130.00	\$31,910.08	\$9,704.00	\$52,336.08	\$32,296.00	\$20,040.08
Total	\$0.00	\$2,019,895.26	\$2,988,009.77	\$1,508,777.44	\$3,499,127.59	\$483,379.22	\$3,015,748.37

Document A101® – 2017 Exhibit A

Insurance and Bonds

This Insurance and Bonds Exhibit is part of the Agreement, between the Owner and the Contractor, dated the Seventeenth day of November in the year Two Thousand Twenty-Five
(In words, indicate day, month and year.)

for the following **PROJECT**:
(Name and location or address)

7th Grade Safe Structure & Athletic Fields
1400 N Main Street
Owasso, OK 74055

THE OWNER:
(Name, legal status and address)

Owasso Public Schools »« »
1501 N. Ash Street »
Owasso, OK 74055

THE CONTRACTOR:
(Name, legal status and address)

Crossland Construction Company, Inc.
420 S. 145th East Avenue, Suite K
Tulsa, OK 74108

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A.1 GENERAL

A.2 OWNER'S INSURANCE

A.3 CONTRACTOR'S INSURANCE AND BONDS

A.4 SPECIAL TERMS AND CONDITIONS

ARTICLE A.1 GENERAL

The Owner and Contractor shall purchase and maintain insurance, and provide bonds, as set forth in this Exhibit and in the Contract Documents to which this Exhibit is attached. As used in this Exhibit, the term General Conditions refers to AIA Document A201™–2017, General Conditions of the Contract for Construction.

ARTICLE A.2 OWNER'S INSURANCE

§ A.2.1 General

Prior to commencement of the Work, the Owner shall secure the insurance, and provide evidence of the coverage, required under this Article A.2 and, upon the Contractor's request, provide a copy of the property insurance policy or policies required by Section A.2.3. The copy of the policy or policies provided shall contain all applicable conditions, definitions, exclusions, and endorsements.

ADDITIONS AND DELETIONS:

The author of this document may have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Document A201®–2017, General Conditions of the Contract for Construction. Article 11 of A201®–2017 contains additional insurance provisions.

§ A.2.2 Liability Insurance

The Owner shall be responsible for purchasing and maintaining the Owner's usual general liability insurance.

§ A.2.3 Required Property Insurance

§ A.2.3.1 The Owner shall purchase and maintain, from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located, property insurance written on a builder's risk "all-risks" completed value or equivalent policy form and sufficient to cover the total value of the entire Project on a replacement cost basis. The Owner's property insurance coverage shall be no less than the amount of the initial Contract Sum, plus the value of subsequent Modifications and labor performed and materials or equipment supplied by others. The property insurance shall be maintained at least until Substantial Completion and thereafter as provided in Section A.2.3.1.3, unless otherwise provided in the Contract Documents or otherwise agreed in writing by the parties to this Agreement. Notwithstanding the foregoing, Owner shall not terminate the property insurance until obtaining replacement insurance that protects the interests (to the extent applicable) of Contractor, Subcontractors, and Sub-subcontractors as insureds during the period between Substantial Completion and Final Completion. Such replacement insurance must be approved by Contractor in its reasonable discretion. If the Project is to be completed in phases, the Owner's property insurance may not be terminated until all phases are Substantially Complete, unless the parties agree otherwise in writing. Owner's property insurance shall include the interests of the Owner, Contractor, Subcontractors, and Sub-subcontractors in the Project as insureds. Owner will cause its policies to include waivers of subrogation endorsements waiving the insurers' rights to subrogate to a claim against Contractor, its Subcontractors and its Sub-Subcontractors.

§ A.2.3.1.1 **Causes of Loss.** The insurance required by this Section A.2.3.1 shall provide coverage for direct physical loss or damage, and shall not exclude the risks of fire, explosion, theft, vandalism, malicious mischief, collapse, earthquake, flood, or windstorm. The insurance shall also provide coverage for ensuing loss or resulting damage from error, omission, or deficiency in construction methods, design, specifications, workmanship, or materials. Sub-limits, if any, are as follows:

(Indicate below the cause of loss and any applicable sub-limit.)

Causes of Loss

Sub-Limit

§ A.2.3.1.2 **Specific Required Coverages.** The insurance required by this Section A.2.3.1 shall provide coverage for loss or damage to falsework and other temporary structures, and to building systems from testing and startup. The insurance shall also cover materials in storage or transit, expediting costs, debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and reasonable compensation for the Architect's and Contractor's services and expenses required as a result of such insured loss, including claim preparation expenses. Sub-limits, if any, are as follows:

(Indicate below type of coverage and any applicable sub-limit for specific required coverages.)

Coverage

Contractors Soft Costs
Equipment Breakdown

Sub-Limit

\$2,500,000
Project Limit

§ A.2.3.1.3 Unless the parties agree otherwise, upon Substantial Completion, the Owner shall continue the insurance required by Section A.2.3.1 or, if necessary, replace the insurance policy required under Section A.2.3.1 with property insurance written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 12.2.2 of the General Conditions, provided that such replacement insurance must protect the interests (to the extent applicable) of Contractor, Subcontractors, and Sub-Subcontractors as insureds during the period between Substantial Completion and Final Completion. Such replacement insurance must be approved by Contractor in its reasonable discretion.

§ A.2.3.1.4 **Deductibles and Self-Insured Retentions.** If the insurance required by this Section A.2.3 is subject to deductibles or self-insured retentions, the Owner shall be responsible for all loss not covered because of such deductibles or retentions.

§ A.2.3.2 **Occupancy or Use Prior to Substantial Completion.** The Owner's occupancy or use of any completed or partially completed portion of the Work prior to Substantial Completion shall not commence until the insurance company or companies providing the insurance under Section A.2.3.1 and Contractor's general liability or other

liability carriers have consented in writing to the continuance of coverage. The Owner and the Contractor shall take no action with respect to partial occupancy or use that would cause cancellation, lapse, or reduction of insurance, unless they agree otherwise in writing. If the Project is to be completed in phases, the Owner may not occupy or use the partially completed phase or phases unless the parties agree otherwise in writing.

§ A.2.3.3 Insurance for Existing Structures

If the Work involves remodeling an existing structure or constructing an addition to an existing structure, the Owner shall purchase and maintain, until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, "all-risks" property insurance, on a replacement cost basis, protecting the existing structure against direct physical loss or damage from the causes of loss identified in Section A.2.3.1, notwithstanding the undertaking of the Work. The Owner shall be responsible for all co-insurance penalties.

§ A.2.4 Optional Extended Property Insurance.

The Owner shall purchase and maintain the insurance selected and described below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance. For each type of insurance selected, indicate applicable limits of coverage or other conditions in the fill point below the selected item.)

- ☒ **§ A.2.4.1 Loss of Use, Business Interruption, and Delay in Completion Insurance**, to reimburse the Owner for loss of use of the Owner's property, or the inability to conduct normal operations due to a covered cause of loss.
- ☒ **§ A.2.4.2 Ordinance or Law Insurance**, for the reasonable and necessary costs to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of the Project.
- ☒ **§ A.2.4.3 Expediting Cost Insurance**, for the reasonable and necessary costs for the temporary repair of damage to insured property, and to expedite the permanent repair or replacement of the damaged property.
- ☒ **§ A.2.4.4 Extra Expense Insurance**, to provide reimbursement of the reasonable and necessary excess costs incurred during the period of restoration or repair of the damaged property that are over and above the total costs that would normally have been incurred during the same period of time had no loss or damage occurred.
- ☒ **§ A.2.4.5 Civil Authority Insurance**, for losses or costs arising from an order of a civil authority prohibiting access to the Project, provided such order is the direct result of physical damage covered under the required property insurance.
- ☒ **§ A.2.4.6 Ingress/Egress Insurance**, for loss due to the necessary interruption of the insured's business due to physical prevention of ingress to, or egress from, the Project as a direct result of physical damage.
- ☒ **§ A.2.4.7 Soft Costs Insurance**, to reimburse the Owner for costs due to the delay of completion of the Work, arising out of physical loss or damage covered by the required property insurance: including construction loan fees; leasing and marketing expenses; additional fees, including those of architects, engineers, consultants, attorneys and accountants, needed for the completion of the

construction, repairs, or reconstruction; and carrying costs such as property taxes, building permits, additional interest on loans, realty taxes, and insurance premiums over and above normal expenses.

§ A.2.5 Other Optional Insurance.

The Owner shall purchase and maintain the insurance selected below.

(Select the types of insurance the Owner is required to purchase and maintain by placing an X in the box(es) next to the description(s) of selected insurance.)

- ☒ **§ A.2.5.1 Cyber Security Insurance** for loss to the Owner due to data security and privacy breach, including costs of investigating a potential or actual breach of confidential or private information.
(Indicate applicable limits of coverage or other conditions in the fill point below.)

\$2,000,000 Minimum

- ☐ **§ A.2.5.2 Other Insurance**
(List below any other insurance coverage to be provided by the Owner and any applicable limits.)

Coverage

Limits

ARTICLE A.3 CONTRACTOR'S INSURANCE AND BONDS

§ A.3.1 General

§ A.3.1.1 Certificates of Insurance. The Contractor shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article A.3 at the following times: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon the Owner's written request. An additional certificate evidencing continuation of commercial liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment and thereafter upon renewal or replacement of such coverage until the expiration of the periods required by Section A.3.2.1 and Section A.3.3.1. The certificates will show the Owner as an additional insured on the Contractor's Commercial General Liability and excess or umbrella liability policy or policies.

§ A.3.1.2 RESERVED

§ A.3.1.3 Additional Insured Obligations. To the fullest extent permitted by law, the Contractor shall cause the commercial general liability coverage to include (1) the Owner and other Owner parties agreed to in writing by Owner and Contractor as additional insureds for claims caused in whole or in part by the Contractor's negligent acts or omissions during the Contractor's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Contractor's negligent acts or omissions for which loss occurs during completed operations. The additional insured coverage shall be primary and non-contributory to any of the Owner's general liability insurance policies and shall apply to both ongoing and completed operations. To the extent commercially available, the additional insured coverage shall be no less than that provided by Insurance Services Office, Inc. (ISO) forms CG 20 10 07 04, CG 20 37 07 04.

§ A.3.2 Contractor's Required Insurance Coverage

§ A.3.2.1 The Contractor shall purchase and maintain the following types and limits of insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Contractor shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

(If the Contractor is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)

§ A.3.2.2 Commercial General Liability

§ A.3.2.2.1 Commercial General Liability insurance for the Project written on an occurrence form with policy limits of not less than TWO MILLION DOLLARS (\$ 2,000,000) each occurrence, FOUR MILLION DOLLARS

(\$ 4,000,000) general aggregate, and FOUR MILLION DOLLARS (\$ 4,000,000) aggregate for products-completed operations hazard, providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury and advertising injury;
- .3 damages because of physical damage to or destruction of tangible property, including the loss of use of such property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 contractual liability for an "insured contract" consistent with the definition under the standard ISO general liability policy form.

§ A.3.2.2.2 The Contractor's Commercial General Liability policy under this Section A.3.2.2 shall not contain an exclusion or restriction of coverage for the following:

- .1 Claims by one insured against another insured, if the exclusion or restriction is based solely on the fact that the claimant is an insured, and there would otherwise be coverage for the claim.
- .2 Claims for property damage to the Contractor's Work arising out of the products-completed operations hazard where the damaged Work or the Work out of which the damage arises was performed by a Subcontractor.
- .3 Claims for bodily injury other than to employees of the insured.
- .4 Claims for contractual liability, for an "insured contract" consistent with the definition under the standard ISO general liability policy form.
- .5 Claims or loss excluded under a prior work endorsement or other similar exclusionary language.
- .6 Claims or loss due to physical damage under a prior injury endorsement or similar exclusionary language.
- .7 Claims related to residential, multi-family, or other habitational projects, if the Work is to be performed on such a project.
- .8 Claims related to roofing, if the Work involves roofing.
- .9 RESERVED.
- .10 Claims related to earth subsidence or movement, where the Work involves such hazards.
- .11 Claims related to explosion, collapse and underground hazards, where the Work involves such hazards.

§ A.3.2.3 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Contractor, with policy limits of not less than TWO MILLION DOLLARS (\$ 2,000,000) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

§ A.3.2.4 The Contractor may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella insurance policies result in the same or greater coverage as the coverages required under Section A.3.2.2 and A.3.2.3, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ A.3.2.5 Workers' Compensation at statutory limits.

§ A.3.2.6 Employers' Liability with policy limits not less than TWO MILLION DOLLARS (\$ 2,000,000) each accident, TWO MILLION DOLLARS (\$ 2,000,000) each employee, and TWO MILLION DOLLARS (\$ 2,000,000) policy limit.

§ A.3.2.7 Jones Act, and the Longshore & Harbor Workers' Compensation Act, as required, if the Work involves hazards arising from work on or near navigable waterways, including vessels and docks

§ A.3.2.8 If the Contractor is required to furnish professional services as part of the Work, the Contractor shall procure Professional Liability insurance covering performance of the professional services, with policy limits of not less than TWO MILLION DOLLARS (\$ 2,000,000) per claim and FOUR MILLION DOLLARS (\$ 4,000,000) in the aggregate.

§ A.3.2.9 If the Work involves the transport, dissemination, use, or release of pollutants, the Contractor shall procure Pollution Liability insurance, with policy limits of not less than FIVE MILLION DOLLARS (\$ 5,000,000) per claim and FIVE MILLION DOLLARS (\$ 5,000,000) in the aggregate.

§ A.3.2.10 Coverage under Sections A.3.2.8 and A.3.2.9 may be procured through a Combined Professional Liability and Pollution Liability insurance policy, with combined policy limits of not less than FIVE MILLION DOLLARS (\$ 5,000,000) per claim and FIVE MILLION DOLLARS (\$ 5,000,000) in the aggregate.

§ A.3.2.11 RESERVED.

§ A.3.2.12 Insurance for the use or operation of manned or unmanned aircraft, if the Work requires such activities, with policy limits of not less than ONE MILLION DOLLARS (\$ 1,000,000) per claim and ONE MILLION DOLLARS (\$ 1,000,000) in the aggregate.

§ A.3.3 Contractor's Other Insurance Coverage

§ A.3.3.1 Insurance selected and described in this Section A.3.3 shall be purchased from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Contractor shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 12.2.2 of the General Conditions, unless a different duration is stated below:

(If the Contractor is required to maintain any of the types of insurance selected below for a duration other than the expiration of the period for correction of Work, state the duration.)

N/A

§ A.3.3.2 The Owner's property insurance shall include the following types and limits of insurance in accordance with Section A.3.3.1.

☐ N/A § A.3.3.2.1 Railroad Protective Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for Work within fifty (50) feet of railroad property.

☐ N/A § A.3.3.2.2 Asbestos Abatement Liability Insurance, with policy limits of not less than (\$) per claim and (\$) in the aggregate, for liability arising from the encapsulation, removal, handling, storage, transportation, and disposal of asbestos-containing materials.

☒ § A.3.3.2.3 Insurance for physical damage to property while it is in storage and in transit to the construction site on an "all-risks" completed value form. \$2,500,000 for transit and \$5MM for Temporary Off Site Storage of materials intended for installation at the project.

☒ § A.3.3.2.4 Property insurance on an "all-risks" completed value form, covering property owned by the Contractor and used on the Project, including scaffolding and other equipment. All business income exposures for the Contractor and the Owner are EXCLUDED on this property insurance policy.

☐ N/A § A.3.3.2.5 Other Insurance
(List below any other insurance coverage to be provided by the Contractor and any applicable limits.)

Coverage

Limits

N/A

N/A

§ A.3.4 Performance Bond and Payment Bond

The Contractor shall provide surety bonds, from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located, as follows:

(Specify type and penal sum of bonds.)

Type

Penal Sum (\$0.00)

Payment Bond

Performance Bond

Payment and Performance Bonds shall be AIA Document A312™, Payment Bond and Performance Bond, or contain provisions identical to AIA Document A312™, current as of the date of this Agreement.

ARTICLE A.4 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

AIA[®] Document A201[®] – 2017

General Conditions of the Contract for Construction

for the following PROJECT:

(Name and location or address)

7th Grade Safe Structure & Multi-use Athletic Facility

1400 N Main Street
Owasso, OK 74055

THE OWNER:

(Name, legal status and address)

Owasso Public Schools »« »
1501 N. Ash Street »
Owasso, OK 74055

THE ARCHITECT:

(Name, legal status and address)

the.stacy.group
8091 N Owasso Expressway
Owasso, OK 74055

ADDITIONS AND DELETIONS:

The author of this document may have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

For guidance in modifying this document to include supplementary conditions, see AIA Document A503™–2017, Guide for Supplementary Conditions.

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ARTICLE 1 GENERAL PROVISIONS

§ 1.1 Basic Definitions

§ 1.1.1 The Contract Documents

The Contract Documents are enumerated in the Agreement between the Owner and Contractor (hereinafter the Agreement) and consist of the Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of the Contract, other documents listed in the Agreement, and Modifications issued after execution of the Contract. A Modification is (1) a written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive, or (4) a written order for a minor change in the Work issued by the Architect. Unless specifically enumerated in the Agreement, the Contract Documents do not include the advertisement or invitation to bid, Instructions to Bidders, sample forms, other information furnished by the Owner in anticipation of receiving bids or proposals, the Contractor's bid or proposal, or portions of Addenda relating to bidding or proposal requirements.

§ 1.1.2 The Contract

The Contract Documents form the Contract for Construction. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind (1) between the Contractor and the Architect or the Architect's consultants, (2) between the Owner and a Subcontractor or a Sub-subcontractor, (3) between the Owner and the Architect or the Architect's consultants, or (4) between any persons or entities other than the Owner and the Contractor. The Architect shall, however, be entitled to performance and enforcement of obligations under the Contract intended to facilitate performance of the Architect's duties.

§ 1.1.3 The Work

The term "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment, and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or a part of the Project.

§ 1.1.4 The Project

The Project is the total construction of which the Work performed under the Contract Documents may be the whole or a part and which may include construction by the Owner and by Separate Contractors.

§ 1.1.5 The Drawings

The Drawings are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules, and diagrams.

§ 1.1.6 The Specifications

The Specifications are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services.

§ 1.1.7 Instruments of Service

Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Architect and the Architect's consultants under their respective professional services agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, and other similar materials.

§ 1.1.8 Initial Decision Maker

The Initial Decision Maker is the person identified in the Agreement to render initial decisions on Claims in accordance with Section 15.2. The Initial Decision Maker shall not show partiality to the Owner or Contractor and shall not be liable for results of interpretations or decisions rendered in good faith.

§ 1.2 Correlation and Intent of the Contract Documents

§ 1.2.1 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the indicated results.

§ 1.2.1.1 The invalidity of any provision of the Contract Documents shall not invalidate the Contract or its remaining provisions. If it is determined that any provision of the Contract Documents violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Contract Documents shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Contract.

§ 1.2.2 Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Contractor in dividing the Work among Subcontractors or in establishing the extent of Work to be performed by any trade.

§ 1.2.3 Unless otherwise stated in the Contract Documents, words that have well-known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings.

§ 1.3 Capitalization

Terms capitalized in these General Conditions include those that are (1) specifically defined, (2) the titles of numbered articles, or (3) the titles of other documents published by the American Institute of Architects.

§ 1.4 Interpretation

In the interest of brevity the Contract Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

§ 1.5 Ownership and Use of Drawings, Specifications, and Other Instruments of Service

§ 1.5.1 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and retain all common law, statutory, and other reserved rights in their Instruments of Service, including copyrights. The Contractor, Subcontractors, Sub-subcontractors, and suppliers shall not own or claim a copyright in the Instruments of Service. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with the Project is not to be construed as publication in derogation of the Architect's or Architect's consultants' reserved rights.

§ 1.5.2 The Contractor, Subcontractors, Sub-subcontractors, and suppliers are authorized to use and reproduce the Instruments of Service provided to them, subject to any protocols established pursuant to Sections 1.7 and 1.8, solely and exclusively for execution of the Work. All copies made under this authorization shall bear the copyright notice, if any, shown on the Instruments of Service. The Contractor, Subcontractors, Sub-subcontractors, and suppliers may not use the Instruments of Service on other projects or for additions to the Project outside the scope of the Work without the specific written consent of the Owner, Architect, and the Architect's consultants.

§ 1.6 Notice

§ 1.6.1 Except as otherwise provided in Section 1.6.2, where the Contract Documents require one party to notify or give notice to the other party, such notice shall be provided in writing to the designated representative of the party to whom the notice is addressed and shall be deemed to have been duly served if delivered in person, by mail, by courier, or by electronic transmission if a method for electronic transmission is set forth in the Agreement.

§ 1.6.2 Notice of Claims as provided in Section 15.1.3 shall be provided in writing and shall be deemed to have been duly served only if delivered to the designated representative of the party to whom the notice is addressed by certified or registered mail, or by courier providing proof of delivery.

§ 1.7 Digital Data Use and Transmission

The parties shall agree upon written protocols governing the transmission and use of, and reliance on, Instruments of Service or any other information or documentation in digital form.

§ 1.8 Building Information Models Use and Reliance

Any use of, or reliance on, all or a portion of a building information model without agreement to written protocols governing the use of, and reliance on, the information contained in the model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

ARTICLE 2 OWNER

§ 2.1 General

§ 2.1.1 The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Owner shall designate in writing a representative who shall have express authority to bind the Owner with respect to all matters requiring the Owner's approval or authorization. Except as otherwise provided in Section 4.2.1, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 2.1.2 The Owner shall furnish to the Contractor, within fifteen days after receipt of a written request, information necessary and relevant for the Contractor to evaluate, give notice of, or enforce mechanic's lien rights. Such information shall include a correct statement of the record legal title to the property on which the Project is located, usually referred to as the site, and the Owner's interest therein.

§ 2.2 Evidence of the Owner's Financial Arrangements

§ 2.2.1 Prior to commencement of the Work and upon written request by the Contractor, the Owner shall furnish to the Contractor reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. The Contractor shall have no obligation to commence the Work until the Owner provides such evidence. If commencement of the Work is delayed under this Section 2.2.1, the Contract Time shall be extended appropriately.

§ 2.2.2 Following commencement of the Work and upon written request by the Contractor, the Owner shall furnish to the Contractor reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract only if (1) the Owner fails to make payments to the Contractor as the Contract Documents require; (2) the Contractor identifies in writing a reasonable concern regarding the Owner's ability to make payment when due; or (3) a change in the Work materially changes the Contract Sum. If the Owner fails to provide such evidence, as required, within fourteen days of the Contractor's request, the Contractor may immediately stop the Work and, in that event, shall notify the Owner that the Work has stopped. However, if the request is made because a change in the Work materially changes the Contract Sum under (3) above, the Contractor may immediately stop only that portion of the Work affected by the change until reasonable evidence is provided. If the Work is stopped under this Section 2.2.2, the Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shutdown, delay and start-up, plus interest as provided in the Contract Documents.

§ 2.2.3 After the Owner furnishes evidence of financial arrangements under this Section 2.2, the Owner shall not materially vary such financial arrangements without prior notice to the Contractor.

§ 2.2.4 Where the Owner has designated information furnished under this Section 2.2 as "confidential," the Contractor shall keep the information confidential and shall not disclose it to any other person. However, the Contractor may disclose "confidential" information, after seven (7) days' notice to the Owner, where disclosure is required by law, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or by court or arbitrator(s) order. The Contractor may also disclose "confidential" information to its employees, consultants, sureties, Subcontractors and their employees, Sub-subcontractors, and others who need to know the content of such information solely and exclusively for the Project and who agree to maintain the confidentiality of such information.

§ 2.3 Information and Services Required of the Owner

§ 2.3.1 Except for permits and fees that are the responsibility of the Contractor under the Contract Documents, including those required under Section 3.7.1, the Owner shall secure and pay for necessary approvals, easements, assessments and charges required for construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

§ 2.3.2 The Owner shall retain an architect lawfully licensed to practice architecture, or an entity lawfully practicing architecture, in the jurisdiction where the Project is located. That person or entity is identified as the Architect in the Agreement and is referred to throughout the Contract Documents as if singular in number.

§ 2.3.3 If the employment of the Architect terminates, the Owner shall employ a successor to whom the Contractor has no reasonable objection and whose status under the Contract Documents shall be that of the Architect.

§ 2.3.4 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site. The Contractor shall be entitled to rely on the accuracy of information furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 2.3.5 The Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Contractor's performance of the Work with reasonable promptness after receiving the Contractor's written request for such information or services.

§ 2.3.6 Unless otherwise provided in the Contract Documents, the Owner shall furnish to the Contractor one copy of the Contract Documents for purposes of making reproductions pursuant to Section 1.5.2.

§ 2.4 Owner's Right to Stop the Work

If the Contractor fails to correct Work that is not in accordance with the requirements of the Contract Documents as required by Section 12.2 or repeatedly fails to carry out Work in accordance with the Contract Documents, the Owner may issue a written order to the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity, except to the extent required by Section 6.1.3.

§ 2.5 Owner's Right to Carry Out the Work

If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten-day period after receipt of notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such default or neglect. Such action by the Owner and amounts charged to the Contractor are both subject to prior approval of the Architect and the Architect may, pursuant to Section 9.5.1, withhold or nullify a Certificate for Payment in whole or in part, to the extent reasonably necessary to reimburse the Owner for the reasonable cost of correcting such deficiencies, including Owner's expenses and compensation for the Architect's additional services made necessary by such default, neglect, or failure. If current and future payments are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner. If the Contractor disagrees with the actions of the Owner or the Architect, or the amounts claimed as costs to the Owner, the Contractor may file a Claim pursuant to Article 15.

ARTICLE 3 CONTRACTOR

§ 3.1 General

§ 3.1.1 The Contractor is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor shall designate in writing a representative who shall have express authority to bind the Contractor with respect to all matters under this Contract. The term "Contractor" means the Contractor or the Contractor's authorized representative.

§ 3.1.2 The Contractor shall perform the Work in accordance with the Contract Documents.

§ 3.1.3 The Contractor shall not be relieved of its obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Architect in the Architect's administration of the Contract, or by tests, inspections or approvals required or performed by persons or entities other than the Contractor.

§ 3.2 Review of Contract Documents and Field Conditions by Contractor

§ 3.2.1 Execution of the Contract by the Contractor is a representation that the Contractor has visited the site, become generally familiar with local conditions under which the Work is to be performed, and correlated personal observations with requirements of the Contract Documents.

§ 3.2.2 Because the Contract Documents are complementary, the Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the Owner pursuant to Section 2.3.4, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the

purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the Architect any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request for information in such form as the Architect may require. It is recognized that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

§ 3.2.3 The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Contractor shall promptly report to the Architect any nonconformity discovered by or made known to the Contractor as a request for information in such form as the Architect may require.

§ 3.2.4 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the Architect issues in response to the Contractor's notices or requests for information pursuant to Sections 3.2.2 or 3.2.3, the Contractor shall submit Claims as provided in Article 15. If the Contractor fails to perform the obligations of Sections 3.2.2 or 3.2.3, the Contractor shall pay such costs and damages to the Owner, subject to Section 15.1.7, as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the Owner or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

§ 3.2.5 Contractor has agreed to provide limited suggestions as part of the Value Engineering (VE) process with the Owner and the Owner's design professionals, but only in Contractor's capacity as general contractor and not in any way as a design professional or as a part of the design team. If and when VE options are requested by Owner and are presented by Contractor, they will need to be fully vetted and approved by both the Owner and the design team. The Owner's design professionals shall be solely responsible for the final design specifications and plans. Contractor shall not be liable under any circumstances for any design liability, flaws, or deficiencies whatsoever or any performance related issues with the acceptance of any of these options by the Owner.

§ 3.3 Supervision and Construction Procedures

§ 3.3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under the Contract. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences, or procedures, the Contractor shall evaluate the jobsite safety thereof and shall be solely responsible for the jobsite safety of such means, methods, techniques, sequences, or procedures. If the Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, the Contractor shall give timely notice to the Owner and Architect.

§ 3.3.2 The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, the Contractor or any of its Subcontractors.

§ 3.3.3 The Contractor shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 3.4 Labor and Materials

§ 3.4.1 Unless otherwise provided in the Contract Documents, the Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

§ 3.4.2 Except in the case of minor changes in the Work approved by the Architect in accordance with Section 3.12.8 or ordered by the Architect in accordance with Section 7.4, the Contractor may make substitutions only with the consent of the Owner, after evaluation by the Architect and in accordance with a Change Order or Construction Change Directive.

§ 3.4.3 The Contractor shall enforce strict discipline and good order among the Contractor's employees and other

persons carrying out the Work. The Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

§ 3.5 Warranty

§ 3.5.1 The Contractor warrants to the Owner and Architect that materials and equipment furnished under the Contract will be of good quality and new unless the Contract Documents require or permit otherwise. The Contractor further warrants that the Work will conform to the requirements of the Contract Documents and will be free from defects, except for those inherent in the quality of the Work the Contract Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by the Architect, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

§ 3.5.2 All material, equipment, or other special warranties required by the Contract Documents shall be issued in the name of the Owner, or shall be transferable to the Owner, and shall commence in accordance with Section 9.8.4.

§ 3.6 Taxes

The Contractor shall pay sales, consumer, use and similar taxes for the Work provided by the Contractor that are legally enacted when bids are received or negotiations concluded, whether or not yet effective or merely scheduled to go into effect.

§ 3.7 Permits, Fees, Notices and Compliance with Laws

§ 3.7.1 Unless otherwise provided in the Contract Documents, the Contractor shall secure and pay for the building permit as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Contract and legally required at the time bids are received or negotiations concluded.

§ 3.7.2 The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to performance of the Work.

§ 3.7.3 If the Contractor performs Work knowing it to be contrary to applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Contractor shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

§ 3.7.4 Concealed or Unknown Conditions

If the Contractor encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, the Contractor shall promptly provide notice to the Owner and the Architect before conditions are disturbed and in no event later than 21 days after first observance of the conditions. The Architect will promptly investigate such conditions and, if the Architect determines that they differ materially and cause an increase or decrease in the Contractor's cost of, or time required for, performance of any part of the Work, will recommend that an equitable adjustment be made in the Contract Sum or Contract Time, or both. If the Architect determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Architect shall promptly notify the Owner and Contractor, stating the reasons. If either party disputes the Architect's determination or recommendation, that party may submit a Claim as provided in Article 15.

§ 3.7.5 If, in the course of the Work, the Contractor encounters human remains or recognizes the existence of burial markers, archaeological sites or wetlands not indicated in the Contract Documents, the Contractor shall immediately suspend any operations that would affect them and shall notify the Owner and Architect. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Contractor shall continue to suspend such operations until otherwise instructed by the Owner but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 15.

§ 3.8 Allowances

§ 3.8.1 The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Owner may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

§ 3.8.2 Unless otherwise provided in the Contract Documents,

- .1 allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit, and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances; and
- .3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Contractor's costs under Section 3.8.2.2.

§ 3.8.3 Materials and equipment under an allowance shall be selected by the Owner with reasonable promptness.

§ 3.9 Superintendent

§ 3.9.1 The Contractor shall employ a competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Work. The superintendent shall represent the Contractor, and communications given to the superintendent shall be as binding as if given to the Contractor.

§ 3.9.2 The Contractor, as soon as practicable after award of the Contract, shall notify the Owner and Architect of the name and qualifications of a proposed superintendent. Within 14 days of receipt of the information, the Architect may notify the Contractor, stating whether the Owner or the Architect (1) has reasonable objection to the proposed superintendent or (2) requires additional time for review. Failure of the Architect to provide notice within the 14-day period shall constitute notice of no reasonable objection.

§ 3.9.3 The Contractor shall not employ a proposed superintendent to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not change the superintendent without the Owner's consent, which shall not unreasonably be withheld or delayed.

§ 3.10 Contractor's Construction and Submittal Schedules

§ 3.10.1 The Contractor, promptly after being awarded the Contract, shall submit for the Owner's and Architect's information a Contractor's construction schedule for the Work. The schedule shall contain detail appropriate for the Project, including (1) the date of commencement of the Work, interim schedule milestone dates, and the date of Substantial Completion; (2) an apportionment of the Work by construction activity; and (3) the time required for completion of each portion of the Work. The schedule shall provide for the orderly progression of the Work to completion and shall not exceed time limits current under the Contract Documents. The schedule shall be revised at appropriate intervals as required by the conditions of the Work and Project.

§ 3.10.2 The Contractor, promptly after being awarded the Contract and thereafter as necessary to maintain a current submittal schedule, shall submit a submittal schedule for the Architect's approval. The Architect's approval shall not be unreasonably delayed or withheld. The submittal schedule shall (1) be coordinated with the Contractor's construction schedule, and (2) allow the Architect reasonable time to review submittals.

§ 3.10.3 The Contractor shall perform the Work in general accordance with the most recent schedules submitted to the Owner and Architect.

§ 3.11 Documents and Samples at the Site

The Contractor shall make available, at the Project site, the Contract Documents, including Change Orders, Construction Change Directives, and other Modifications, in good order and marked currently to indicate field changes and selections made during construction, and the approved Shop Drawings, Product Data, Samples, and similar required submittals. These shall be in electronic form or paper copy, available to the Architect and Owner, and delivered to the Architect for submittal to the Owner upon completion of the Work as a record of the Work as

constructed.

§ 3.12 Shop Drawings, Product Data and Samples

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules, and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams, and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples that illustrate materials, equipment, or workmanship, and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples, and similar submittals are not Contract Documents. Their purpose is to demonstrate how the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals. Review by the Architect is subject to the limitations of Section 4.2.7. Informational submittals upon which the Architect is not expected to take responsive action may be so identified in the Contract Documents. Submittals that are not required by the Contract Documents may be returned by the Architect without action.

§ 3.12.5 The Contractor shall review for compliance with the Contract Documents, approve, and submit to the Architect, Shop Drawings, Product Data, Samples, and similar submittals required by the Contract Documents, in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of Separate Contractors.

§ 3.12.6 By submitting Shop Drawings, Product Data, Samples, and similar submittals, the Contractor represents to the Owner and Architect that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so, and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples, or similar submittals, until the respective submittal has been approved by the Architect.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from the requirements of the Contract Documents by the Architect's approval of Shop Drawings, Product Data, Samples, or similar submittals, unless the Contractor has specifically notified the Architect of such deviation at the time of submittal and (1) the Architect has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples, or similar submittals, by the Architect's approval thereof.

§ 3.12.9 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples, or similar submittals, to revisions other than those requested by the Architect on previous submittals. In the absence of such notice, the Architect's approval of a resubmission shall not apply to such revisions.

§ 3.12.10 The Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences, and procedures. The Contractor shall not be required to provide professional services in violation of applicable law.

§ 3.12.10.1 If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall be entitled to rely upon the adequacy and accuracy of the performance and design criteria provided in the Contract Documents. The

Contractor shall cause such services or certifications to be provided by an appropriately licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings, and other submittals prepared by such professional. Shop Drawings, and other submittals related to the Work, designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Architect. The Owner and the Architect shall be entitled to rely upon the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals, provided the Owner and Architect have specified to the Contractor the performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Architect will review and approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents.

§ 3.12.10.2 If the Contract Documents require the Contractor's design professional to certify that the Work has been performed in accordance with the design criteria, the Contractor shall furnish such certifications to the Architect at the time and in the form specified by the Architect.

§ 3.13 Use of Site

The Contractor shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, lawful orders of public authorities, and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§ 3.14 Cutting and Patching

§ 3.14.1 The Contractor shall be responsible for cutting, fitting, or patching required to complete the Work or to make its parts fit together properly. All areas requiring cutting, fitting, or patching shall be restored to the condition existing prior to the cutting, fitting, or patching, unless otherwise required by the Contract Documents.

§ 3.14.2 The Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of the Owner or Separate Contractors by cutting, patching, or otherwise altering such construction, or by excavation. The Contractor shall not cut or otherwise alter construction by the Owner or a Separate Contractor except with written consent of the Owner and of the Separate Contractor. Consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold, from the Owner or a Separate Contractor, its consent to cutting or otherwise altering the Work.

§ 3.15 Cleaning Up

§ 3.15.1 The Contractor shall keep the premises and surrounding area free from accumulation of waste materials and rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery, and surplus materials from and about the Project.

§ 3.15.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and the Owner shall be entitled to reimbursement from the Contractor.

§ 3.16 Access to Work

The Contractor shall provide the Owner and Architect with access to the Work in preparation and progress wherever located.

§ 3.17 Royalties, Patents and Copyrights

The Contractor shall pay all royalties and license fees, unless otherwise specified in the Contract Documents. The Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and Architect harmless from loss on account thereof, but shall not be responsible for defense or loss when a particular design, process, or product of a particular manufacturer or manufacturers is required by the Contract Documents, or where the copyright violations are contained in Drawings, Specifications, or other documents prepared by the Owner or Architect. However, if an infringement of a copyright or patent is discovered by, or made known to, the Contractor, the Contractor shall be responsible for the loss unless the information is promptly furnished to the Architect.

§ 3.18 Indemnification

§ 3.18.1 To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Owner, Architect, Architect's consultants, and agents and employees of any of them from and against claims, damages,

losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of the Contractor, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Section 3.18.

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for the Contractor or a Subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.

ARTICLE 4 ARCHITECT

§ 4.1 General

§ 4.1.1 The Architect is the person or entity retained by the Owner pursuant to Section 2.3.2 and identified as such in the Agreement.

§ 4.1.2 Duties, responsibilities, and limitations of authority of the Architect as set forth in the Contract Documents shall not be restricted, modified, or extended without written consent of the Owner, Contractor, and Architect. Consent shall not be unreasonably withheld.

§ 4.2 Administration of the Contract

§ 4.2.1 The Architect will provide administration of the Contract as described in the Contract Documents and will be an Owner's representative during construction until the date the Architect issues the final Certificate for Payment. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

§ 4.2.2 The Architect will visit the site at intervals appropriate to the stage of construction, or as otherwise agreed with the Owner, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine in general if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect will not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents.

§ 4.2.3 On the basis of the site visits, the Architect will keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work. The Architect will not be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect will not have control over or charge of, and will not be responsible for acts or omissions of, the Contractor, Subcontractors, or their agents or employees, or any other persons or entities performing portions of the Work.

§ 4.2.4 Communications

The Owner and Contractor shall include the Architect in all communications that relate to or affect the Architect's services or professional responsibilities. The Owner shall promptly notify the Architect of the substance of any direct communications between the Owner and the Contractor otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect. Communications by and with Subcontractors and suppliers shall be through the Contractor. Communications by and with Separate Contractors shall be through the Owner. The Contract Documents may specify other communication protocols.

§ 4.2.5 Based on the Architect's evaluations of the Contractor's Applications for Payment, the Architect will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

§ 4.2.6 The Architect has authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the Work in accordance with Sections 13.4.2 and 13.4.3, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Architect will review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data, and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action will be taken in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, unless otherwise specified by the Contract Documents, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Sections 3.3, 3.5, and 3.12. The Architect's review shall not constitute approval of safety precautions or of any construction means, methods, techniques, sequences, or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Architect will prepare Change Orders and Construction Change Directives, and may order minor changes in the Work as provided in Section 7.4. The Architect will investigate and make determinations and recommendations regarding concealed and unknown conditions as provided in Section 3.7.4.

§ 4.2.9 The Architect will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion pursuant to Section 9.8; receive and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract and assembled by the Contractor pursuant to Section 9.10; and issue a final Certificate for Payment pursuant to Section 9.10.

§ 4.2.10 If the Owner and Architect agree, the Architect will provide one or more Project representatives to assist in carrying out the Architect's responsibilities at the site. The Owner shall notify the Contractor of any change in the duties, responsibilities and limitations of authority of the Project representatives.

§ 4.2.11 The Architect will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 4.2.12 Interpretations and decisions of the Architect will be consistent with the intent of, and reasonably inferable from, the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, will not show partiality to either, and will not be liable for results of interpretations or decisions rendered in good faith.

§ 4.2.13 The Architect's decisions on matters relating to aesthetic effect will be final if consistent with the intent expressed in the Contract Documents.

§ 4.2.14 The Architect will review and respond to requests for information about the Contract Documents. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If appropriate, the Architect will prepare and issue supplemental Drawings and Specifications in response to the requests for information.

ARTICLE 5 SUBCONTRACTORS

§ 5.1 Definitions

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a Separate Contractor or the subcontractors of a Separate Contractor.

§ 5.1.2 A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site. The term “Sub-subcontractor” is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 Award of Subcontracts and Other Contracts for Portions of the Work

§ 5.2.1 Unless otherwise stated in the Contract Documents, the Contractor, as soon as practicable after award of the Contract, shall notify the Owner and Architect of the persons or entities proposed for each principal portion of the Work, including those who are to furnish materials or equipment fabricated to a special design. Within 14 days of receipt of the information, the Architect may notify the Contractor whether the Owner or the Architect (1) has reasonable objection to any such proposed person or entity or (2) requires additional time for review. Failure of the Architect to provide notice within the 14-day period shall constitute notice of no reasonable objection.

§ 5.2.2 The Contractor shall not contract with a proposed person or entity to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not be required to contract with anyone to whom the Contractor has made reasonable objection.

§ 5.2.3 If the Owner or Architect has reasonable objection to a person or entity proposed by the Contractor, the Contractor shall propose another to whom the Owner or Architect has no reasonable objection. If the proposed but rejected Subcontractor was reasonably capable of performing the Work, the Contract Sum and Contract Time shall be increased or decreased by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute Subcontractor’s Work. However, no increase in the Contract Sum or Contract Time shall be allowed for such change unless the Contractor has acted promptly and responsively in submitting names as required.

§ 5.2.4 The Contractor shall not substitute a Subcontractor, person, or entity for one previously selected if the Owner or Architect makes reasonable objection to such substitution.

§ 5.3 Subcontractual Relations

By appropriate written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor’s Work that the Contractor, by these Contract Documents, assumes toward the Owner and Architect. Each subcontract agreement shall preserve and protect the rights of the Owner and Architect under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies, and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.4 Contingent Assignment of Subcontracts

§ 5.4.1 Each subcontract agreement for a portion of the Work is assigned by the Contractor to the Owner, provided that

- .1 assignment is effective only after termination of the Contract by the Owner for cause pursuant to Section 14.2 and only for those subcontract agreements that the Owner accepts by notifying the Subcontractor and Contractor; and
- .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Owner accepts the assignment of a subcontract agreement, the Owner assumes the Contractor’s rights and obligations under the subcontract.

§ 5.4.2 Upon such assignment, if the Work has been suspended for more than 30 days, the Subcontractor’s compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Upon assignment to the Owner under this Section 5.4, the Owner may further assign the subcontract to a successor contractor or other entity. If the Owner assigns the subcontract to a successor contractor or other entity, the Owner shall nevertheless remain legally responsible for all of the successor contractor's obligations under the subcontract.

ARTICLE 6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

§ 6.1 Owner's Right to Perform Construction and to Award Separate Contracts

§ 6.1.1 The term "Separate Contractor(s)" shall mean other contractors retained by the Owner under separate agreements. The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces, and with Separate Contractors retained under Conditions of the Contract substantially similar to those of this Contract, including those provisions of the Conditions of the Contract related to insurance and waiver of subrogation. If the Contractor claims that delay or additional cost is involved because of such action by Owner, the Contractor shall make such Claim as provided in Article 15.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

§ 6.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces and of each Separate Contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall participate with any Separate Contractors and the Owner in reviewing their construction schedules. The Contractor shall make any revisions to its construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, Separate Contractors, and the Owner until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces or with Separate Contractors, the Owner or its Separate Contractors shall have the same obligations and rights that the Contractor has under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6, and Articles 10, 11, and 12.

§ 6.2 Mutual Responsibility

§ 6.2.1 The Contractor shall afford the Owner and Separate Contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Contractor's Work depends for proper execution or results upon construction or operations by the Owner or a Separate Contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly notify the Architect of apparent discrepancies or defects in the construction or operations by the Owner or Separate Contractor that would render it unsuitable for proper execution and results of the Contractor's Work. Failure of the Contractor to notify the Architect of apparent discrepancies or defects prior to proceeding with the Work shall constitute an acknowledgment that the Owner's or Separate Contractor's completed or partially completed construction is fit and proper to receive the Contractor's Work. The Contractor shall not be responsible for discrepancies or defects in the construction or operations by the Owner or Separate Contractor that are not apparent.

§ 6.2.3 The Contractor shall reimburse the Owner for costs the Owner incurs that are payable to a Separate Contractor because of the Contractor's delays, improperly timed activities or defective construction. The Owner shall be responsible to the Contractor for costs the Contractor incurs because of a Separate Contractor's delays, improperly timed activities, damage to the Work or defective construction.

§ 6.2.4 The Contractor shall promptly remedy damage that the Contractor wrongfully causes to completed or partially completed construction or to property of the Owner or Separate Contractor as provided in Section 10.2.5.

§ 6.2.5 The Owner and each Separate Contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

§ 6.3 Owner's Right to Clean Up

If a dispute arises among the Contractor, Separate Contractors, and the Owner as to the responsibility under their

respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and the Architect will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 General

§ 7.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents.

§ 7.1.2 A Change Order shall be based upon agreement among the Owner, Contractor, and Architect. A Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor. An order for a minor change in the Work may be issued by the Architect alone.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents. The Contractor shall proceed promptly with changes in the Work, unless otherwise provided in the Change Order, Construction Change Directive, or order for a minor change in the Work.

§ 7.2 Change Orders

§ 7.2.1 A Change Order is a written instrument prepared by the Architect and signed by the Owner, Contractor, and Architect stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 7.2.2 If, during the performance of the Work, material costs and/or project equipment costs significantly increase(s), through no fault of the Contractor, the Contract Price shall be equitably adjusted by an amount reasonably necessary to cover the significant price increase. As used herein, a significant price increase shall mean any increase cost of materials and/or Project equipment for the Project exceeding ____% of the original Contract price from the date of the Contract execution. For the purposes of determining an adjustment under this section, the expected total price of all materials and equipment price for this Project as of the date of contract execution is \$_____. Furthermore, if an increase in tariffs or other taxes related to the material or equipment occurs, Contractor shall demonstrate such increase, and the Contract Price shall be equitably adjusted. Such adjustment of the Contract price shall be made through a Change Order on or before Contractor submits the final pay application. Such price increase shall be documented through quotes, invoices, or receipts. Notwithstanding anything herein to the contrary, Contractor shall submit such documentation and request on or before such date and Contractor shall not be considered to have diminished or waived any Claims or rights in regard to the timeliness of the submission of such information or request except to the extent such increase has already been paid by Owner pursuant to a previous Change Order. However, such increased amount shall be used in the calculation of whether a significant price increase has occurred, so that the total amounts of all change orders/increases arising from materials and/or equipment price escalation, are added together and divided by the original Contract price to determine the percentage of price increase. Where the delivery of material or equipment is delayed, through no fault of the Contractor, as a result of the shortage or unavailability of materials and equipment, or delays in shipping or delivery, Contractor shall not be liable for any additional costs or damages associated with such delay(s), the Contract Time shall be adjusted to the extent such delay(s) impact(s) the Schedule, and the Contractor shall be entitled to a Change Order for its costs incurred as a result of such delay(s).

§ 7.3 Construction Change Directives

§ 7.3.1 A Construction Change Directive is a written order prepared by the Architect and signed by the Owner and Architect, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions, or other revisions, the Contract Sum and Contract Time being adjusted accordingly.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
- .2 Unit prices stated in the Contract Documents or subsequently agreed upon;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 As provided in Section 7.3.4.

§ 7.3.4 If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the Architect shall determine the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, an amount for overhead and profit as set forth in the Agreement, or if no such amount is set forth in the Agreement, a reasonable amount. In such case, and also under Section 7.3.3.3, the Contractor shall keep and present, in such form as the Architect may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Section 7.3.4 shall be limited to the following:

- .1 Costs of labor, including applicable payroll taxes, fringe benefits required by agreement or custom, workers' compensation insurance, and other employee costs approved by the Architect;
- .2 Costs of materials, supplies, and equipment, including cost of transportation, whether incorporated or consumed;
- .3 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others;
- .4 Costs of premiums for all bonds and insurance, permit fees, and sales, use, or similar taxes, directly related to the change; and
- .5 Costs of supervision and field office personnel directly attributable to the change.

§ 7.3.5 If the Contractor disagrees with the adjustment in the Contract Time, the Contractor may make a Claim in accordance with applicable provisions of Article 15.

§ 7.3.6 Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Architect of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.7 A Construction Change Directive signed by the Contractor indicates the Contractor's agreement therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.8 The amount of credit to be allowed by the Contractor to the Owner for a deletion or change that results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Architect. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 7.3.9 Pending final determination of the total cost of a Construction Change Directive to the Owner, the Contractor may request payment for Work completed under the Construction Change Directive in Applications for Payment. The Architect will make an interim determination for purposes of monthly certification for payment for those costs and certify for payment the amount that the Architect determines, in the Architect's professional judgment, to be reasonably justified. The Architect's interim determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a Claim in accordance with Article 15.

§ 7.3.10 When the Owner and Contractor agree with a determination made by the Architect concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Architect will prepare a Change Order. Change Orders may be issued for all or any part of a Construction Change Directive.

§ 7.4 Minor Changes in the Work

The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. The Architect's order for minor changes shall be in writing.

ARTICLE 8 TIME

§ 8.1 Definitions

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

§ 8.1.2 The date of commencement of the Work is the date established in the Agreement.

§ 8.1.3 The date of Substantial Completion is the date certified by the Architect established in Section 9.8.1.

§ 8.1.4 The term “day” as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 Progress and Completion

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing the Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Contractor shall not knowingly, except by agreement or instruction of the Owner in writing, commence the Work prior to the effective date of insurance required to be furnished by the Contractor and Owner.

§ 8.2.3 The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.3 Delays and Extensions of Time

§ 8.3.1 If the Contractor is delayed at any time in the commencement or progress of the Work by (1) an act or neglect of the Owner or Architect, of an employee of either, or of a Separate Contractor; (2) by changes ordered in the Work; (3) by labor disputes, fire, unusual delay in deliveries, unavoidable casualties, adverse weather conditions documented in accordance with Section 15.1.6.2, or other causes beyond the Contractor’s control; (4) by delay authorized by the Owner pending mediation and binding dispute resolution; or (5) by other causes that the Contractor asserts, and the Architect determines, justify delay, then the Contract Time shall be extended for such reasonable time as the Architect may determine.

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Article 15.

§ 8.3.3 This Section 8.3 does not preclude recovery of damages for delay by either party under other provisions of the Contract Documents.

ARTICLE 9 PAYMENTS AND COMPLETION

§ 9.1 Contract Sum

§ 9.1.1 The Contract Sum is stated in the Agreement and, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 9.1.2 If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed so that application of such unit prices to the actual quantities causes substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

§ 9.2 Schedule of Values

Where the Contract is based on a stipulated sum or Guaranteed Maximum Price, the Contractor shall submit a schedule of values to the Architect before the first Application for Payment, allocating the entire Contract Sum to the various portions of the Work. The schedule of values shall be prepared in the form, and supported by the data to substantiate its accuracy, required by the Architect. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor’s Applications for Payment. Any changes to the schedule of values shall be submitted to the Architect and supported by such data to substantiate its accuracy as the Architect may require, and unless objected to by the Architect, shall be used as a basis for reviewing the Contractor’s subsequent Applications for Payment.

§ 9.3 Applications for Payment

§ 9.3.1 At least ten days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment prepared in accordance with the schedule of values, if required under Section 9.2, for completed portions of the Work. The application shall be notarized, if required, and supported by all data substantiating the Contractor's right to payment that the Owner or Architect require, such as copies of requisitions, and releases and waivers of liens from Subcontractors and suppliers, and shall reflect retainage if provided for in the Contract Documents.

§ 9.3.1.1 As provided in Section 7.3.9, such applications may include requests for payment on account of changes in the Work that have been properly authorized by Construction Change Directives, or by interim determinations of the Architect, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Contractor does not intend to pay a Subcontractor or supplier, unless such Work has been performed by others whom the Contractor intends to pay.

§ 9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage, and transportation to the site, for such materials and equipment stored off the site.

§ 9.3.3 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information, and belief, be free and clear of liens, claims, security interests, or encumbrances, in favor of the Contractor, Subcontractors, suppliers, or other persons or entities that provided labor, materials, and equipment relating to the Work.

§ 9.4 Certificates for Payment

§ 9.4.1 The Architect will, within seven days after receipt of the Contractor's Application for Payment, either (1) issue to the Owner a Certificate for Payment in the full amount of the Application for Payment, with a copy to the Contractor; or (2) issue to the Owner a Certificate for Payment for such amount as the Architect determines is properly due, and notify the Contractor and Owner of the Architect's reasons for withholding certification in part as provided in Section 9.5.1; or (3) withhold certification of the entire Application for Payment, and notify the Contractor and Owner of the Architect's reason for withholding certification in whole as provided in Section 9.5.1.

§ 9.4.2 The issuance of a Certificate for Payment will constitute a representation by the Architect to the Owner, based on the Architect's evaluation of the Work and the data in the Application for Payment, that, to the best of the Architect's knowledge, information, and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to correction of minor deviations from the Contract Documents prior to completion, and to specific qualifications expressed by the Architect. However, the issuance of a Certificate for Payment will not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work; (2) reviewed construction means, methods, techniques, sequences, or procedures; (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Contractor's right to payment; or (4) made examination to ascertain how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 9.5 Decisions to Withhold Certification

§ 9.5.1 The Architect may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner, if in the Architect's opinion the representations to the Owner required by Section 9.4.2 cannot be made. If the Architect is unable to certify payment in the amount of the Application, the Architect will notify the Contractor and Owner as provided in Section 9.4.1. If the Contractor and Architect cannot agree on a revised amount, the Architect will promptly issue a Certificate for Payment for the amount for which the Architect is able to make such representations to the Owner. The Architect may also withhold a Certificate for Payment or, because of

subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Architect's opinion to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts and omissions described in Section 3.3.2, because of

- .1 defective Work not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims, unless security acceptable to the Owner is provided by the Contractor;
- .3 failure of the Contractor to make payments properly to Subcontractors or suppliers for labor, materials or equipment;
- .4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;
- .5 damage to the Owner or a Separate Contractor;
- .6 reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
- .7 repeated failure to carry out the Work in accordance with the Contract Documents.

§ 9.5.2 When either party disputes the Architect's decision regarding a Certificate for Payment under Section 9.5.1, in whole or in part, that party may submit a Claim in accordance with Article 15.

§ 9.5.3 When the reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.4 If the Architect withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Contractor and to any Subcontractor or supplier to whom the Contractor failed to make payment for Work properly performed or material or equipment suitably delivered. If the Owner makes payments by joint check, the Owner shall notify the Architect and the Contractor shall reflect such payment on its next Application for Payment.

§ 9.6 Progress Payments

§ 9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Architect.

§ 9.6.2 The Contractor shall pay each Subcontractor, no later than seven days after receipt of payment from the Owner, the amount to which the Subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of the Subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in a similar manner.

§ 9.6.3 The Architect will, on request, furnish to a Subcontractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Architect and Owner on account of portions of the Work done by such Subcontractor.

§ 9.6.4 The Owner has the right to request written evidence from the Contractor that the Contractor has properly paid Subcontractors and suppliers amounts paid by the Owner to the Contractor for subcontracted Work. If the Contractor fails to furnish such evidence within seven days, the Owner shall have the right to contact Subcontractors and suppliers to ascertain whether they have been properly paid. Neither the Owner nor Architect shall have an obligation to pay, or to see to the payment of money to, a Subcontractor or supplier, except as may otherwise be required by law.

§ 9.6.5 The Contractor's payments to suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Contract Documents.

§ 9.6.7 Unless the Contractor provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Contractor for Work properly performed by Subcontractors or provided by suppliers shall

be held by the Contractor for those Subcontractors or suppliers who performed Work or furnished materials, or both, under contract with the Contractor for which payment was made by the Owner. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Contractor, create any fiduciary liability or tort liability on the part of the Contractor for breach of trust, or entitle any person or entity to an award of punitive damages against the Contractor for breach of the requirements of this provision.

§ 9.6.8 Provided the Owner has fulfilled its payment obligations under the Contract Documents, the Contractor shall defend and indemnify the Owner from all loss, liability, damage or expense, including reasonable attorney's fees and litigation expenses, arising out of any lien claim or other claim for payment by any Subcontractor or supplier of any tier. Upon receipt of notice of a lien claim or other claim for payment, the Owner shall notify the Contractor. If approved by the applicable court, when required, the Contractor may substitute a surety bond for the property against which the lien or other claim for payment has been asserted.

§ 9.7 Failure of Payment

If the Architect does not issue a Certificate for Payment, through no fault of the Contractor, within seven days after receipt of the Contractor's Application for Payment, or if the Owner does not pay the Contractor within seven days after the date established in the Contract Documents, the amount certified by the Architect or awarded by binding dispute resolution, then the Contractor may, upon seven additional days' notice to the Owner and Architect, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shutdown, delay and start-up, plus interest as provided for in the Contract Documents.

§ 9.8 Substantial Completion

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

§ 9.8.4 When the Work or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion that shall establish the date of Substantial Completion; establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance; and fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in the Certificate. Upon such acceptance, and consent of surety if any, the Owner shall make payment of retainage applying to the Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

§ 9.9 Partial Occupancy or Use

§ 9.9.1 The Owner may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Contractor, provided such occupancy or use is consented to by the insurer and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security,

maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a portion substantially complete, the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Architect.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner, Contractor, and Architect shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

§ 9.10 Final Completion and Final Payment

§ 9.10.1 Upon receipt of the Contractor's notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Architect will promptly make such inspection. When the Architect finds the Work acceptable under the Contract Documents and the Contract fully performed, the Architect will promptly issue a final Certificate for Payment stating that to the best of the Architect's knowledge, information and belief, and on the basis of the Architect's on-site visits and inspections, the Work has been completed in accordance with the Contract Documents and that the entire balance found to be due the Contractor and noted in the final Certificate is due and payable. The Architect's final Certificate for Payment will constitute a further representation that conditions listed in Section 9.10.2 as precedent to the Contractor's being entitled to final payment have been fulfilled.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Contractor submits to the Architect (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after final payment is currently in effect, (3) a written statement that the Contractor knows of no reason that the insurance will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to final payment, (5) documentation of any special warranties, such as manufacturers' warranties or specific Subcontractor warranties, and (6) if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts and releases and waivers of liens, claims, security interests, or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien, claim, security interest, or encumbrance. If a lien, claim, security interest, or encumbrance remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging the lien, claim, security interest, or encumbrance, including all costs and reasonable attorneys' fees.

§ 9.10.3 If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Contractor or by issuance of Change Orders affecting final completion, and the Architect so confirms, the Owner shall, upon application by the Contractor and certification by the Architect, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed, corrected, and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Contract Documents, and if bonds have been furnished, the written consent of the surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Contractor to the Architect prior to certification of such payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

§ 9.10.4 The making of final payment shall constitute a waiver of Claims by the Owner except those arising from

- .1 liens, Claims, security interests, or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Contract Documents;
- .3 terms of special warranties required by the Contract Documents; or
- .4 audits performed by the Owner, if permitted by the Contract Documents, after final payment.

§ 9.10.5 Acceptance of final payment by the Contractor, a Subcontractor, or a supplier, shall constitute a waiver of

claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

§ 9.11 Payment Instructions

All payments made by Wire Transfer or ACH must be made by using instructions that are provided to Owner separately prior to or at the time this Agreement is executed by Crossland Construction Company, Inc. By Owner's signature on this Agreement, Owner acknowledges that it has received the Crossland Construction Company, Inc. Wire Transfer/ACH instructions. **This information will not change for the duration of the contract unless via change order executed by both parties.**

In the event Owner pays by check, please send check to the following address. **This information will not change for the duration of the contract unless via change order executed by both parties:**

Crossland Construction Company, Inc.
Attn: Accounts Receivable
833 S. East Avenue
P.O. Box 45
Columbus, KS 66725

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 Safety Precautions and Programs

The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 Safety of Persons and Property

§ 10.2.1 The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury, or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody, or control of the Contractor, a Subcontractor, or a Sub-subcontractor; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.

§ 10.2.2 The Contractor shall comply with, and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, bearing on safety of persons or property or their protection from damage, injury, or loss.

§ 10.2.3 The Contractor shall implement, erect, and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards; promulgating safety regulations; and notifying the owners and users of adjacent sites and utilities of the safeguards.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment, or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under Sections 10.2.1.2 and 10.2.1.3. The Contractor may make a Claim for the cost to remedy the damage or loss to the extent such damage or loss is attributable to acts or omissions of the Owner or Architect or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Section 3.18.

§ 10.2.6 The Contractor shall designate a responsible member of the Contractor's organization at the site whose duty

shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Architect.

§ 10.2.7 The Contractor shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 Injury or Damage to Person or Property

If either party suffers injury or damage to person or property because of an act or omission of the other party, or of others for whose acts such party is legally responsible, notice of the injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 10.3 Hazardous Materials and Substances

§ 10.3.1 The Contractor is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials or substances. If the Contractor encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and notify the Owner and Architect of the condition.

§ 10.3.2 Upon receipt of the Contractor's notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Owner shall furnish in writing to the Contractor and Architect the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of the material or substance or who are to perform the task of removal or safe containment of the material or substance. The Contractor and the Architect will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If either the Contractor or Architect has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor and the Architect have no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable additional costs of shutdown, delay, and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Contractor, Subcontractors, Architect, Architect's consultants, and agents and employees of any of them from and against claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), except to the extent that such damage, loss, or expense is due to the fault or negligence of the party seeking indemnity.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for hazardous materials or substances the Contractor brings to the site unless such materials or substances are required by the Contract Documents. The Owner shall be responsible for hazardous materials or substances required by the Contract Documents, except to the extent of the Contractor's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Contractor shall reimburse the Owner for the cost and expense the Owner incurs (1) for remediation of hazardous materials or substances the Contractor brings to the site and negligently handles, or (2) where the Contractor fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to the Owner's fault or negligence.

§ 10.3.6 If, without negligence on the part of the Contractor, the Contractor is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Contract Documents, the Owner shall reimburse the Contractor for all cost and expense thereby incurred.

§ 10.4 Emergencies

In an emergency affecting safety of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury, or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Article 15 and Article 7.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 Contractor's Insurance and Bonds

§ 11.1.1 The Contractor shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Contractor shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located. The Owner, Architect, and Architect's consultants shall be named as additional insureds under the Contractor's commercial general liability policy or as otherwise described in the Contract Documents.

§ 11.1.2 The Contractor shall provide surety bonds of the types, for such penal sums, and subject to such terms and conditions as required by the Contract Documents. The Contractor shall purchase and maintain the required bonds from a company or companies lawfully authorized to issue surety bonds in the jurisdiction where the Project is located.

§ 11.1.3 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

§ 11.1.4 Notice of Cancellation or Expiration of Contractor's Required Insurance. Within three (3) business days of the date the Contractor becomes aware of an impending or actual cancellation or expiration of any insurance required by the Contract Documents, the Contractor shall provide notice to the Owner of such impending or actual cancellation or expiration. Upon receipt of notice from the Contractor, the Owner shall, unless the lapse in coverage arises from an act or omission of the Owner, have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by the Contractor. The furnishing of notice by the Contractor shall not relieve the Contractor of any contractual obligation to provide any required coverage.

§ 11.2 Owner's Insurance

§ 11.2.1 The Owner shall purchase and maintain insurance of the types and limits of liability, containing the endorsements, and subject to the terms and conditions, as described in the Agreement or elsewhere in the Contract Documents. The Owner shall purchase and maintain the required insurance from an insurance company or insurance companies lawfully authorized to issue insurance in the jurisdiction where the Project is located.

§ 11.2.2 Failure to Purchase Required Property Insurance. If the Owner fails to purchase and maintain the required property insurance, with all of the coverages and in the amounts described in the Agreement or elsewhere in the Contract Documents, the Owner shall inform the Contractor in writing prior to commencement of the Work. Upon receipt of notice from the Owner, the Contractor may delay commencement of the Work and may obtain insurance that will protect the interests of the Contractor, Subcontractors, and Sub-Subcontractors in the Work. When the failure to provide coverage has been cured or resolved, the Contract Sum and Contract Time shall be equitably adjusted. In the event the Owner fails to procure coverage, the Owner waives all rights against the Contractor, Subcontractors, and Sub-subcontractors to the extent the loss to the Owner would have been covered by the insurance to have been procured by the Owner. The cost of the insurance shall be charged to the Owner by a Change Order. If the Owner does not provide written notice, and the Contractor is damaged by the failure or neglect of the Owner to purchase or maintain the required insurance, the Owner shall reimburse the Contractor for all reasonable costs and damages attributable thereto.

§ 11.2.3 Notice of Cancellation or Expiration of Owner's Required Property Insurance. Within three (3) business days of the date the Owner becomes aware of an impending or actual cancellation or expiration of any property insurance required by the Contract Documents, the Owner shall provide notice to the Contractor of such impending or actual cancellation or expiration. Unless the lapse in coverage arises from an act or omission of the Contractor: (1) the Contractor, upon receipt of notice from the Owner, shall have the right to stop the Work until the lapse in coverage has been cured by the procurement of replacement coverage by either the Owner or the Contractor; (2) the Contract Time and Contract Sum shall be equitably adjusted; and (3) the Owner waives all rights against the Contractor, Subcontractors, and Sub-subcontractors to the extent any loss to the Owner would have been covered by the insurance had it not expired or been cancelled. If the Contractor purchases replacement coverage, the cost of the insurance shall be charged to the Owner by an appropriate Change Order. The furnishing of notice by the Owner

shall not relieve the Owner of any contractual obligation to provide required insurance.

§ 11.3 Waivers of Subrogation

§ 11.3.1 The Owner and Contractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents, and employees, each of the other; (2) the Architect and Architect's consultants; and (3) Separate Contractors, if any, and any of their subcontractors, sub-subcontractors, agents, and employees, for damages caused by fire, or other causes of loss, to the extent those losses are covered by property insurance required by the Agreement or other property insurance applicable to the Project, except such rights as they have to proceeds of such insurance. The Owner or Contractor, as appropriate, shall require similar written waivers in favor of the individuals and entities identified above from the Architect, Architect's consultants, Separate Contractors, subcontractors, and sub-subcontractors. The policies of insurance purchased and maintained by each person or entity agreeing to waive claims pursuant to this section 11.3.1 shall not prohibit this waiver of subrogation. This waiver of subrogation shall be effective as to a person or entity (1) even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, (2) even though that person or entity did not pay the insurance premium directly or indirectly, or (3) whether or not the person or entity had an insurable interest in the damaged property.

§ 11.3.2 If during the Project construction period the Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those insuring the Project during the construction period, to the extent permissible by such policies, the Owner waives all rights in accordance with the terms of Section 11.3.1 for damages caused by fire or other causes of loss covered by this separate property insurance.

§ 11.4 Loss of Use, Business Interruption, and Delay in Completion Insurance

The Owner, at the Owner's option, may purchase and maintain insurance that will protect the Owner against loss of use of the Owner's property, or the inability to conduct normal operations, due to fire or other causes of loss. The Owner waives all rights of action against the Contractor and Architect for loss of use of the Owner's property, due to fire or other hazards however caused.

§11.5 Adjustment and Settlement of Insured Loss

§ 11.5.1 A loss insured under the property insurance maintained by Owner (if any) shall be adjusted subject to requirements of Exhibit B – Insurance and Bonds. The Owner shall pay the Architect and Contractor their just shares of insurance proceeds received by the Owner, and by appropriate agreements the Architect and Contractor shall make payments to their consultants and Subcontractors in similar manner.

§ 11.5.2 Prior to settlement of an insured loss (where the property insurance is maintained by Owner), the Owner shall notify the Contractor of the terms of the proposed settlement as well as the proposed allocation of the insurance proceeds. The Contractor shall have 14 days from receipt of notice to object to the proposed settlement or allocation of the proceeds. If the Contractor does not object, the Owner shall settle the loss and the Contractor shall be bound by the settlement and allocation. Upon receipt, the Owner shall deposit the insurance proceeds in a separate account and make the appropriate distributions. Thereafter, if no other agreement is made or the Owner does not terminate the Contract for convenience, the Owner and Contractor shall execute a Change Order for reconstruction of the damaged or destroyed Work in the amount allocated for that purpose. If the Contractor timely objects to either the terms of the proposed settlement or the allocation of the proceeds, the Owner may proceed to settle the insured loss, and any dispute between the Owner and Contractor arising out of the settlement or allocation of the proceeds shall be resolved pursuant to Article 15. Pending resolution of any dispute, the Owner may issue a Construction Change Directive for the reconstruction of the damaged or destroyed Work.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 Uncovering of Work

§ 12.1.1 If a portion of the Work is covered contrary to the Architect's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Architect, be uncovered for the Architect's examination and be replaced at the Contractor's expense without change in the Contract Time.

§ 12.1.2 If a portion of the Work has been covered that the Architect has not specifically requested to examine prior to its being covered, the Architect may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, the Contractor shall be entitled to an equitable adjustment to the Contract Sum and Contract Time as may be appropriate. If such Work is not in accordance with the Contract

Documents, the costs of uncovering the Work, and the cost of correction, shall be at the Contractor's expense.

§ 12.2 Correction of Work

§ 12.2.1 Before Substantial Completion

The Contractor shall promptly correct Work rejected by the Architect or failing to conform to the requirements of the Contract Documents, discovered before Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for the Architect's services and expenses made necessary thereby, shall be at the Contractor's expense.

§ 12.2.2 After Substantial Completion

§ 12.2.2.1 In addition to the Contractor's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the Work or designated portion thereof or after the date for commencement of warranties established under Section 9.9.1, or by terms of any applicable special warranty required by the Contract Documents, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of notice from the Owner to do so, unless the Owner has previously given the Contractor a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition. During the one-year period for correction of Work, if the Owner fails to notify the Contractor and give the Contractor an opportunity to make the correction, the Owner waives the rights to require correction by the Contractor and to make a claim for breach of warranty. If the Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner or Architect, the Owner may correct it in accordance with Section 2.5.

§ 12.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.

§ 12.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Contractor pursuant to this Section 12.2.

§ 12.2.3 The Contractor shall remove from the site portions of the Work that are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

§ 12.2.4 The Contractor shall bear the cost of correcting destroyed or damaged construction of the Owner or Separate Contractors, whether completed or partially completed, caused by the Contractor's correction or removal of Work that is not in accordance with the requirements of the Contract Documents.

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations the Contractor has under the Contract Documents. Establishment of the one-year period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

§ 12.3 Acceptance of Nonconforming Work

If the Owner prefers to accept Work that is not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 Governing Law

The Contract shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules. If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 15.4.

§ 13.2 Successors and Assigns

§ 13.2.1 The Owner and Contractor respectively bind themselves, their partners, successors, assigns, and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided

in Section 13.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 13.2.2 The Owner may, without consent of the Contractor, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate the assignment.

§ 13.3 Rights and Remedies

§ 13.3.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights, and remedies otherwise imposed or available by law.

§ 13.3.2 No action or failure to act by the Owner, Architect, or Contractor shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed upon in writing.

§ 13.4 Tests and Inspections

§ 13.4.1 Tests, inspections, and approvals of portions of the Work shall be made as required by the Contract Documents and by applicable laws, statutes, ordinances, codes, rules, and regulations or lawful orders of public authorities. Unless otherwise provided, the Contractor shall make arrangements for such tests, inspections, and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections, and approvals. The Contractor shall give the Architect timely notice of when and where tests and inspections are to be made so that the Architect may be present for such procedures. The Owner shall bear costs of tests, inspections, or approvals that do not become requirements until after bids are received or negotiations concluded. The Owner shall directly arrange and pay for tests, inspections, or approvals where building codes or applicable laws or regulations so require.

§ 13.4.2 If the Architect, Owner, or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection, or approval not included under Section 13.4.1, the Architect will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection, or approval, by an entity acceptable to the Owner, and the Contractor shall give timely notice to the Architect of when and where tests and inspections are to be made so that the Architect may be present for such procedures. Such costs, except as provided in Section 13.4.3, shall be at the Owner's expense.

§ 13.4.3 If procedures for testing, inspection, or approval under Sections 13.4.1 and 13.4.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, all costs made necessary by such failure, including those of repeated procedures and compensation for the Architect's services and expenses, shall be at the Contractor's expense.

§ 13.4.4 Required certificates of testing, inspection, or approval shall, unless otherwise required by the Contract Documents, be secured by the Contractor and promptly delivered to the Architect.

§ 13.4.5 If the Architect is to observe tests, inspections, or approvals required by the Contract Documents, the Architect will do so promptly and, where practicable, at the normal place of testing.

§ 13.4.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 13.5 Interest

Payments due and unpaid under the Contract Documents shall bear interest from the date payment is due at the rate the parties agree upon in writing or, in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

ARTICLE 14 TERMINATION OR SUSPENSION OF THE CONTRACT

§ 14.1 Termination by the Contractor

§ 14.1.1 The Contractor may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any

other persons or entities performing portions of the Work, for any of the following reasons:

- .1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work to be stopped;
- .2 An act of government, such as a declaration of national emergency, that requires all Work to be stopped;
- .3 Because the Architect has not issued a Certificate for Payment and has not notified the Contractor of the reason for withholding certification as provided in Section 9.4.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Contract Documents; or
- .4 The Owner has failed to furnish to the Contractor reasonable evidence as required by Section 2.2.

§ 14.1.2 The Contractor may terminate the Contract if, through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, their agents or employees, or any other persons or entities performing portions of the Work, repeated suspensions, delays, or interruptions of the entire Work by the Owner as described in Section 14.3, constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 14.1.3 If one of the reasons described in Section 14.1.1 or 14.1.2 exists, the Contractor may, upon seven days' notice to the Owner and Architect, terminate the Contract and recover from the Owner payment for Work executed, as well as reasonable overhead and profit on Work not executed, and costs incurred by reason of such termination.

§ 14.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Contractor, a Subcontractor, a Sub-subcontractor, or their agents or employees or any other persons or entities performing portions of the Work because the Owner has repeatedly failed to fulfill the Owner's obligations under the Contract Documents with respect to matters important to the progress of the Work, the Contractor may, upon seven additional days' notice to the Owner and the Architect, terminate the Contract and recover from the Owner as provided in Section 14.1.3.

§ 14.2 Termination by the Owner for Cause

§ 14.2.1 The Owner may terminate the Contract if the Contractor

- .1 repeatedly refuses or fails to supply enough properly skilled workers or proper materials;
- .2 fails to make payment to Subcontractors or suppliers in accordance with the respective agreements between the Contractor and the Subcontractors or suppliers;
- .3 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or
- .4 otherwise is guilty of substantial uncured breach of a provision of the Contract Documents.

§ 14.2.2 When any of the reasons described in Section 14.2.1 exist, and upon certification by the Architect that sufficient cause exists to justify such action, the Owner may, without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

- .1 Exclude the Contractor from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
- .2 Accept assignment of subcontracts pursuant to Section 5.4; and
- .3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Contractor, the Owner shall furnish to the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 14.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

§ 14.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work, including compensation for the Architect's services and expenses made necessary thereby, and other damages incurred by the Owner and not expressly waived, such excess shall be paid to the Contractor. If such costs and damages exceed the unpaid balance, the Contractor shall pay the difference to the Owner. The amount to be paid to the Contractor or Owner, as the case may be, shall be certified by the Initial Decision Maker, upon application, and this obligation for payment shall survive termination of the Contract.

§ 14.3 Suspension by the Owner for Convenience

§ 14.3.1 The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work, in whole or in part for such period of time as the Owner may determine.

§ 14.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay, or interruption under Section 14.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent

- .1 that performance is, was, or would have been, so suspended, delayed, or interrupted, by another cause for which the Contractor is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 14.4 Termination by the Owner for Convenience

§ 14.4.1 The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

§ 14.4.2 Upon receipt of notice from the Owner of such termination for the Owner's convenience, the Contractor shall

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

§ 14.4.3 In case of such termination for the Owner's convenience, the Owner shall pay the Contractor for Work properly executed; costs incurred by reason of the termination, including costs attributable to termination of Subcontracts; and the termination fee, if any, set forth in the Agreement.

ARTICLE 15 CLAIMS AND DISPUTES

§ 15.1 Claims

§ 15.1.1 Definition

A Claim is a demand or assertion by one of the parties seeking, as a matter of right, payment of money, a change in the Contract Time, or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Contractor arising out of or relating to the Contract. The responsibility to substantiate Claims shall rest with the party making the Claim. This Section 15.1.1 does not require the Owner to file a Claim in order to impose liquidated damages in accordance with the Contract Documents.

§ 15.1.2 Time Limits on Claims

The Owner and Contractor shall commence all Claims and causes of action against the other and arising out of or related to the Contract, whether in contract, tort, breach of warranty or otherwise, in accordance with the requirements of the binding dispute resolution method selected in the Agreement and within the period specified by applicable law, but in any case not more than 5 years after the date of Substantial Completion of the Work. The Owner and Contractor waive all Claims and causes of action not commenced in accordance with this Section 15.1.2.

§ 15.1.3 Notice of Claims

§ 15.1.3.1 Claims by either the Owner or Contractor, where the condition giving rise to the Claim is first discovered prior to expiration of the period for correction of the Work set forth in Section 12.2.2, shall be initiated by notice to the other party and to the Initial Decision Maker with a copy sent to the Architect, if the Architect is not serving as the Initial Decision Maker.

§ 15.1.3.2 Claims by either the Owner or Contractor, where the condition giving rise to the Claim is first discovered after expiration of the period for correction of the Work set forth in Section 12.2.2, shall be initiated by notice to the other party. In such event, no decision by the Initial Decision Maker is required.

§ 15.1.4 Continuing Contract Performance

§ 15.1.4.1 Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 14, the Contractor shall proceed diligently with performance of the Contract and the Owner shall

continue to make payments in accordance with the Contract Documents.

§ 15.1.4.2 The Contract Sum and Contract Time shall be adjusted in accordance with the Initial Decision Maker's decision, subject to the right of either party to proceed in accordance with this Article 15. The Architect will issue Certificates for Payment in accordance with the decision of the Initial Decision Maker.

§ 15.1.5 Claims for Additional Cost

If the Contractor wishes to make a Claim for an increase in the Contract Sum, notice as provided in Section 15.1.3 shall be given before proceeding to execute the portion of the Work that is the subject of the Claim. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

§ 15.1.6 Claims for Additional Time

§ 15.1.6.1 If the Contractor wishes to make a Claim for an increase in the Contract Time, notice as provided in Section 15.1.3 shall be given. The Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

§ 15.1.6.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated, and had an adverse effect on the scheduled construction.

§ 15.1.7 Waiver of Claims for Consequential Damages

The Contractor and Owner waive Claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes

- .1 damages incurred by the Owner for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and
- .2 damages incurred by the Contractor for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit, except anticipated profit arising directly from the Work.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 14. Nothing contained in this Section 15.1.7 shall be deemed to preclude assessment of liquidated damages, when applicable, in accordance with the requirements of the Contract Documents.

§ 15.2 Initial Decision

§ 15.2.1 Claims, excluding those where the condition giving rise to the Claim is first discovered after expiration of the period for correction of the Work set forth in Section 12.2.2 or arising under Sections 10.3, 10.4, and 11.5, shall be referred to the Initial Decision Maker for initial decision. The Architect will serve as the Initial Decision Maker, unless otherwise indicated in the Agreement. Except for those Claims excluded by this Section 15.2.1, an initial decision shall be required as a condition precedent to mediation of any Claim. If an initial decision has not been rendered within 30 days after the Claim has been referred to the Initial Decision Maker, the party asserting the Claim may demand mediation and binding dispute resolution without a decision having been rendered. Unless the Initial Decision Maker and all affected parties agree, the Initial Decision Maker will not decide disputes between the Contractor and persons or entities other than the Owner.

§ 15.2.2 The Initial Decision Maker will review Claims and within ten days of the receipt of a Claim take one or more of the following actions: (1) request additional supporting data from the claimant or a response with supporting data from the other party, (2) reject the Claim in whole or in part, (3) approve the Claim, (4) suggest a compromise, or (5) advise the parties that the Initial Decision Maker is unable to resolve the Claim if the Initial Decision Maker lacks sufficient information to evaluate the merits of the Claim or if the Initial Decision Maker concludes that, in the Initial Decision Maker's sole discretion, it would be inappropriate for the Initial Decision Maker to resolve the Claim.

§ 15.2.3 In evaluating Claims, the Initial Decision Maker may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Initial Decision Maker in rendering a decision. The Initial Decision Maker may request the Owner to authorize retention of such persons at the Owner's expense.

§ 15.2.4 If the Initial Decision Maker requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten days after receipt of the request, and shall either (1) provide a response on the requested supporting data, (2) advise the Initial Decision Maker when the response or supporting data will be furnished, or (3) advise the Initial Decision Maker that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Initial Decision Maker will either reject or approve the Claim in whole or in part.

§ 15.2.5 The Initial Decision Maker will render an initial decision approving or rejecting the Claim, or indicating that the Initial Decision Maker is unable to resolve the Claim. This initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) notify the parties and the Architect, if the Architect is not serving as the Initial Decision Maker, of any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to binding dispute resolution.

§ 15.2.6 Either party may file for mediation of an initial decision at any time, subject to the terms of Section 15.2.6.1.

§ 15.2.6.1 Either party may, within 30 days from the date of receipt of an initial decision, demand in writing that the other party file for mediation. If such a demand is made and the party receiving the demand fails to file for mediation within 30 days after receipt thereof, then both parties waive their rights to mediate or pursue binding dispute resolution proceedings with respect to the initial decision.

§ 15.2.7 In the event of a Claim against the Contractor, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Contractor's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 15.2.8 If a Claim relates to or is the subject of a mechanic's lien, the party asserting such Claim may proceed in accordance with applicable law to comply with the lien notice or filing deadlines.

§ 15.3 Mediation

§ 15.3.1 Claims, disputes, or other matters in controversy arising out of or related to the Contract, except those waived as provided for in Sections 9.10.4, 9.10.5, and 15.1.7, shall be subject to mediation as a condition precedent to binding dispute resolution.

§ 15.3.2 The parties shall endeavor to resolve their Claims by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of binding dispute resolution proceedings but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration is stayed pursuant to this Section 15.3.2, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 15.3.3 Either party may, within 30 days from the date that mediation has been concluded without resolution of the dispute or 60 days after mediation has been demanded without resolution of the dispute, demand in writing that the other party file for binding dispute resolution. If such a demand is made and the party receiving the demand fails to file for binding dispute resolution within 60 days after receipt thereof, then both parties waive their rights to binding dispute resolution proceedings with respect to the initial decision.

§ 15.3.4 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 15.4 Arbitration

§ 15.4.1 If the parties have selected arbitration as the method for binding dispute resolution in the Agreement, any Claim subject to, but not resolved by, mediation shall be subject to arbitration which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction

Industry Arbitration Rules in effect on the date of the Agreement. The Arbitration shall be conducted in the place where the Project is located, unless another location is mutually agreed upon. A demand for arbitration shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the arbitration. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to that party on which arbitration is permitted to be demanded.

§ 15.4.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the Claim would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the Claim.

§ 15.4.2 The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 15.4.3 The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to the Agreement, shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

§ 15.4.4 Consolidation or Joinder

§ 15.4.4.1 Subject to the rules of the American Arbitration Association or other applicable arbitration rules, either party may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation, (2) the arbitrations to be consolidated substantially involve common questions of law or fact, and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 15.4.4.2 Subject to the rules of the American Arbitration Association or other applicable arbitration rules, either party may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 15.4.4.3 The Owner and Contractor grant to any person or entity made a party to an arbitration conducted under this Section 15.4, whether by joinder or consolidation, the same rights of joinder and consolidation as those of the Owner and Contractor under this Agreement.

Attachment A

Preconstruction	Hodson Elementary School Addition & Renovation										
	Team Members	(\$/hr)	Title / Role	6 months						Total Hours	Total
				1	2	3	4	5	6		
	Keaton Bushyhead	\$ 125.00	Preconstruction Manager	16	24	24	32	24	16	136	\$ 17,000.00
	Russell Hutcherson	\$ 110.00	Project Manager	8	8	16	16	20	24	92	\$ 10,120.00
			Misc.Office Supplies/Solicitation Exp.								\$ 2,100.00
	Total Precon										\$ 29,220.00
				Preconstruction							



AIA® Document A133® – 2019

Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

AGREEMENT made as of the Twelfth day of January in the year Two
Thousand Twenty-Six
(In words, indicate day, month, and year.)

BETWEEN the Owner:
(Name, legal status, address, and other information)

Owasso Public Schools »« »
1501 N. Ash Street »
Owasso, OK 74055

and the Construction Manager:
(Name, legal status, address, and other information)

Crossland Construction Company, Inc.
420 S. 145th East Avenue, Suite K
Tulsa, OK 74108

for the following Project:
(Name, location, and detailed description)

7th Grade Safe Structure & Multi-use Athletic Facility
1400 N Main Street
Owasso, OK 74055

The Architect:
(Name, legal status, address, and other information)

the.stacy.group
8091 N Owasso Expressway
Owasso, OK 74055

The Owner and Construction Manager agree as follows.

ADDITIONS AND DELETIONS:

The author of this document may have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

TABLE OF ARTICLES

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EXHIBIT A GUARANTEED MAXIMUM PRICE AMENDMENT

EXHIBIT B INSURANCE AND BONDS

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner's program for the Project, as described in Section 4.1.1:

(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

§ 1.1.2 The Project's physical characteristics:

(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)

§ 1.1.3 The Owner's budget for the Guaranteed Maximum Price, as defined in Article 6:

(Provide total and, if known, a line item breakdown.)

\$16.3M

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

- .1 Design phase milestone dates, if any:
- .2 Construction commencement date:
- .3 Substantial Completion date or dates:
- .4 Other milestone dates:

§ 1.1.5 The Owner's requirements for accelerated or fast-track scheduling, or phased construction, are set forth below:

(Identify any requirements for fast-track scheduling or phased construction.)

§ 1.1.6 The Owner's anticipated Sustainable Objective for the Project:

(Identify and describe the Owner's Sustainable Objective for the Project, if any.)

§ 1.1.6.1 If the Owner identifies a Sustainable Objective, the Owner and Construction Manager shall complete and incorporate AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, into this Agreement to define the terms, conditions and services related to the Owner's Sustainable Objective. If E234–2019 is incorporated into this agreement, the Owner and Construction Manager shall incorporate the completed E234–2019 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

§ 1.1.7 Other Project information:

(Identify special characteristics or needs of the Project not provided elsewhere.)

§ 1.1.8 The Owner identifies the following representative in accordance with Section 4.2:

(List name, address, and other contact information.)

Mark Knowlton
Director of Construction
918-232-8631

§ 1.1.9 The persons or entities, in addition to the Owner's representative, who are required to review the Construction Manager's submittals to the Owner are as follows:

(List name, address and other contact information.)

§ 1.1.10 The Owner shall retain the following consultants and contractors:

(List name, legal status, address, and other contact information.)

.1 Geotechnical Engineer:

.2 Civil Engineer:

.3 Other, if any:
(List any other consultants retained by the Owner, such as a Project or Program Manager.)

§ 1.1.11 The Architect's representative:
(List name, address, and other contact information.)

Mike Stacy
8091 N Owasso Expressway
Owasso, OK 74055

§ 1.1.12 The Construction Manager identifies the following representative in accordance with Article 3:
(List name, address, and other contact information.)

Keaton Bushyhead
420 S. 145th East Avenue, Suite K
Tulsa, OK 74108

§ 1.1.13 The Owner's requirements for the Construction Manager's staffing plan for Preconstruction Services, as required under Section 3.1.9:
(List any Owner-specific requirements to be included in the staffing plan.)

§ 1.1.14 The Owner's requirements for subcontractor procurement for the performance of the Work:
(List any Owner-specific requirements for subcontractor procurement.)

Title 61 compliance for solicitation of subcontractors

§ 1.1.15 Other Initial Information on which this Agreement is based:

§ 1.2 The Owner and Construction Manager may rely on the Initial Information. Both parties, however, recognize that such information may materially change and, in that event, the Owner and the Construction Manager shall appropriately adjust the Project schedule, the Construction Manager's services, and the Construction Manager's

compensation. The Owner shall adjust the Owner's budget for the Guaranteed Maximum Price and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 Neither the Owner's nor the Construction Manager's representative shall be changed without ten days' prior notice to the other party.

ARTICLE 2 GENERAL PROVISIONS

§ 2.1 The Contract Documents

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract and are as fully a part of the Contract as if attached to this Agreement or repeated herein. Upon the Owner's acceptance of the Construction Manager's Guaranteed Maximum Price proposal, the Contract Documents will also include the documents described in Section 3.2.3 and identified in the Guaranteed Maximum Price Amendment and revisions prepared by the Architect and furnished by the Owner as described in Section 3.2.8. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If anything in the other Contract Documents, other than a Modification, is inconsistent with this Agreement, this Agreement shall govern. An enumeration of the Contract Documents, other than a Modification, appears in Article 15.

§ 2.2 Relationship of the Parties

The Construction Manager accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to cooperate with the Architect and exercise the Construction Manager's skill and judgment in furthering the interests of the Owner to furnish efficient construction administration, management services, and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests. The Owner agrees to furnish or approve, in a timely manner, information required by the Construction Manager and to make payments to the Construction Manager in accordance with the requirements of the Contract Documents.

§ 2.3 General Conditions

§ 2.3.1 For the Preconstruction Phase, AIA Document A201™–2017, General Conditions of the Contract for Construction, shall apply as follows: Section 1.5, Ownership and Use of Documents; Section 1.7, Digital Data Use and Transmission; Section 1.8, Building Information Model Use and Reliance; Section 2.2.4, Confidential Information; Section 3.12.10, Professional Services; Section 10.3, Hazardous Materials; Section 13.1, Governing Law. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

§ 2.3.2 For the Construction Phase, the general conditions of the contract shall be as set forth in A201–2017, which document is incorporated herein by reference. The term "Contractor" as used in A201–2017 shall mean the Construction Manager.

ARTICLE 3 CONSTRUCTION MANAGER'S RESPONSIBILITIES

The Construction Manager's Preconstruction Phase responsibilities are set forth in Sections 3.1 and 3.2, and in the applicable provisions of A201-2017 referenced in Section 2.3.1. The Construction Manager's Construction Phase responsibilities are set forth in Section 3.3. The Owner and Construction Manager may agree, in consultation with the Architect, for the Construction Phase to commence prior to completion of the Preconstruction Phase, in which case, both phases will proceed concurrently. The Construction Manager shall identify a representative authorized to act on behalf of the Construction Manager with respect to the Project.

§ 3.1 Preconstruction Phase

§ 3.1.1 Extent of Responsibility

The Construction Manager shall exercise reasonable care in performing its Preconstruction Services. The Construction Manager, however, does not warrant or guarantee estimates and schedules except as may be included as part of the Guaranteed Maximum Price. The Construction Manager is not required to ascertain that the Drawings and Specifications are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Construction Manager shall promptly report to the Architect and Owner any nonconformity discovered by or made known to the Construction Manager as a request for information in such form as the Architect may require.

§ 3.1.2 The Construction Manager shall provide a preliminary evaluation of the Owner's program, schedule and construction budget requirements, each in terms of the other.

§ 3.1.3 Consultation

§ 3.1.3.1 The Construction Manager shall schedule and conduct meetings with the Architect and Owner to discuss such matters as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.3.2 Subject to limitations on the Construction Manager's obligations set forth herein and in the A201-2017, the Construction Manager shall advise the Owner and Architect on proposed site use and improvements, selection of materials, building systems, and equipment. Subject to limitations on the Construction Manager's obligations set forth herein and in the A201-2017, the Construction Manager shall also provide recommendations to the Owner and Architect, consistent with the Project requirements, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; prefabrication; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. The Construction Manager shall consult with the Architect regarding professional services to be provided by the Construction Manager during the Construction Phase.

§ 3.1.3.3 The Construction Manager shall assist the Owner and Architect in establishing written protocols for the development, use, transmission, reliance, and exchange of digital data, including building information models for the Project.

§ 3.1.4 Project Schedule

When Project requirements in Section 4.1.1 have been sufficiently identified, the Construction Manager shall prepare and periodically update a Project schedule for the Architect's review and the Owner's acceptance. The Construction Manager shall obtain the Architect's approval for the portion of the Project schedule relating to the performance of the Architect's services. The Project schedule shall coordinate and integrate the Construction Manager's services, the Architect's services, other Owner consultants' services, and the Owner's responsibilities; and identify items that affect the Project's timely completion. The updated Project schedule shall include the following: submission of the Guaranteed Maximum Price proposal; components of the Work; times of commencement and completion required of each Subcontractor; ordering and delivery of products, including those that must be ordered in advance of construction; and the occupancy requirements of the Owner.

§ 3.1.5 Phased Construction

The Construction Manager, in consultation with the Architect, shall provide recommendations with regard to accelerated or fast-track scheduling, procurement, and sequencing for phased construction. The Construction Manager shall take into consideration cost reductions, cost information, constructability, provisions for temporary facilities, and procurement and construction scheduling issues.

§ 3.1.6 Cost Estimates

§ 3.1.6.1 Based on the preliminary design and other design criteria prepared by the Architect, the Construction Manager shall prepare, for the Architect's review and the Owner's approval, preliminary estimates of the Cost of the Work or the cost of program requirements using area, volume, or similar conceptual estimating techniques. If the Architect or Construction Manager suggests alternative materials and systems, the Construction Manager shall provide cost evaluations of those alternative materials and systems.

§ 3.1.6.2 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner, Construction Manager and Architect, an estimate of the Cost of the Work with increasing detail and refinement. The Construction Manager shall include in the estimate those costs to allow for the further development of the design, price escalation, and market conditions, until such time as the Owner and Construction Manager agree on a Guaranteed Maximum Price for the Work. The estimate shall be provided for the Architect's review and the Owner's approval. The Construction Manager shall inform the Owner and Architect in the event that the estimate of the Cost of the Work exceeds the latest approved Project budget, and make recommendations for corrective action in order to maintain the last Owner-approved budget.

§ 3.1.6.3 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager's cost estimates and the Architect's cost estimates, the Construction Manager and the Architect shall work together to reconcile the cost estimates.

§ 3.1.7 As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, the Construction Manager shall consult with the Owner and Architect and make recommendations regarding constructability and schedules, for the Architect's review and the Owner's approval.

§ 3.1.8 The Construction Manager shall provide recommendations and information to the Owner and Architect regarding equipment, materials, services, and temporary Project facilities.

§ 3.1.9 The Construction Manager shall provide a staffing plan for Preconstruction Phase services for the Owner's review and approval.

§ 3.1.10 If the Owner identified a Sustainable Objective in Article 1, the Construction Manager shall fulfill its Preconstruction Phase responsibilities as required in AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

§ 3.1.11 Subcontractors and Suppliers

§ 3.1.11.1 If the Owner has provided requirements for subcontractor procurement in section 1.1.14, the Construction Manager shall provide a subcontracting plan, addressing the Owner's requirements, for the Owner's review and approval.

§ 3.1.11.2 The Construction Manager shall develop bidders' interest in the Project.

§ 3.1.11.3 The processes described in Article 9 shall apply if bid packages will be issued during the Preconstruction Phase.

§ 3.1.12 Procurement

The Construction Manager shall prepare, for the Architect's review and the Owner's acceptance, a procurement schedule for items that must be ordered in advance of construction. The Construction Manager shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. If the Owner agrees to procure any items prior to the establishment of the Guaranteed Maximum Price, the Owner shall procure the items on terms and conditions acceptable to the Construction Manager.

§ 3.1.13 Compliance with Laws

The Construction Manager shall comply with applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance under this Contract, and with equal employment opportunity programs, and other programs as may be required by governmental and quasi-governmental authorities.

§ 3.1.14 Other Preconstruction Services

Insert a description of any other Preconstruction Phase services to be provided by the Construction Manager, or reference an exhibit attached to this document

(Describe any other Preconstruction Phase services, such as providing cash flow projections, development of a project information management system, early selection or procurement of subcontractors, etc.)

§ 3.2 Guaranteed Maximum Price Proposal

§ 3.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager, the Construction Manager shall prepare a Guaranteed Maximum Price proposal for the Owner's and Architect's review, and the Owner's acceptance. The Guaranteed Maximum Price in the proposal shall be the sum of the Construction Manager's estimate of the Cost of the Work, the Construction Manager's contingency described in Section 3.2.4, and the Construction Manager's Fee described in Section 6.1.2.

§ 3.2.2 To the extent that the Contract Documents are anticipated to require further development, the Guaranteed Maximum Price includes the costs attributable to such further development consistent with the Contract Documents and reasonably inferable therefrom. Such further development does not include changes in scope, systems, kinds and quality of materials, finishes, or equipment, all of which, if required, shall be incorporated by Change Order.

§ 3.2.3 The Construction Manager shall include with the Guaranteed Maximum Price proposal a written statement

of its basis, which shall include the following:

- .1 A list of the Drawings and Specifications, including all Addenda thereto, and the Conditions of the Contract;
- .2 A list of the clarifications and assumptions made by the Construction Manager in the preparation of the Guaranteed Maximum Price proposal, including assumptions under Section 3.2.2;
- .3 A statement of the proposed Guaranteed Maximum Price, including a statement of the estimated Cost of the Work organized by trade categories or systems, including allowances; identification of any portion of the Work that the Construction Manager proposes to perform with its own personnel for a stipulated sum, with the scope of such portion of the Work defined by reference to specific bid packages, or otherwise; the proposed stipulated sum or periodic fixed rate for overhead or general expenses, including general conditions and project requirements; the Construction Manager's contingency set forth in Section 3.2.4; and the Construction Manager's Fee;
- .4 The anticipated date of Substantial Completion upon which the proposed Guaranteed Maximum Price is based; and
- .5 A date by which the Owner must accept the Guaranteed Maximum Price.

§ 3.2.4 In preparing the Construction Manager's Guaranteed Maximum Price proposal, the Construction Manager shall include a contingency for the Construction Manager's exclusive use to cover those costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order.

§ 3.2.5 The Construction Manager shall meet with the Owner and Architect to review the Guaranteed Maximum Price proposal. In the event that the Owner or Architect discover any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Construction Manager, who shall make appropriate adjustments to the Guaranteed Maximum Price proposal, its basis, or both.

§ 3.2.6 If the Owner notifies the Construction Manager that the Owner has accepted the Guaranteed Maximum Price proposal in writing before the date specified in the Guaranteed Maximum Price proposal, the Guaranteed Maximum Price proposal shall be deemed effective without further acceptance from the Construction Manager. Following acceptance of a Guaranteed Maximum Price, the Owner and Construction Manager shall execute the Guaranteed Maximum Price Amendment amending this Agreement, a copy of which the Owner shall provide to the Architect. The Guaranteed Maximum Price Amendment shall set forth the agreed upon Guaranteed Maximum Price with the information and assumptions upon which it is based.

§ 3.2.7 The Construction Manager shall not incur any cost to be reimbursed as part of the Cost of the Work prior to the execution of the Guaranteed Maximum Price Amendment, unless the Owner provides prior written authorization for such costs.

§ 3.2.8 The Owner shall authorize preparation of revisions to the Contract Documents that incorporate the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment. The Owner shall promptly furnish such revised Contract Documents to the Construction Manager. The Construction Manager shall notify the Owner and Architect of any inconsistencies between the agreed-upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment and the revised Contract Documents of which Construction Manager becomes aware.

§ 3.2.9 The Construction Manager shall include in the Guaranteed Maximum Price all sales, consumer, use and similar taxes for the Work provided by the Construction Manager that are legally enacted and effective, at the time the Guaranteed Maximum Price Amendment is executed. In the event a sales, consumer, use, or similar tax for the Work provided by the Construction Manager is enacted and becomes effective during the course of the Project, the parties shall execute a change order to address the increased cost.

§ 3.3 Construction Phase

§ 3.3.1 General

§ 3.3.1.1 For purposes of Section 8.1.2 of A201-2017, the date of commencement of the Work shall mean the date of commencement of the Construction Phase.

§ 3.3.1.2 The Construction Phase shall commence upon the Owner's execution of the Guaranteed Maximum Price Amendment or, prior to acceptance of the Guaranteed Maximum Price proposal, by written agreement of the parties. The written agreement shall set forth a description of the Work to be performed by the Construction Manager, and any insurance and bond requirements for Work performed prior to execution of the Guaranteed

Maximum Price Amendment.

§ 3.3.2 Administration

§ 3.3.2.1 The Construction Manager shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. The Construction Manager shall prepare and promptly distribute minutes of the meetings to the Owner and Architect.

§ 3.3.2.2 Upon the execution of the Guaranteed Maximum Price Amendment, the Construction Manager shall prepare and submit to the Owner and Architect a construction schedule for the Work and a submittal schedule in accordance with Section 3.10 of A201–2017.

§ 3.3.2.3 Monthly Report

The Construction Manager shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by the Owner, the Construction Manager shall submit written progress reports to the Owner and Architect, showing percentages of completion and other information required by the Owner.

§ 3.3.2.4 Daily Logs

The Construction Manager shall keep, and make available to the Owner and Architect, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the work, accidents, injuries, and other information required by the Owner.

§ 3.3.2.5 Cost Control

The Construction Manager shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. The Construction Manager shall identify variances between actual and estimated costs and report the variances to the Owner and Architect, and shall provide this information in its monthly reports to the Owner and Architect, in accordance with Section 3.3.2.3 above.

ARTICLE 4 OWNER'S RESPONSIBILITIES

§ 4.1 Information and Services Required of the Owner

§ 4.1.1 The Owner shall provide information with reasonable promptness, regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, constraints, and criteria, including schedule, space requirements and relationships, flexibility and expandability, special equipment, systems, sustainability and site requirements.

§ 4.1.2 Prior to the execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. After execution of the Guaranteed Maximum Price Amendment, the Construction Manager may request such information as set forth in A201-2017 Section 2.2.

§ 4.1.3 The Owner shall establish and periodically update the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Article 7, (2) the Owner's other costs, and (3) reasonable contingencies related to all of these costs. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Construction Manager and Architect. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 4.1.4 Structural and Environmental Tests, Surveys and Reports. During the Preconstruction Phase, the Owner shall furnish the following information or services with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services. The Construction Manager shall be entitled to rely on the accuracy of information and services furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work.

§ 4.1.4.1 The Owner shall furnish tests, inspections, and reports, required by law and as otherwise agreed to by the parties, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 4.1.4.2 The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 4.1.4.3 The Owner, when such services are requested, shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 4.1.5 During the Construction Phase, the Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Construction Manager's performance of the Work with reasonable promptness after receiving the Construction Manager's written request for such information or services.

§ 4.1.6 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, attached to this Agreement.

§ 4.2 Owner's Designated Representative

The Owner shall identify a representative authorized to act on behalf of the Owner with respect to the Project. The Owner's representative shall render decisions promptly and furnish information expeditiously, so as to avoid unreasonable delay in the services or Work of the Construction Manager. Except as otherwise provided in Section 4.2.1 of A201–2017, the Architect does not have such authority. The term "Owner" means the Owner or the Owner's authorized representative.

§ 4.2.1 **Legal Requirements.** The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 4.3 Architect

The Owner shall retain an Architect to provide services, duties and responsibilities as described in AIA Document B133™–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Constructor Edition, including any additional services requested by the Construction Manager that are necessary for the Preconstruction and Construction Phase services under this Agreement. The Owner shall provide the Construction Manager with a copy of the scope of services in the executed agreement between the Owner and the Architect, and any further modifications to the Architect's scope of services in the agreement.

ARTICLE 5 COMPENSATION AND PAYMENTS FOR PRECONSTRUCTION PHASE SERVICES

§ 5.1 Compensation

§ 5.1.1 For the Construction Manager's Preconstruction Phase services described in Sections 3.1 and 3.2, the Owner shall compensate the Construction Manager as follows:

(Insert amount of, or basis for, compensation and include a list of reimbursable cost items, as applicable.)

Lump Sum amount of \$29,220

§ 5.1.2 The hourly billing rates for Preconstruction Phase services of the Construction Manager and the Construction Manager's Consultants and Subcontractors, if any, are set forth below.

(If applicable, attach an exhibit of hourly billing rates or insert them below.)

See Preconstruction Summary – Attachment A

Individual or Position

Rate

§ 5.1.2.1 Hourly billing rates for Preconstruction Phase services include all costs to be paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, and shall remain unchanged unless the parties execute a Modification.

§ 5.1.3 If the Preconstruction Phase services covered by this Agreement have not been completed within ten (10) months of the date of this Agreement, through no fault of the Construction Manager, the Construction Manager's compensation for Preconstruction Phase services shall be equitably adjusted.

§ 5.2 Payments

§ 5.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.

§ 5.2.2 Payments are due and payable upon presentation of the Construction Manager's invoice. Amounts unpaid Thirty (30) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Construction Manager.

(Insert rate of monthly or annual interest agreed upon.)

10 % per annum

§ 5.3 Payment Instructions

All payments made by Wire Transfer or ACH must be made by using instructions that are provided to Owner separately prior to or at the time this Agreement is executed by Crossland Construction Company, Inc. By Owner's signature on this Agreement, Owner acknowledges that it has received the Crossland Construction Company, Inc. Wire Transfer/ACH instructions. **This information will not change for the duration of the contract unless via change order executed by both parties.**

In the event Owner pays by check, please send check to the following address. **This information will not change for the duration of the contract unless via change order executed by both parties:**

Crossland Construction Company, Inc.
Attn: Accounts Receivable
833 S. East Avenue
P.O. Box 45
Columbus, KS 66725

ARTICLE 6 COMPENSATION FOR CONSTRUCTION PHASE SERVICES

§ 6.1 Contract Sum

§ 6.1.1 The Owner shall pay the Construction Manager the Contract Sum in current funds for the Construction Manager's performance of the Contract after execution of the Guaranteed Maximum Price Amendment. The Contract Sum is the Cost of the Work as defined in Article 7 plus the Construction Manager's Fee.

§ 6.1.2 The Construction Manager's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Construction Manager's Fee.)

3.5%

§ 6.1.3 The method of adjustment of the Construction Manager's Fee for changes in the Work:

3.5%

§ 6.1.4 Limitations, if any, on a Subcontractor's overhead and profit for increases in the cost of its portion of the Work:

15%

§ 6.1.5 Rental rates for Construction Manager-owned equipment shall not exceed one hundred percent (100 %) of the standard rental rate paid at the place of the Project.

§ 6.1.6 Liquidated damages, if any:
(Insert terms and conditions for liquidated damages, if any.)

§ 6.1.7 Other:
(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)

§ 6.2 Guaranteed Maximum Price

The Construction Manager guarantees that the Contract Sum shall not exceed the Guaranteed Maximum Price set forth in the Guaranteed Maximum Price Amendment, subject to additions and deductions by Change Order as provided in the Contract Documents. Costs which would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Construction Manager without reimbursement by the Owner.

§ 6.3 Changes in the Work

§ 6.3.1 The Owner may, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions. The Owner shall issue such changes in writing. The Construction Manager may be entitled to an equitable adjustment in the Contract Time as a result of changes in the Work.

§ 6.3.1.1 The Architect may order minor changes in the Work as provided in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.2 Adjustments to the Guaranteed Maximum Price on account of changes in the Work subsequent to the execution of the Guaranteed Maximum Price Amendment may be determined by any of the methods listed in Article 7 of AIA Document A201–2017, General Conditions of the Contract for Construction.

§ 6.3.3 Adjustments to subcontracts awarded on the basis of a stipulated sum, and adjustments to the price of any portion of the Work to be performed by the Construction Manager with the Construction Manager's own personnel for a stipulated sum, shall be determined in accordance with Article 7 of A201–2017, as they refer to "cost" and "fee," and not by Articles 6 and 7 of this Agreement. Adjustments to subcontracts awarded with the Owner's prior written consent on the basis of cost plus a fee shall be calculated in accordance with the terms of those subcontracts.

§ 6.3.4 In calculating adjustments to the Guaranteed Maximum Price, the terms "cost" and "costs" as used in Article 7 of AIA Document A201–2017 shall mean the Cost of the Work as defined in Article 7 of this Agreement and the term "fee" shall mean the Construction Manager's Fee as defined in Section 6.1.2 of this Agreement.

§ 6.3.5 If no specific provision is made in Section 6.1.3 for adjustment of the Construction Manager's Fee in the case of changes in the Work, or if the extent of such changes is such, in the aggregate, that application of the adjustment provisions of Section 6.1.3 will cause substantial inequity to the Owner or Construction Manager, the Construction Manager's Fee shall be equitably adjusted on the same basis that was used to establish the Fee for the original Work, and the Guaranteed Maximum Price shall be adjusted accordingly.

ARTICLE 7 COST OF THE WORK FOR CONSTRUCTION PHASE

§ 7.1 Costs to Be Reimbursed

§ 7.1.1 The term Cost of the Work shall mean costs necessarily incurred by the Construction Manager in the proper performance of the Work. The Cost of the Work shall include only the items set forth in Sections 7.1 through 7.7.

§ 7.1.2 Where, pursuant to the Contract Documents, any cost is subject to the Owner's prior approval, the

Construction Manager shall obtain such approval in writing prior to incurring the cost.

§ 7.1.3 Costs shall be at rates not higher than the standard rates paid at the place of the Project, except with prior approval of the Owner.

§ 7.2 Labor Costs

§ 7.2.1 Wages or salaries of construction workers directly employed by the Construction Manager to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ 7.2.2 Wages or salaries of the Construction Manager's supervisory and administrative personnel when stationed at the site and performing Work, with the Owner's prior approval.

§ 7.2.2.1 Wages or salaries of the Construction Manager's supervisory and administrative personnel when performing Work and stationed at a location other than the site, but only for that portion of time required for the Work, and limited to the personnel and activities listed below:

(Identify the personnel, type of activity and, if applicable, any agreed upon percentage of time to be devoted to the Work.)

§ 7.2.3 Wages and salaries of the Construction Manager's supervisory or administrative personnel engaged at factories, workshops or while traveling, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ 7.2.4 Costs paid or incurred by the Construction Manager, as required by law or collective bargaining agreements, for taxes, insurance, contributions, assessments and benefits and, for personnel not covered by collective bargaining agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Sections 7.2.1 through 7.2.3.

§ 7.2.5 If agreed rates for labor costs, in lieu of actual costs, are provided in this Agreement, the rates shall remain unchanged throughout the duration of this Agreement, unless the parties execute a Modification.

§ 7.3 Subcontract Costs; Cost of Work Self-Performed for a Fixed-Price

Payments made by the Construction Manager to Subcontractors in accordance with the requirements of the subcontracts and this Agreement. Amounts billed for completed portions of the Work that the Construction Manager is to perform with its own personnel for a stipulated sum, as set forth in the GMP Amendment, or otherwise approved by the Owner.

§ 7.4 Costs of Materials and Equipment Incorporated in the Completed Construction

§ 7.4.1 Costs, including transportation and storage at the site, of materials and equipment incorporated, or to be incorporated, in the completed construction.

§ 7.4.2 Costs of materials described in the preceding Section 7.4.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Construction Manager. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ 7.5 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ 7.5.1 Costs of transportation, storage, installation, dismantling, maintenance, and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment, and tools, that are not fully consumed, shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Construction Manager shall mean fair market value.

§ 7.5.2 Rental charges for temporary facilities, machinery, equipment, and hand tools not customarily owned by construction workers that are provided by the Construction Manager at the site, and the costs of transportation,

installation, dismantling, minor repairs, and removal of such temporary facilities, machinery, equipment, and hand tools. Rates and quantities of equipment owned by the Construction Manager, or a related party as defined in Section 7.8, shall be subject to the Owner's prior approval. The total rental cost of any such equipment may not exceed the purchase price of any comparable item.

§ 7.5.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ 7.5.4 Costs of the Construction Manager's site office, including general office equipment and supplies.

§ 7.5.5 Costs of materials and equipment suitably stored off the site at a mutually acceptable location, subject to the Owner's prior approval.

§ 7.5.6 Costs for overhead and general expenses at the stipulated sum, or at the periodic rate, stated in the GMP Amendment, or as otherwise approved by the Owner.

§ 7.6 Miscellaneous Costs

§ 7.6.1 Premiums for that portion of insurance and bonds required by the Contract Documents, or otherwise approved by the Owner, that can be directly attributed to this Contract.

§ 7.6.1.1 Costs for self-insurance, including but not limited to full or partial amounts of the coverages required by the Contract Documents, with the Owner's prior approval.

§ 7.6.1.2 Costs for insurance through a captive insurer owned or controlled by the Construction Manager, with the Owner's prior approval.

§ 7.6.1.3 Costs for subcontractor default insurance, with the Owner's prior approval.

§ 7.6.1.4 Insurance rates that have been previously approved by Owner or are otherwise identified in the Contract Documents are, by Owner's execution of this Agreement, deemed approved by Owner as a stipulated sum for those approved or identified rates.

§ 7.6.2 Sales, use, or similar taxes, imposed by a governmental authority, that are related to the Work and for which the Construction Manager is liable.

§ 7.6.3 Fees and assessments for the building permit, and for other permits, licenses, and inspections, for which the Construction Manager is required by the Contract Documents to pay.

§ 7.6.4 Fees of laboratories for tests required by the Contract Documents; except those related to defective or nonconforming Work for which reimbursement is excluded under Article 13 of AIA Document A201-2017 or by other provisions of the Contract Documents, and which do not fall within the scope of Section 7.7.3.

§ 7.6.5 Royalties and license fees paid for the use of a particular design, process, or product, required by the Contract Documents.

§ 7.6.5.1 The cost of defending suits or claims for infringement of patent rights arising from requirements of the Contract Documents, payments made in accordance with legal judgments against the Construction Manager resulting from such suits or claims, and payments of settlements made with the Owner's consent, unless the Construction Manager had reason to believe that the required design, process, or product was an infringement of a copyright or a patent, and the Construction Manager failed to promptly furnish such information to the Architect as required by Article 3 of AIA Document A201-2017. The costs of legal defenses, judgments, and settlements shall not be included in the Cost of the Work used to calculate the Construction Manager's Fee or subject to the Guaranteed Maximum Price.

§ 7.6.6 Costs for communications services, electronic equipment, and software, directly related to the Work and located at the site, with the Owner's prior approval.

§ 7.6.7 Costs of document reproductions and delivery charges.

§ 7.6.8 Deposits lost for causes other than the Construction Manager's negligence or failure to fulfill a specific

responsibility in the Contract Documents.

§ 7.6.9 Legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Construction Manager, reasonably incurred by the Construction Manager after the execution of this Agreement in the performance of the Work and with the Owner's prior approval, which shall not be unreasonably withheld.

§ 7.6.10 Expenses incurred in accordance with the Construction Manager's standard written personnel policy for relocation and temporary living allowances of the Construction Manager's personnel required for the Work, with the Owner's prior approval.

§ 7.6.11 That portion of the reasonable expenses of the Construction Manager's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ 7.7 Other Costs and Emergencies

§ 7.7.1 Other costs incurred in the performance of the Work, with the Owner's prior approval.

§ 7.7.2 Costs incurred in taking action to prevent threatened damage, injury, or loss, in case of an emergency affecting the safety of persons and property, as provided in Article 10 of AIA Document A201–2017.

§ 7.7.3 Costs of repairing or correcting damaged or nonconforming Work executed by the Construction Manager, Subcontractors, or suppliers, provided that such damaged or nonconforming Work was not caused by the negligence of, or failure to fulfill a specific responsibility by, the Construction Manager, and only to the extent that the cost of repair or correction is not recovered by the Construction Manager from insurance, sureties, Subcontractors, suppliers, or others.

§ 7.7.4 The costs described in Sections 7.1 through 7.7 shall be included in the Cost of the Work, notwithstanding any provision of AIA Document A201–2017 or other Conditions of the Contract which may require the Construction Manager to pay such costs, unless such costs are excluded by the provisions of Section 7.9.

§ 7.8 Related Party Transactions

§ 7.8.1 For purposes of this Section 7.8, the term "related party" shall mean (1) a parent, subsidiary, affiliate, or other entity having common ownership of, or sharing common management with, the Construction Manager; (2) any entity in which any stockholder in, or management employee of, the Construction Manager holds an equity interest in excess of ten percent in the aggregate; (3) any entity which has the right to control the business or affairs of the Construction Manager; or (4) any person, or any member of the immediate family of any person, who has the right to control the business or affairs of the Construction Manager.

§ 7.8.2 If any of the costs to be reimbursed arise from a transaction between the Construction Manager and a related party, the Construction Manager shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction in writing, then the cost incurred shall be included as a cost to be reimbursed, and the Construction Manager shall procure the Work, equipment, goods, or service, from the related party, as a Subcontractor, according to the terms of Article 9. If the Owner fails to authorize the transaction in writing, the Construction Manager shall procure the Work, equipment, goods, or service from some person or entity other than a related party according to the terms of Article 9.

§ 7.9 Costs Not To Be Reimbursed

§ 7.9.1 The Cost of the Work shall not include the items listed below:

- .1** Salaries and other compensation of the Construction Manager's personnel stationed at the Construction Manager's principal office or offices other than the site office, except as specifically provided in Section 7.2, or as may be provided in Article 14;
- .2** Bonuses, profit sharing, incentive compensation, and any other discretionary payments, paid to anyone hired by the Construction Manager or paid to any Subcontractor or vendor, unless the Owner has provided prior approval;
- .3** Expenses of the Construction Manager's principal office and offices other than the site office;
- .4** Overhead and general expenses, except as may be expressly included in Sections 7.1 to 7.7;
- .5** The Construction Manager's capital expenses, including interest on the Construction Manager's

- capital employed for the Work;
- .6 Except as provided in Section 7.7.3 of this Agreement, costs due to the negligence of, or failure to fulfill a specific responsibility of the Contract by, the Construction Manager, Subcontractors, and suppliers, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable;
 - .7 Any cost not specifically and expressly described in Sections 7.1 to 7.7;
 - .8 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded;
 - .9 Costs for services incurred during the Preconstruction Phase; and
 - .10 **With respect to costs incurred in performing portions of the Work that the Construction Manager is to perform with its own personnel for a stipulated sum, costs in excess of such stipulated sum.**

ARTICLE 8 DISCOUNTS, REBATES, AND REFUNDS

§ 8.1 Cash discounts obtained on payments made by the Construction Manager shall accrue to the Owner if (1) before making the payment, the Construction Manager included the amount to be paid, less such discount, in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Construction Manager with which to make payments; otherwise, cash discounts shall accrue to the Construction Manager. Trade discounts, rebates, refunds, and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Construction Manager shall make provisions so that they can be obtained.

§ 8.2 Amounts that accrue to the Owner in accordance with the provisions of Section 8.1 shall be credited to the Owner as a deduction from the Cost of the Work.

ARTICLE 9 SUBCONTRACTS AND OTHER AGREEMENTS

§ 9.1 Those portions of the Work that the Construction Manager does not customarily perform with the Construction Manager's own personnel shall be performed under subcontracts or other appropriate agreements with the Construction Manager. The Owner may designate specific persons from whom, or entities from which, the Construction Manager shall obtain bids. The Construction Manager shall obtain bids from Subcontractors, and from suppliers of materials or equipment fabricated especially for the Work, who are qualified to perform that portion of the Work in accordance with the requirements of the Contract Documents. The Construction Manager shall deliver such bids to the Architect and Owner with an indication as to which bids the Construction Manager intends to accept. The Owner then has the right to review the Construction Manager's list of proposed subcontractors and suppliers in consultation with the Architect and, subject to Section 9.1.1, to object to any subcontractor or supplier. Any advice of the Architect, or approval or objection by the Owner, shall not relieve the Construction Manager of its responsibility to perform the Work in accordance with the Contract Documents. The Construction Manager shall not be required to contract with anyone to whom the Construction Manager has reasonable objection.

§ 9.1.1 When a specific subcontractor or supplier (1) is recommended to the Owner by the Construction Manager; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Contract Documents without reservations or exceptions, but the Owner requires that another bid be accepted subject to the last sentence of Section 9.1 above, then the Construction Manager may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Construction Manager and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ 9.2 Subcontracts or other agreements shall conform to the applicable payment provisions of this Agreement, and shall not be awarded on the basis of cost plus a fee without the Owner's prior written approval. If a subcontract is awarded on the basis of cost plus a fee, the Construction Manager shall provide in the subcontract for the Owner to receive the same audit rights with regard to the Subcontractor as the Owner receives with regard to the Construction Manager in Article 10.

§ 9.3 The Construction Manager shall provide for the allocation of responsibilities for safety programs among the Subcontractors and verify that such assignment of responsibilities are included as requirements in all Subcontracts.

ARTICLE 10 ACCOUNTING RECORDS

The Construction Manager shall keep full and detailed records and accounts related to the Cost of the Work, and exercise such controls, as may be necessary for proper financial management under this Contract and to

substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Construction Manager's records and accounts, including complete documentation supporting accounting entries, books, job cost reports, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, Subcontractor's invoices, purchase orders, vouchers, memoranda, and other data relating to this Contract. The Construction Manager shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law. This paragraph does not apply to records and accounts maintained by the Construction Manager, including but not limited to records pertaining to previously approved insurance rates as described in Section 7.6.1.4, or records and accounts maintained by Construction Manager for purposes of internal cost accounting with respect to portions of the Work performed by Construction Manager using its own personnel for a stipulated sum.

ARTICLE 11 PAYMENTS FOR CONSTRUCTION PHASE SERVICES

§ 11.1 Progress Payments

§ 11.1.1 Based upon Applications for Payment submitted to the Architect by the Construction Manager, and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum, to the Construction Manager, as provided below and elsewhere in the Contract Documents.

§ 11.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 11.1.3 Provided that an Application for Payment is received by the Architect not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Construction Manager not later than the 25th day of the following month. If an Application for Payment is received by the Architect after the application date fixed above, payment of the amount certified shall be made by the Owner not later than thirty (30) days after the Architect receives the Application for Payment.
(Federal, state or local laws may require payment within a certain period of time.)

§ 11.1.4 With each Application for Payment, when requested, the Construction Manager shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner or Architect to demonstrate that payments already made by the Construction Manager on account of the Cost of the Work equal or exceed progress payments already received by the Construction Manager, plus payrolls for the period covered by the present Application for Payment, less that portion of the progress payments attributable to the Construction Manager's Fee.

§ 11.1.5 Each Application for Payment shall be based on the most recent schedule of values submitted by the Construction Manager in accordance with the Contract Documents. The schedule of values shall allocate the entire Guaranteed Maximum Price among: (1) the various portions of the Work; (2) any contingency for costs that are included in the Guaranteed Maximum Price but not otherwise allocated to another line item or included in a Change Order; and (3) the Construction Manager's Fee.

§ 11.1.5.1 The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. The schedule of values shall be used as a basis for reviewing the Construction Manager's Applications for Payment.

§ 11.1.5.2 The allocation of the Guaranteed Maximum Price under this Section 11.1.5 shall not constitute a separate guaranteed maximum price for the Cost of the Work of each individual line item in the schedule of values.

§ 11.1.5.3 When the Construction Manager allocates costs from a contingency to another line item in the schedule of values, the Construction Manager shall submit supporting documentation to the Architect.

§ 11.1.6 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed, or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Construction Manager on account of that portion of the Work and for which the Construction Manager has made payment or intends to make payment prior to the next

Application for Payment, by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ 11.1.7 In accordance with AIA Document A201–2017 and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 11.1.7.1 The amount of each progress payment shall first include:

- .1 That portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the most recent schedule of values;
- .2 That portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction or, if approved in writing in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 Construction Change Directives; and
- .4 The Construction Manager's Fee, computed upon the Cost of the Work described in the preceding Sections 11.1.7.1.1 and 11.1.7.1.2 at the rate stated in Section 6.1.2 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work included in Sections 11.1.7.1.1 and 11.1.7.1.2 bears to a reasonable estimate of the probable Cost of the Work upon its completion.

§ 11.1.7.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201–2017;
- .3 Any amount for which the Construction Manager does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Construction Manager intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201–2017;
- .5 The shortfall, if any, indicated by the Construction Manager in the documentation required by Section 11.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .6 Retainage withheld pursuant to Section 11.1.8.

§ 11.1.8 Retainage

§ 11.1.8.1 For each progress payment made prior to Substantial Completion of the Work, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)

5%

§ 11.1.8.1.1 The following items are not subject to retainage:

(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)

General Conditions, Project Requirements, Insurance, Bonds, Fee

§ 11.1.8.2 Reduction or limitation of retainage, if any, shall be as follows:

(If the retainage established in Section 11.1.8.1 is to be modified prior to Substantial Completion of the entire Work, insert provisions for such modification.)

Upon 50% completion of the Work, retainage to be reduced to 2.5%

§ 11.1.8.3 Except as set forth in this Section 11.1.8.3, upon Substantial Completion of the Work, the Construction Manager may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 11.1.8. The Application for Payment submitted at Substantial Completion shall not include retainage as follows:

(Insert any other conditions for release of retainage, such as upon completion of the Owner's audit and reconciliation, upon Substantial Completion.)

§ 11.1.9 If final completion of the Work is materially delayed through no fault of the Construction Manager, the Owner shall pay the Construction Manager any additional amounts in accordance with Article 9 of AIA Document A201–2017.

§ 11.1.10 Except with the Owner's prior written approval, the Construction Manager shall not make advance payments to suppliers for materials or equipment which have not been delivered and suitably stored at the site.

§ 11.1.11 The Owner and the Construction Manager shall agree upon a mutually acceptable procedure for review and approval of payments to Subcontractors, and the percentage of retainage held on Subcontracts, and the Construction Manager shall execute subcontracts in accordance with those agreements.

§ 11.1.12 In taking action on the Construction Manager's Applications for Payment the Architect shall be entitled to rely on the accuracy and completeness of the information furnished by the Construction Manager, and such action shall not be deemed to be a representation that (1) the Architect has made a detailed examination, audit, or arithmetic verification, of the documentation submitted in accordance with Section 11.1.4 or other supporting data; (2) that the Architect has made exhaustive or continuous on-site inspections; or (3) that the Architect has made examinations to ascertain how or for what purposes the Construction Manager has used amounts previously paid on account of the Contract. Such examinations, audits, and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ 11.2 Final Payment

§ 11.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Construction Manager when

- .1 the Construction Manager has fully performed the Contract, except for the Construction Manager's responsibility to correct Work as provided in Article 12 of AIA Document A201–2017, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Construction Manager has submitted a final accounting for the Cost of the Work and a final Application for Payment; and
- .3 a final Certificate for Payment has been issued by the Architect in accordance with Section 11.2.2.2.

§ 11.2.2 Within 30 days of the Owner's receipt of the Construction Manager's final accounting for the Cost of the Work, the Owner shall conduct an audit of the Cost of the Work or notify the Architect that it will not conduct an audit.

§ 11.2.2.1 If the Owner conducts an audit of the Cost of the Work, the Owner shall, within 10 days after completion of the audit, submit a written report based upon the auditors' findings to the Architect.

§ 11.2.2.2 Within seven days after receipt of the written report described in Section 11.2.2.1, or receipt of notice that the Owner will not conduct an audit, and provided that the other conditions of Section 11.2.1 have been met, the Architect will either issue to the Owner a final Certificate for Payment with a copy to the Construction Manager, or notify the Construction Manager and Owner in writing of the Architect's reasons for withholding a certificate as provided in Article 9 of AIA Document A201–2017. The time periods stated in this Section 11.2.2 supersede those stated in Article 9 of AIA Document A201–2017. The Architect is not responsible for verifying the accuracy of the Construction Manager's final accounting.

§ 11.2.2.3 If the Owner's auditors' report concludes that the Cost of the Work, as substantiated by the Construction Manager's final accounting, is less than claimed by the Construction Manager, the Construction Manager shall be entitled to request mediation of the disputed amount without seeking an initial decision pursuant to Article 15 of AIA Document A201–2017. A request for mediation shall be made by the Construction Manager within 30 days after the Construction Manager's receipt of a copy of the Architect's final Certificate for Payment. Failure to request mediation within this 30-day period shall result in the substantiated amount reported by the Owner's auditors becoming binding on the Construction Manager. Pending a final resolution of the disputed amount, the Owner shall pay the Construction Manager the amount certified in the Architect's final Certificate for Payment.

§ 11.2.3 The Owner's final payment to the Construction Manager shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment, or as follows:

§ 11.2.4 If, subsequent to final payment, and at the Owner's request, the Construction Manager incurs costs, described in Sections 7.1 through 7.7, and not excluded by Section 7.9, to correct defective or nonconforming Work, the Owner shall reimburse the Construction Manager for such costs, and the Construction Manager's Fee applicable thereto, on the same basis as if such costs had been incurred prior to final payment, but not in excess of the Guaranteed Maximum Price. If adjustments to the Contract Sum are provided for in Section 6.1.7, the amount of those adjustments shall be recalculated, taking into account any reimbursements made pursuant to this Section 11.2.4 in determining the net amount to be paid by the Owner to the Construction Manager.

§ 11.3 Interest

Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

(Insert rate of interest agreed upon, if any.)

10% % per annum

§ 11.4 Payment Instructions

All payments made by Wire Transfer or ACH must be made by using instructions that are provided to Owner separately prior to or at the time this Agreement is executed by Crossland Construction Company, Inc. By Owner's signature on this Agreement, Owner acknowledges that it has received the Crossland Construction Company, Inc. Wire Transfer/ACH instructions. **This information will not change for the duration of the contract unless via change order executed by both parties.**

In the event Owner pays by check, please send check to the following address. **This information will not change for the duration of the contract unless via change order executed by both parties:**

Crossland Construction Company, Inc.
Attn: Accounts Receivable
833 S. East Avenue
P.O. Box 45
Columbus, KS 66725

ARTICLE 12 DISPUTE RESOLUTION

§ 12.1 Initial Decision Maker

§ 12.1.1 Any Claim between the Owner and Construction Manager shall be resolved in accordance with the provisions set forth in this Article 12 and Article 15 of A201-2017. However, for Claims arising from or relating to the Construction Manager's Preconstruction Phase services, no decision by the Initial Decision Maker shall be required as a condition precedent to mediation or binding dispute resolution, and Section 12.1.2 of this Agreement shall not apply.

§ 12.1.2 The Architect will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201-2017 for Claims arising from or relating to the Construction Manager's Construction Phase services, unless the parties appoint below another individual, not a party to the Agreement, to serve as the Initial Decision Maker. *(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

§ 12.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by mediation pursuant to Article 15 of AIA Document A201-2017, the method of binding dispute resolution shall be as follows:

(Check the appropriate box.)

- ☒ [X] Arbitration pursuant to Article 15 of AIA Document A201–2017
- ☐ [] Litigation in a court of competent jurisdiction
- ☐ [] Other: *(Specify)*

If the Owner and Construction Manager do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

ARTICLE 13 TERMINATION OR SUSPENSION

§ 13.1 Termination Prior to Execution of the Guaranteed Maximum Price Amendment

§ 13.1.1 If the Owner and the Construction Manager do not reach an agreement on the Guaranteed Maximum Price, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner.

§ 13.1.2 In the event of termination of this Agreement pursuant to Section 13.1.1, the Construction Manager shall be compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination, in accordance with the terms of this Agreement. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.3 Prior to the execution of the Guaranteed Maximum Price Amendment, the Owner may terminate this Agreement upon not less than seven days' written notice to the Construction Manager for the Owner's convenience and without cause, and the Construction Manager may terminate this Agreement, upon not less than seven days' written notice to the Owner, for the reasons set forth in Article 14 of A201–2017.

§ 13.1.4 In the event of termination of this Agreement pursuant to Section 13.1.3, the Construction Manager shall be equitably compensated for Preconstruction Phase services and Work performed prior to receipt of a notice of termination. In no event shall the Construction Manager's compensation under this Section exceed the compensation set forth in Section 5.1.

§ 13.1.5 If the Owner terminates the Contract pursuant to Section 13.1.3 after the commencement of the Construction Phase but prior to the execution of the Guaranteed Maximum Price Amendment, the Owner shall pay to the Construction Manager an amount calculated as follows, which amount shall be in addition to any compensation paid to the Construction Manager under Section 13.1.4:

- .1 Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2 Add the Construction Manager's Fee computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion; and
- .3 Subtract the aggregate of previous payments made by the Owner for Construction Phase services.

§ 13.1.6 The Owner shall also pay the Construction Manager fair compensation, either by purchase or rental at the election of the Owner, for any equipment owned by the Construction Manager that the Owner elects to retain and that is not otherwise included in the Cost of the Work under Section 13.1.5.1. To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders. All Subcontracts entered into by the Construction Manager will contain provisions allowing for assignment to the Owner as described above.

§ 13.1.6.1 If the Owner accepts assignment of subcontracts, purchase orders or rental agreements as described

above, the Owner will reimburse or indemnify the Construction Manager for all costs arising under the subcontract, purchase order or rental agreement, if those costs would have been reimbursable as Cost of the Work if the contract had not been terminated. If the Owner chooses not to accept assignment of any subcontract, purchase order or rental agreement that would have constituted a Cost of the Work had this agreement not been terminated, the Construction Manager will terminate the subcontract, purchase order or rental agreement and the Owner will pay the Construction Manager the costs necessarily incurred by the Construction Manager because of such termination.

§ 13.2 Termination or Suspension Following Execution of the Guaranteed Maximum Price Amendment

§ 13.2.1 Termination

The Contract may be terminated by the Owner or the Construction Manager as provided in Article 14 of AIA Document A201–2017.

§ 13.2.2 Termination by the Owner for Cause

§ 13.2.2.1 If the Owner terminates the Contract for cause as provided in Article 14 of AIA Document A201–2017, the amount, if any, to be paid to the Construction Manager under Article 14 of AIA Document A201–2017 shall not cause the Guaranteed Maximum Price to be exceeded, nor shall it exceed an amount calculated as follows:

- .1** Take the Cost of the Work incurred by the Construction Manager to the date of termination;
- .2** Add the Construction Manager's Fee, computed upon the Cost of the Work to the date of termination at the rate stated in Section 6.1 or, if the Construction Manager's Fee is stated as a fixed sum in that Section, an amount that bears the same ratio to that fixed-sum Fee as the Cost of the Work at the time of termination bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .3** Subtract the aggregate of previous payments made by the Owner; and
- .4** Subtract the costs and damages incurred, or to be incurred, by the Owner under Article 14 of AIA Document A201–2017.

§ 13.2.2.2 To the extent that the Owner elects to take legal assignment of subcontracts and purchase orders (including rental agreements), the Construction Manager shall, as a condition of receiving the payments referred to in this Article 13, execute and deliver all such papers and take all such steps, including the legal assignment of such subcontracts and other contractual rights of the Construction Manager, as the Owner may require for the purpose of fully vesting in the Owner the rights and benefits of the Construction Manager under such subcontracts or purchase orders.

§ 13.2.3 Termination by the Owner for Convenience

If the Owner terminates the Contract for convenience in accordance with Article 14 of AIA Document A201–2017, then the Owner shall pay the Construction Manager a termination fee as follows:

(Insert the amount of or method for determining the fee, if any, payable to the Construction Manager following a termination for the Owner's convenience.)

§ 13.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2017; in such case, the Guaranteed Maximum Price and Contract Time shall be increased as provided in Article 14 of AIA Document A201–2017, except that the term "profit" shall be understood to mean the Construction Manager's Fee as described in Sections 6.1 and 6.3.5 of this Agreement.

ARTICLE 14 MISCELLANEOUS PROVISIONS

§ 14.1 Terms in this Agreement shall have the same meaning as those in A201–2017. Where reference is made in this Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 14.2 Successors and Assigns

§ 14.2.1 The Owner and Construction Manager, respectively, bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements, and obligations contained in the Contract Documents. Except as provided in Section 14.2.2 of this Agreement, and in Section 13.2.2 of A201–2017, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under

the Contract.

§ 14.2.2 The Owner may, without consent of the Construction Manager, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Construction Manager shall execute all consents reasonably required to facilitate the assignment.

§ 14.3 Insurance and Bonds

§ 14.3.1 Preconstruction Phase

The Construction Manager shall maintain the following insurance for the duration of the Preconstruction Services performed under this Agreement. If any of the requirements set forth below exceed the types and limits the Construction Manager normally maintains, the Owner shall reimburse the Construction Manager for any additional cost.

§ 14.3.1.1 Commercial General Liability with policy limits of not less than TWO MILLION DOLLARS (\$ 2,000,000.00) for each occurrence and FOUR MILLION DOLLARS (\$ 4,000,000.00) in the aggregate for bodily injury and property damage.

§ 14.3.1.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Construction Manager with policy limits of not less than TWO MILLION DOLLARS (\$ 2,000,000.00) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 14.3.1.3 The Construction Manager may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided that such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 14.3.1.1 and 14.3.1.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 14.3.1.4 Workers' Compensation at statutory limits and Employers Liability with policy limits not less than TWO MILLION DOLLARS (\$ 2,000,000.00) each accident, TWO MILLION DOLLARS (\$ 2,000,000.00) each employee, and TWO MILLION DOLLARS (\$ 2,000,000.00) policy limit.

§ 14.3.1.5 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than FIVE MILLION DOLLARS (\$ 5,000,000.00) per claim and FIVE MILLION DOLLARS (\$ 5,000,000.00) in the aggregate.

§ 14.3.1.6 Other Insurance

(List below any other insurance coverage to be provided by the Construction Manager and any applicable limits.)

Coverage	Limits
N/A	

§ 14.3.1.7 Additional Insured Obligations. To the fullest extent permitted by law, the Construction Manager shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Construction Manager's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 14.3.1.8 The Construction Manager shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 14.3.1.

§ 14.3.2 Construction Phase

After execution of the Guaranteed Maximum Price Amendment, the Owner and the Construction Manager shall purchase and maintain insurance as set forth in AIA Document A133™-2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, Exhibit B, Insurance and Bonds, and elsewhere in the Contract Documents.

§ 14.3.2.1 The Construction Manager shall provide bonds as set forth in AIA Document A133™–2019 Exhibit B, and elsewhere in the Contract Documents.

§ 14.4 Notice in electronic format, pursuant to Article 1 of AIA Document A201–2017, may be given in accordance with a building information modeling exhibit, if completed, or as otherwise set forth below:
(If other than in accordance with a building information modeling exhibit, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)

§ 14.5 Other provisions:

ARTICLE 15 SCOPE OF THE AGREEMENT

§ 15.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

§ 15.2 The following documents comprise the Agreement:

- .1 AIA Document A133™–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
- .2 AIA Document A133™–2019, Exhibit A, Guaranteed Maximum Price Amendment, if executed
- .3 AIA Document A133™–2019, Exhibit B, Insurance and Bonds
- .4 AIA Document A201™–2017, General Conditions of the Contract for Construction
- .5 Building Information Modeling Exhibit, if completed:

- .6 Other Exhibits:
(Check all boxes that apply.)

☐ AIA Document E234™–2019, Sustainable Projects Exhibit, Construction Manager as Constructor Edition, dated as indicated below:
(Insert the date of the E234-2019 incorporated into this Agreement.)

☐ Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
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- .7 Other documents, if any, listed below:
(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201–2017 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Construction Manager's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals, are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)

This Agreement is entered into as of the day and year first written above.

OWNER (Signature)

BY: .

(Printed name and title)



CONSTRUCTION MANAGER (Signature)

BY: Greg Smith, Vice President-Tulsa Div.

(Printed name and title)

[] As set forth in the notice contained within the payment terms sections of this Agreement, Owner hereby acknowledges that Contractor will not change payment instructions other than via change order signed by Owner and Contractor.



Vivacity Tech PBC
641 Fairview Ave
Saint Paul, MN 55104
(877) 731-2069
vivacitytech.com

Quote

50331027069

Quote expires: January 21, 2026

Account Name

Owasso Public Schools

Project Name

(2,700) Lenovo 100e G4
Chromebooks - Owasso Public
Schools

Payment Terms

Net 30

Prepared For

Michelle Baker
michelle.baker@owassops.org
+1 (918) 928-4055

Sales Representative

Ryan Heineman
ryan@vivacitytech.com

Contract

No Contract Selected

Products & Services

Item & Description	Quantity	Price	Total
Lenovo 100e Chromebook Gen 4 Chromebook Intel N100/4 GB/32 GB NT (83G80002US-OWASSO) Lenovo 100e Chromebook Gen 4 83G80002US 11.6" Chromebook - HD - Intel N-Series N100 - 4 GB - 32 GB Flash Memory - English Keyboard - Graphite Gray - Intel Chip - 1366 x 768 - ChromeOS - Intel UHD Graphics - Twisted nematic (TN) - Front Camera/Webcam - IEEE 802.11ax Wireless LAN Standard	2,700	\$241.00	\$650,700.00
Google Chrome OS Education License (CROSSWDISEDUNEW) Chrome OS Education License	2,700	\$32.00	\$86,400.00
Vivacity Tech White Glove Service (SVC-WG) Vivacity Tech White Glove Service - Enroll Device in Console - Update OS to current version (to the date the service is performed)	2,700	\$2.00	\$5,400.00
Asset Tagging Service - VT Provided Vivacity Tech Asset Tagging Service - VT Provided	2,700	\$2.00	\$5,400.00

Item & Description	Quantity	Price	Total
VT Quick Deploy Packaging Service (FEE-GRNSH) Vivacity Tech Quick Deploy Packaging Service	2,700	\$0.00	\$0.00
1-Year Vsuite Starter Service Plan 1-Year Vsuite Starter Service Plan: Includes: Unlimited Mechanical Hardware Repair Claims for the first year Available for Education-Grade Chromebooks No deductibles, claim limits, or shipping charges Battery and power adapter replacement for the first year Includes Dream real-time asset management software access and Repair Academy Access By purchasing a Vivacity Branded Service Plan, you agree to the terms and conditions of the plan. Full T&C's are available on the Dream portal or upon request.	2,700	\$0.00	\$0.00
Shipping & Handling Vivacity Tech Shipping & Handling	1	\$0.00	\$0.00
Subtotal			\$747,900.00
Total			\$747,900.00

Terms

Credit Card Payments are subject to a 3% Convenience fee.

Vivacity Tech reserves the right to assign any order to our vendor Assignment of Funds programs. The programs are a beneficial way for Vivacity to accommodate education or government end user orders. Please note that under these programs, the remittance address may change and additional paperwork may be required. Should this order be allocated to one of these programs, the Vivacity procurement team will follow up with further communication. We thank you in advance for your assistance in facilitating Vivacity's participation in these beneficial partnership programs. Pricing provided on Quotes expires on the expiration date stated on each Quote or while supplies last. If pricing is no longer accurate at the time of purchase your dedicated Account Manager will work with you to create an updated Quote.

Vivacity Tech PBC is the first and only Public Benefit Corporation to provide technology hardware to schools.
We are excited about this opportunity to work with you and your school district!

Owasso Public Schools
Treasurers Report

as of December 31st, 2025

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	General Fund prior year 7/1/24 to 12/31/24	General Fund current year 7/1/25 to 12/31/25	Building Fund prior year 7/1/24 to 12/31/24	Building Fund current year 7/1/25 to 12/31/25	Child Nutrition prior year 7/1/24 to 12/31/24	Child Nutrition current year 7/1/25 to 12/31/25	Sinking Fund prior year 7/1/24 to 12/31/24	Sinking Fund current year 7/1/25 to 12/31/25
Beginning Fund Balance	18,444,544.42	20,271,993.58	4,009,841.87	4,281,377.64	2,572,917.00	2,233,404.82	2,035,668.91	5,553,565.30
Revenue								
local	3,376,161.99	3,507,562.57	514,809.27	516,289.29	921,028.37	927,860.12	2,266,915.69	2,523,048.43
intermediate	581,757.39	623,123.91	0.00	0.00		0.00		0.00
state	20,555,944.42	19,849,152.91	3,142.63	118.69	0.00	0.00	14,648.10	646.73
federal	1,822,988.98	1,003,780.68	0.00	0.00	989,042.74	1,019,506.10		
premium on bond sale							0.00	0.00
reimb/correcting entry	<u>40,373.58</u>	<u>53,334.55</u>	<u>0.00</u>	<u>0.00</u>	<u>1,014.20</u>	<u>39.00</u>	<u>0.00</u>	<u>0.00</u>
total revenue	26,377,226.36	25,036,954.62	517,951.90	516,407.98	1,911,085.31	1,947,405.22	2,281,563.79	2,523,695.16
Expenditures								
salary	21,427,730.98	21,988,724.30			760,328.70	766,368.65	0.00	0.00
benefits	6,779,217.09	7,071,351.15			232,908.10	242,314.23	0.00	0.00
contracted prof / tech svcs	556,791.62	506,722.91	2,260.00	1,010.00	13,539.00	14,060.00	0.00	0.00
property svcs	271,140.70	411,738.88	581,000.07	693,946.52	34,189.86	60,929.02	0.00	0.00
other purchased svcs	385,902.80	434,195.91	1,608,583.78	1,461,340.44	785,096.65	765,463.51	0.00	0.00
supplies	843,175.37	795,756.59	1,437,099.45	1,420,920.99	60,345.42	26,035.48	0.00	0.00
property	0.00	1,081.33	0.00	0.00	221,310.52	166,295.65	0.00	0.00
dues/fees/registration/tuition	372,363.11	298,565.73			1,048.50	58.25	0.00	0.00
bond principal & interest							1,015,212.50	1,063,477.50
other uses	<u>1,385.53</u>	<u>12,402.64</u>	<u>0.00</u>	<u>0.00</u>	<u>13,514.20</u>	<u>12,510.55</u>	<u>0.00</u>	<u>0.00</u>
total expenditures	30,637,707.20	31,520,539.44	3,628,943.30	3,577,217.95	2,122,280.95	2,054,035.34	1,015,212.50	1,063,477.50
prior year estopped checks	0.00	0.00						
Balance as of December 31st	14,184,063.58	13,788,408.76	898,850.47	1,220,567.67	2,361,721.36	2,126,774.70	3,302,020.20	7,013,782.96
bank balance 12-31-25		13,841,406.37		1,221,503.98		2,127,409.39		7,013,782.96
outstanding checks		<u>(52,997.61)</u>		<u>(936.31)</u>		<u>(634.69)</u>		<u>0.00</u>
balance 12-31-25		13,788,408.76		1,220,567.67		2,126,774.70		7,013,782.96

Owasso Public Schools
Treasurers Report

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Bond Funds Summary
as of 12-31-25

	bond 31 year to date	bond 32 year to date	bond 33 year to date	bond 35 year to date	bond 39 year to date
FY 26 Beginning Fund Balance	39,260,027.51	0.00	713.68	38,156.54	176,930.53
Revenue					
interest/other	609,461.26	14,429.44	0.00	0.00	0.00
correcting entry	0.00	0.00	0.00	0.00	0.00
bond proceeds	<u>0.00</u>	<u>7,400,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
total revenue	609,461.26	7,414,429.44	0.00	0.00	0.00
Expenditures	<u>10,754,487.90</u>	<u>0.00</u>	<u>713.68</u>	<u>19,845.00</u>	<u>68,211.72</u>
Balance as of 12-31-25	29,115,000.87	7,414,429.44	0.00	18,311.54	108,718.81

project	description	Bond 39 budget	Bond 39 encumbered	Bond 39 balance	Bond 35 budget	Bond 35 encumbered	Bond 35 balance	Bond 33 budget	Bond 33 encumbered	Bond 33 balance
000	non categorical	59,170.00	59,170.00	0.00	38,156.54	37,845.00	311.54	713.68	713.68	0.00
119	plant operations	51,569.54	3,585.68	47,983.86	0.00	0.00	0.00	0.00	0.00	0.00
120	fine arts uniforms/equip	14,118.44	14,118.44	0.00						
141	5th grade center	<u>52,072.55</u>	<u>52,072.55</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
total		176,930.53	128,946.67	47,983.86	38,156.54	37,845.00	311.54	713.68	713.68	0.00

project	description	Bond 31 budget	Bond 31 encumbered	Bond 31 balance	Bond 32 budget	Bond 32 encumbered	Bond 32 balance
111	copiers	247,675.00	108,499.00	139,176.00			
112	buses	397,224.76	153,832.80	243,391.96			
113	technology	5,543,328.98	1,297,062.82	4,246,266.16			
114	instructional resources	2,573,259.18	570,475.94	2,002,783.24			
116	uniforms/equipment	206,009.71	113,729.30	92,280.41			
117	safety	392,962.88	135,804.46	257,158.42			
119	plant operations	4,570,930.02	1,518,033.24	3,052,896.78			
120	fine arts uniforms/equip	640,036.29	162,691.86	477,344.43			
171	nurses equipment	50,948.91	46,979.01	3,969.90			
172	library budgets	<u>179,420.46</u>	<u>145,463.28</u>	<u>33,957.18</u>			
	Total Annual Budgets	14,801,796.19	4,252,571.71	10,549,224.48			
	<u>Construction Projects</u>						
134	roofing district wide		3,545,681.03				
136	track/band project		230,631.33				
138	hodson safe structure		2,893,998.86				
139	8th Grade Safe Room		843,051.79		7,400,000.00	0.00	7,400,000.00
141	5th grade center		960,303.30				
142	transportation facility		<u>261,945.00</u>				
	Total Construction	<u>18,773,052.61</u>	<u>8,735,611.31</u>	<u>10,037,441.30</u>			
total		33,574,848.80	12,988,183.02	20,586,665.78	7,400,000.00	0.00	7,400,000.00

ANNUAL FINANCIAL REPORT
OWASSO SCHOOL DISTRICT I-11
TULSA COUNTY, OKLAHOMA
JULY 1, 2024 TO JUNE 30, 2025

AUDITED BY
Patten & Odom, CPAs, PLLC

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
SCHOOL DISTRICT OFFICIALS
JUNE 30, 2025**

Board of Education

President	Stephanie Ruttman
Vice-President	Rhonda Mills
Clerk	Neal Kessler
Member	Brent England
Member	Frosty Turpen

Superintendent of Schools

Dr. Margaret Coates

School District Treasurer

Phillip Storm

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
JUNE 30, 2025**

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(continued)

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
JUNE 30, 2025**

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Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.
Broken Arrow, OK 74012
Phone Number 918.250.8838
FAX Number 918.250.9853

INDEPENDENT AUDITOR'S REPORT

January 5, 2026

The Honorable Board of Education
Owasso School District No. I-11
Tulsa County, Oklahoma

Opinions

We have audited the accompanying combined fund type and account group financial statements – regulatory basis of Owasso School District No. I-11, Tulsa County, Oklahoma, as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

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 balances arising from regulatory basis transactions of each fund type and account group of Owasso School District No. I-11, Tulsa County, Oklahoma, as of June 30, 2025, and the revenues collected and expenditures paid and encumbered for the year then ended on the regulatory basis of accounting described in the Note 1 (C).

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of 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 Owasso School District No. I-11, Tulsa County, Oklahoma as of June 30, 2025, or the revenues, expenses, and changes in financial position for the year then ended.

Basis for Opinions

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. Our responsibility under those standards is further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Owasso School District No. I-11, Tulsa County, Oklahoma, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinion on Regulatory Basis of Accounting

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

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

As discussed in Note 1 (C) to the financial statements, the financial statements are prepared by the Owasso School District No. I-11, Tulsa County, Oklahoma, on the basis of the financial reporting provisions of the Oklahoma State Department of Education, which a basis of accounting other than accounting principles generally accepted in the United States of America to comply with 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 (C) and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Governmental Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may include collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Owasso School District No. I-11, Tulsa County, internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Owasso School District No. I-11, Tulsa County, Oklahoma's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

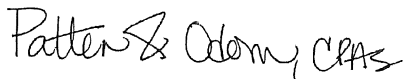
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the fund type and account group financial statements within the combined financial statements. The combining fund statements-regulatory basis, and other schedules as listed in the table of contents, under supplementary information, are presented for purposes of additional analysis and are not a required part of the combined financial statements of the District. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining financial statements-regulatory basis, and other schedules as listed in the table of contents, under supplementary information and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting records used to prepare the combined financial statements. Such information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements within the combined financial statements, and other additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information including the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the combined financial statements taken as a whole on the regulatory basis of accounting described in Note 1 (C).

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2026, on our consideration of Owasso School District No. I-11, Tulsa County, Oklahoma, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Patten & Odom, CPAs, PLLC
Broken Arrow, OK

COMBINED FINANCIAL STATEMENTS

OWASSO SCHOOL DISTRICT NO. I-11
COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS
JUNE 30, 2025

	Governmental Fund Types				Fiduciary Fund Types	Account Groups	Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects			
					Trust and Agency	General Long-term Debt	June 30, 2025
ASSETS							
Cash	\$ 22,268,492.33	\$ 6,633,180.97	\$ 5,553,565.30	\$ 40,422,440.67	\$ 3,293,134.40	\$ -	\$ 78,170,813.67
Investments	-	-	-	-	-	-	-
Amounts available in debt service fund	-	-	-	-	-	5,553,565.30	5,553,565.30
Amounts to be provided for retirement of general long-term debt	-	-	-	-	-	66,406,434.70	66,406,434.70
Total assets	\$ 22,268,492.33	\$ 6,633,180.97	\$ 5,553,565.30	\$ 40,422,440.67	\$ 3,293,134.40	\$ 71,960,000.00	\$ 150,130,813.67
LIABILITIES AND FUND BALANCES							
Liabilities:							
Outstanding warrants	\$ 1,996,498.75	\$ 118,398.51	\$ -	\$ 946,612.41	\$ 98,247.05	\$ -	\$ 3,159,756.72
Encumbrances	-	-	-	-	-	-	-
Long-term debt:							
Capitalized lease obligations payable	-	-	-	-	-	-	-
Bonds payable	-	-	-	-	-	71,960,000.00	71,960,000.00
Interest payable	-	-	-	-	-	-	-
Total liabilities	\$ 1,996,498.75	\$ 118,398.51	\$ -	\$ 946,612.41	\$ 98,247.05	\$ 71,960,000.00	\$ 75,119,756.72
Fund Balances							
Designated for capital projects	\$ -	\$ -	\$ -	\$ 39,475,828.26	\$ -	\$ -	\$ 39,475,828.26
Designated for debt service	-	-	5,553,565.30	-	-	-	5,553,565.30
Cash fund balances	20,271,993.58	6,514,782.46	-	-	3,194,887.35	-	29,981,663.39
Total fund balances	\$ 20,271,993.58	\$ 6,514,782.46	\$ 5,553,565.30	\$ 39,475,828.26	\$ 3,194,887.35	\$ -	\$ 75,011,056.95
Total liabilities and fund balances	\$ 22,268,492.33	\$ 6,633,180.97	\$ 5,553,565.30	\$ 40,422,440.67	\$ 3,293,134.40	\$ 71,960,000.00	\$ 150,130,813.67

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

OWASSO SCHOOL DISTRICT NO. 1-11
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	Governmental Fund Types				Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Revenues collected:					
Local sources	\$ 30,384,587.13	\$ 6,067,460.44	\$ 23,203,321.39	\$ 1,004,785.00	\$ 60,660,153.96
Intermediate sources	3,752,534.88	-	-	-	3,752,534.88
State sources	43,650,055.36	1,387,950.66	-	-	45,038,006.02
Federal sources	4,397,349.26	2,347,602.17	-	-	6,744,951.43
Non-revenue sources	52,884.88	13,514.20	-	-	66,399.08
Total revenues collected	\$ 82,237,411.51	\$ 9,816,527.47	\$ 23,203,321.39	\$ 1,004,785.00	\$ 116,262,045.37
Expenditures paid:					
Instruction	\$ 47,941,268.53	\$ -	\$ -	\$ -	\$ 47,941,268.53
Support services	32,349,602.35	5,112,573.09	-	-	37,462,175.44
Non-instructional services	25,529.27	4,758,416.59	-	-	4,783,945.86
Capital outlay	-	-	-	28,313,188.29	28,313,188.29
Other outlays	94,019.20	13,514.20	-	-	107,533.40
Other uses	-	-	-	-	-
Repayments	-	-	-	-	-
Debt service:					
Principal retirement	-	-	17,655,000.00	-	17,655,000.00
Interest	-	-	2,030,425.00	-	2,030,425.00
Total expenditures paid	\$ 80,410,419.35	\$ 9,884,503.88	\$ 19,685,425.00	\$ 28,313,188.29	\$ 138,293,536.52
Excess of revenues collected over (under) expenses paid before adjustments to prior year encumbrances	\$ 1,826,992.16	\$ (67,976.41)	\$ 3,517,896.39	\$ (27,308,403.29)	\$ (22,031,491.15)
Adjustments to prior year encumbrances	\$ 457.00	\$ -	\$ -	\$ -	\$ 457.00
Other financing sources (uses):					
Bond sale proceeds	\$ -	\$ -	\$ -	\$ 33,662,310.00	\$ 33,662,310.00
Premium on bonds sold	-	-	-	-	-
Bank charges	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ 33,662,310.00	\$ 33,662,310.00
Excess (deficiency) of revenue collected over expenditures paid and other financing sources (uses)	\$ 1,827,449.16	\$ (67,976.41)	\$ 3,517,896.39	\$ 6,353,906.71	\$ 11,631,275.85
Fund balances, beginning of year	\$ 18,444,544.42	\$ 6,582,758.87	\$ 2,035,668.91	\$ 33,121,921.55	\$ 60,184,893.75
Fund balances, end of year	\$ 20,271,993.58	\$ 6,514,782.46	\$ 5,553,565.30	\$ 39,475,828.26	\$ 71,816,169.60

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

OWASSO SCHOOL DISTRICT NO. I-11
COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund			Special Revenue Fund		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
Revenues collected:						
Local sources	\$ 27,459,187.65	\$ 27,459,187.65	\$ 30,384,587.13	\$ 5,245,512.67	\$ 5,245,512.67	\$ 6,067,460.44
Intermediate sources	3,039,330.47	3,039,330.47	3,752,534.88	-	-	-
State sources	42,540,846.07	42,540,846.07	43,650,055.36	276,657.02	276,657.02	1,387,950.66
Federal sources	3,987,418.98	3,987,418.98	4,397,349.26	2,300,463.97	2,300,463.97	2,347,602.17
Non-revenue sources	-	-	52,884.88	11,672.52	11,672.52	13,514.20
Total revenues collected	\$ 77,026,783.17	\$ 77,026,783.17	\$ 82,237,411.51	\$ 7,834,306.18	\$ 7,834,306.18	\$ 9,803,013.27
Expenditures paid:						
Instruction	\$ 63,002,176.77	\$ 63,002,176.77	\$ 47,941,268.53	\$ -	\$ -	\$ -
Support services	32,349,602.35	32,349,602.35	32,349,602.35	7,790,055.15	7,790,055.15	5,112,573.09
Non-instructional services	25,529.27	25,529.27	25,529.27	6,613,495.70	6,613,495.70	4,758,416.59
Capital outlay	-	-	-	-	-	-
Other outlays	94,019.20	94,019.20	94,019.20	13,514.20	13,514.20	13,514.20
Other Uses	-	-	-	-	-	-
Repayment	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures paid	\$ 95,471,327.59	\$ 95,471,327.59	\$ 80,410,419.35	\$ 14,417,065.05	\$ 14,417,065.05	\$ 9,884,503.88
Excess of revenues collected over (under) expenses paid before adjustments to prior year encumbrances	\$ (18,444,544.42)	\$ (18,444,544.42)	\$ 1,826,992.16	\$ (6,582,758.87)	\$ (6,582,758.87)	\$ (81,490.61)
Adjustments to prior year encumbrances	\$ -	\$ -	\$ 457.00	\$ -	\$ -	\$ -
Other financing sources (uses):						
Operating transfers in/out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Charges	-	-	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenue collected over expenditures paid and other financing sources (uses)	\$ (18,444,544.42)	\$ (18,444,544.42)	\$ 1,827,449.16	\$ (6,582,758.87)	\$ (6,582,758.87)	\$ (81,490.61)
Fund balance, beginning of year	\$ 18,444,544.42	\$ 18,444,544.42	\$ 18,444,544.42	\$ 6,582,758.87	\$ 6,582,758.87	\$ 6,582,758.87
Fund balance, end of year	\$ -	\$ -	\$ 20,271,993.58	\$ -	\$ -	\$ 6,514,782.46

NOTES TO THE FINANCIAL STATEMENTS

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

1. Summary of Significant Accounting Policies

The accompanying financial statements of the Owasso School District I-11, Tulsa (the “District”) conform to the regulatory basis of accounting, which is another comprehensive basis of accounting prescribed by the Oklahoma State Department of Education and conforms to the system of accounting authorized by the State of Oklahoma. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with 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 the State of Oklahoma. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

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

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

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 an independent accounting entity with a self-balancing set of accounts. The account groups are financial reporting devices designed to provide accountability for certain assets and liabilities that are not recorded directly in the funds.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.” The District has the following fund types and account groups:

Governmental Funds

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 project funds), and the servicing of general long-term debt (debt service funds). The 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 (Statutory) basis of accounting. All revenues from all sources, including property taxes, entitlements, grants, and shared revenues are recognized when they are received, rather than earned. Expenditures are generally recognized when encumbered or reserved, rather than at the time the related liability is incurred. Unmatured interest for debt service is recognized when due and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable, available financial resources. Fiduciary type funds are accounted for using the regulatory basis of accounting. These practices differ from accounting principles generally accepted in the United States of America.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

Summary of Significant Accounting Policies (continued)

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 local property taxes and federal and state funding. 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.

Special Revenue Fund – The special revenue funds are used for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Building Fund – The building fund consists mainly of monies derived from property taxes levied for the purpose of erecting, remodeling, repairing or maintaining school buildings and for purchasing furniture, equipment and computer software to be used on or for school 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.

Child Nutrition Fund – The child nutrition fund consists of revenues from local collections, state, and federal sources used to benefit the food service program.

Debt Service Fund – The debt service fund is the District's sinking fund and is used to account for the accumulation of financial resources for the payment of general long-term debt principal and interest. 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.

Fiduciary Funds

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

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

Expendable Trust Fund - Expendable Trust Funds typically include scholarships and endowments. The District maintained the following Expendable Trust Fund during fiscal year 2024-2025:

Jennifer Gibson Memorial Fund – This fund receives its assets by way of donations and interest earnings. The fund is used to benefit Lady Ram softball players.

Account Groups

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

General Long-Term Debt Account Group – This account group was established to account for all long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal.

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

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

Summary of Significant Accounting Policies (continued)

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*. This format significantly differs from that required by GASB 34.

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

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies and are recorded as expenditures when approved.
- Investments are recorded as assets when purchased.
- Warrants payable are recorded as liabilities when issued.
- Long-term debt is recorded when incurred.
- Compensated absences are recorded as an expenditure and liability when the obligation is paid.
- Fixed assets are recorded in the General Fixed Asset Account Group. 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.

D. Budgets and Budgetary Accounting

Prior to July 1 each year, the governing board of the school district prepares a verified application showing the needs of the school district and submits the application to the County Excise Board, who makes temporary appropriations for lawful current expenses of the school district. The temporary appropriations are merged with the annual appropriations when the annual budget for the school district is finally approved.

Prior to October 1 each year, the school Board of Education must make a financial statement, showing the true fiscal condition of the school as of the close of the previous fiscal year ended June 30, along with an itemized statement of estimated needs and probable income from all sources for the fiscal year.

A budget is legally adopted by the Board of Education for the general fund and special revenue fund(s) of the school district.

Encumbrances represent commitments 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. Under Oklahoma Law, unencumbered appropriations lapse at the end of the year.

E. Assets, Liabilities and Fund Equity

Memorandum Only – Total Column

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

Cash – Cash consists of currency and checks on hand and demand deposit accounts with banks and other financial institutions.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

Summary of Significant Accounting Policies (continued)

Investments – State statutes govern the District’s investment policy. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations, and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. Investments are stated at cost.

Inventories – Inventories consist of minimal amounts of expendable supplies held for consumption. The value of consumable inventories at year-end is not material to the District’s financial statements. The costs of inventories are recorded as expenditures when encumbered and purchased, rather than when consumed.

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

No liability is recorded for non-vesting accumulating rights to receive such pay benefits.

Fixed Assets – The District has not maintained a record of its general fixed assets, and, accordingly, a General Fixed Asset Account Group is not included in the financial statements. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchase.

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.

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

F. Revenues, Expenses and Expenditures

Local Revenues – Revenue from local sources is revenue produced within the school district, which includes ad valorem taxes. It is available for current educational expenses and for other purposes authorized by the school board.

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. The county assessor, upon receipt of the certification of tax levies from the County Excise Board, extends the tax levies on the tax roll for submission to the county treasurer. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of the tax is due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1 of the year following the year of assessment. If taxes are delinquent and unpaid for a period of three years or more the real estate may be sold for such taxes.

Intermediate Revenues – Revenue from intermediate sources is revenue from funds collected by an intermediate administrative unit or political sub-division, such as a county or municipality, and redistributed to the school district.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

Summary of Significant Accounting Policies (continued)

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

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

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

Federal Revenues – Revenue from Federal sources is money originating from the Federal government and made available to the school district either as direct grants or under various programs passed-through the State Department of Education or other state agencies.

The Federal government also makes payments to school districts whose revenues are adversely affected by the presence of Federal activities. Although these payments are made in consideration of lost property tax revenue, the Oklahoma State Department of Education advocates classifying such amounts as revenue from Federal sources.

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 co-curricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Examples of expenditures that might be 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 objective of instruction, community services and enterprise programs, rather than as entities within them.

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

Facilities Acquisition and Construction Services Expenditures – Consist 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 improvement 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 overpayments, non-qualified expenditures, and other refunds to be repaid from District funds.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

Summary of Significant Accounting Policies (continued)

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

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers.

Budgetary Information

Under current Oklahoma Statutes, a formal Estimate of Needs (Budget) is required for all general and special revenue funds. Budgets are presented for all funds that include the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories. The annual Estimate of Needs, when approved by the Board and subsequently filed with the County Clerk and approved by the County Excise Board, becomes the legal budget. Supplemental appropriations, if required, were made during the year and are reflected on the budget vs. actual presentations shown included in supporting schedules.

2. Deposit Categories of Credit Risk

Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. The District's investment policies are governed by state statute. Permissible investments include:

1. Direct obligations of the United States Government to the payment of which the full faith and credit of the government is pledged.
2. Obligations to the payment of which the full faith and credit of the state is pledged.
3. Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as in the deposit of other public monies.
4. Savings accounts or savings certificates of savings and loan associations to the extent that such accounts or certificates are fully insured by the Federal Savings and Loan Insurance Corporation.
5. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 and 2 of this section including obligations of the United States, its agencies and instrumentalities, and where collateral has been deposited with a trustee of custodian bank in an irrevocable trust or escrow account established for such purposes.
6. County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value.
7. Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities, and investments in those items listed above.
8. Warrants, bonds or judgments of the school district.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

Deposit Categories of Credit Risk (continued)

9. Qualified pooled investment programs, the investments of which consist of those items specified above, as well as obligations of the United States agencies and instrumentalities, regardless of the size of the district's budget. To be qualified, a pooled investment program for school funds must be governed through an Interlocal cooperative agreement formed pursuant to Title 70 Section 5-117b, and the program must competitively select its investment advisors and other professionals. Any pooled investment program must be approved by the Board of Education.

The District's investment policy instructs the treasurer to minimize risks by diversifying the investment portfolio; structuring investments so that securities mature in time to meet cash requirements; and by investing the full amount of all accounts of the District.

Custodial Credit Risk:

Deposits and Investments - The District's demand deposits are required by law to be collateralized by the amount that is not federally insured.

Securities pledged as collateral are held by a third party or Federal Reserve Bank. Joint custody safekeeping receipts are held in the name of the depositing institution but are pledged to the District. The security cannot be released, substituted, or sold without the School Treasurer's approval and release of the security.

Certificates of deposit are collateralized at least by the amount not federally insured. As of June 30, 2025, the District had no deposits exposed to custodial credit risk.

Interest Rate Risk:

Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. The District's investment policy limits the duration of investments to a maximum maturity from the date of purchase of twelve months provided sufficient liquidity is available to meet major outlays. The District's Board of Education monitors the District's investment performance on an ongoing basis to limit the District's interest rate risk.

Credit Risk:

The District's investment policy requires that the investment portfolio be diversified to avoid one class of investment having a disproportionate impact on the portfolio. The District's policy also requires that all deposits and investments in excess of amounts covered by federal deposit insurance be fully collateralized by the institution holding the deposits or investments.

At June 30, 2025, the District has no investments.

3. General Long-Term Debt

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

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

A brief description of the outstanding general obligation bond issues at June 30, 2025, is set forth below:

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

General Long-Term Debt (continued)

	<u>Amount Outstanding</u>
School District No. I-11 Combined Purpose Bonds, Series 2023, original issue \$31,000,000.00, average interest rate of 4.620%, first installment of \$1,000,000.00 due on June 1, 2025, and final installment of \$15,000,000.00 on June 1, 2027.	\$ 30,000,000.00
School District No. I-11 Combined Purpose Bonds Series 2024, original issue \$8,300,000.00, average interest rate of 2.97%, first installment of \$1,040,000.00 due on March 1, 2026, and, final installment of \$3,630,000.00 due on March 1, 2028.	8,300,000.00
School District No. I-11 Building Bonds Series 2025, original issue \$33,660,000.00, interest rate of 4.00%, first installment of \$2,620,000.00 due on March 1, 2028, and final installment of \$15,520,000.00 due on March 1, 2030.	<u>33,660,000.00</u>
Total Bonds Outstanding	\$ <u>71,960,000.00</u>

The annual debt service requirements to retire bond principal and to pay interest are as follows:

Year ending June 30,	Principal	Interest	Total Requirements
2026	\$ 16,040,000.00	\$ 2,990,385.00	\$ 19,030,385.00
2027	18,630,000.00	2,305,125.00	20,935,125.00
2028	6,250,000.00	1,446,225.00	7,696,225.00
2029	15,520,000.00	1,241,600.00	16,761,600.00
2030	<u>15,520,000.00</u>	<u>620,800.00</u>	<u>16,140,800.00</u>
Total	\$ <u>71,960,000.00</u>	\$ <u>8,604,135.00</u>	\$ <u>80,564,135.00</u>

Interest expense incurred on general obligation bond debt during the year ended June 30, 2025 totaled \$2,030,425.00.

Changes in Long-Term Debt

The following is a summary of the District's long-term debt transactions for the year ended June 30, 2025:

	<u>Bonds Payable</u>
Balance, July 1, 2024	\$ 55,955,000.00
Additions	33,660,000.00
Retirements	<u>17,655,000.00</u>
Balance, June 30, 2025	\$ <u>71,960,000.00</u>

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

4. 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 District, 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 employees 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. Additionally, OTRS receives "federal matching contributions" for positions whose funding comes from federal sources or certain grants. The District and State are required to contribute 14.0% of applicable compensation. Contributions received by the System from the State of Oklahoma are from 3.54% of its revenues from sales tax use taxes, corporate income taxes and individual income taxes. The District contributed 9.5% and the State of Oklahoma plus the federal contribution contributed the remaining 4.5% during this year. The District is allowed by the Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. The school is required to pay 16.5% for any compensated retired teachers already receiving retirement benefits.

Annual Pension Cost

The District's total contribution for 2025, 2024, and 2023 were \$7,698,422.08, \$7,254,962.58, and \$6,725,921.39, respectively. Total payroll for fiscal year 2024-2025 amounted to \$60,065,354.23.

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.

5. Litigation

The District is contingently liable for lawsuits and other claims in the ordinary course of its operations. The settlement of such contingencies under the budgetary process would require appropriation of revenues yet to be realized, and would not materially affect the financial position of the District at June 30, 2025.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

6. Related Entities

The following entities are separately constituted and, accordingly, their financial position and results of operations have not been presented in the accompanying financial statements. Officers are not appointed by the school board. The school board is not responsible for approving budgets, contracts, key personnel, fiscal matters or day-to-day operations of the booster club.

Ator Booster Club	Owasso Rams Football Boosters
Bailey Booster Club	Owasso Rams Golf Booster Club
Barnes Community Care	Team Nativerams Booster Club, Inc.
Barnes Elementary PTO	Owasso Rams Mock Trial Booster Club
Hayward Smith Elementary PTO	Odyssey of the Mind Booster Association
Hodson PTO	Owasso Varsity Pom Booster Club
Mills Action Club	Owasso Rams Soccer Booster Club
Morrow Elementary PTO	Owasso Rams Softball Booster Club, Inc.
Northeast Elementary PTO	Owasso Rams Swim Team Booster Club
Stone Canyon Elementary PTO	Owasso Tennis Booster Club
Owasso Band Patrons Club	Owasso Rams Track & Cross-Country Booster Club
Owasso Baseball Booster Club	Owasso Volleyball Booster Club
Owasso Rams Basketball Booster Club	Owasso Wrestling Booster Club/Owasso Takedown Club
Owasso Choir Patrons	Owasso Cheer Booster Club
Owasso Drama Club Booster Club	

7. 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 these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The School also participates in a risk pool for Workers' Compensation coverage in which there is transfer or pooling of risks among the participants of that pool. In accordance with GASB No. 10, the School 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 them 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 schools 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 their loss fund in three years, it is returned to them with no interest.

The District participates in the Oklahoma Public Schools Unemployment Compensation Account under the sponsorship of the Oklahoma State School Boards Association and the cooperative council for Oklahoma School Administration. The account was established to let school districts self-insure unemployment benefits for school employees. The funds are held in the name of each school district as reserves to pay unemployment claims. Each school district is individually liable for that portion of the benefits paid from the fund attributable to wages paid by the school district in the same manner as if no group account had been established. The reserve funds may be withdrawn from the account upon request of the school district. At June 30, 2025, the Owasso School District had reserves on deposit with the Oklahoma Public Schools Unemployment Compensation Accounting totaling \$3,758.10. This amount has not been included in the District's balance sheet at June 30, 2025.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025**

8. Surety Bonds

The Chief Financial Officer /Treasurer is bonded by Western Surety Company, bond number 63727992, for the penal sum of \$350,000.00 for the term of July 1, 2024, to July 1, 2025.

The encumbrance clerk is bonded by Western Surety Company, bond number 61619182, for the penal sum of \$5,000.00 for the term of July 1, 2024, to July 1, 2025.

The activity fund clerk is bonded by Western Surety Company, bond number 66907166, for the penal sum of \$5,000.00 for the term of January 3, 2024 to January 3, 2025 and January 3, 2025 to January 3, 2026.

The Superintendent is bonded by Western Surety Company, bond number 72424688, for the penal sum of \$100,000.00 for the term of July 1, 2024, to July 1, 2025.

The minutes clerk is bonded by Western Surety Company, bond number 63042018, for the penal sum of \$1,000.00 for the term of July 1, 2024, to July 1, 2025.

9. Food Service Contract

The District has a management agreement with Sodexo Management, Inc., and retains Sodexo to manage and operate the school's food service operations. Per the agreement, the District pays Sodexo a management fee based on the number of meals served each month. The District also pays Sodexo a general support services fee based on the number of meals served each accounting period. The District provides utilities, janitorial supplies, new equipment, and adequate premises for use in food service operations including suitable office facilities, furniture, and equipment for management personnel.

The food service contract provides that if food service operations result in a deficit during the term of the contract, Sodexo Management, Inc. will reimburse the district for the deficit. Contract provisions preclude Sodexo Management, Inc. from collecting any unpaid amounts the school may owe at fiscal year-end.

10. Early Retirement Benefit

The Owasso Public Schools offers its employees a retirement package benefit, with the amount based on the classification of employment. Administrators receive \$6,600 annually, certified employees receive \$5,400 and support employees receive \$4,200 for four (4) years. Nothing contained in the benefit package shall oblige the Owasso Public Schools to make any payments pursuant to any retirement benefit contract in any fiscal year beyond the year in which it is offered, nor create or allow the creation of any unfunded liability on the part of the District.

Other guidelines that apply are:

- 1) Retirement must occur with the Oklahoma Teachers' Retirement System (OTRS) with applicable points (80 or 90) obtained.
- 2) Fifteen (15) years must have been completed in the Owasso Public Schools. The immediate ten (10) years prior to retirement with OTRS must also be spent in the District.
- 3) The benefit will be \$550, \$450 or \$350 monthly for 48 months and subject to lawful withholdings.
- 4) Benefits are payable July 30th through June 30th.
- 5) The benefit amount is paid in lieu of all other benefits such as health, dental, life, etc.
- 6) Retirees must annually enter into a contract with the Owasso Public Schools before the retirement benefit will be paid.

On June 30, 2025, the District had 60 employees receiving benefits under the early retirement guidelines. The early retirement benefits are appropriated annually from School District funds. No liability is reflected in the financial statements for the early retirement benefits.

SUPPLEMENTAL INFORMATION

OWASSO SCHOOL DISTRICT NO. I-11
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
 ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS
 JUNE 30, 2025

	Building Fund	Child Nutrition Fund	Total June 30, 2025
<u>ASSETS:</u>			
Cash	\$ 4,398,439.76	\$ 2,234,741.21	\$ 6,633,180.97
Investments	-	-	-
Total assets	\$ 4,398,439.76	\$ 2,234,741.21	\$ 6,633,180.97

LIABILITIES AND FUND BALANCES:

Liabilities:			
Outstanding warrants	\$ 117,062.12	\$ 1,336.39	\$ 118,398.51
Encumbrances	-	-	-
Total liabilities	\$ 117,062.12	\$ 1,336.39	\$ 118,398.51
Fund balances:			
Cash fund balances	\$ 4,281,377.64	\$ 2,233,404.82	\$ 6,514,782.46
Total fund balances	\$ 4,281,377.64	\$ 2,233,404.82	\$ 6,514,782.46
Total liabilities and fund balances	\$ 4,398,439.76	\$ 2,234,741.21	\$ 6,633,180.97

OWASSO SCHOOL DISTRICT NO. 1-11
COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	Building Fund	Child Nutrition Fund	Total June 30, 2025
Revenues collected:			
Local sources	\$ 4,298,281.14	\$ 1,769,179.30	\$ 6,067,460.44
Intermediate sources	-	-	-
State sources	1,085,827.72	302,122.94	1,387,950.66
Federal sources	-	2,347,602.17	2,347,602.17
Non-revenue sources	-	13,514.20	13,514.20
Total revenue collected	\$ 5,384,108.86	\$ 4,432,418.61	\$ 9,816,527.47
Expenditures paid:			
Instruction	-	-	-
Support services	5,112,573.09	-	5,112,573.09
Non-instructional services	-	4,758,416.59	4,758,416.59
Capital outlay	-	-	-
Other outlays	-	13,514.20	13,514.20
Other uses	-	-	-
Repayments	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest	-	-	-
Total expenditures paid	\$ 5,112,573.09	\$ 4,771,930.79	\$ 9,884,503.88
Excess of revenues collected over (under) expenses paid before adjustments to prior year encumbrances	\$ 271,535.77	\$ (339,512.18)	\$ (67,976.41)
Adjustments to prior year encumbrances			
Other financing sources (uses):			
Operating transfers in/(out)	-	-	-
Bank charges	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -
Excess of revenues and other sources over (under) expenditures and other uses	\$ 271,535.77	\$ (339,512.18)	\$ (67,976.41)
Fund balances, beginning of year	\$ 4,009,841.87	\$ 2,572,917.00	\$ 6,582,758.87
Fund balances, end of year	\$ 4,281,377.64	\$ 2,233,404.82	\$ 6,514,782.46

OWASSO SCHOOL DISTRICT NO. I-11
COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
CAPITAL PROJECT FUNDS - REGULATORY BASIS
JUNE 30, 2025

	Bond Fund 31	Bond Fund 33	Bond Fund 35	Bond Fund 39	Total
<u>ASSETS</u>					
Assets:					
Cash	\$ 40,201,196.44	\$ 713.68	\$ 38,156.54	\$ 182,374.01	\$ 40,422,440.67
Investments	-	-	-	-	-
Total assets	\$ 40,201,196.44	\$ 713.68	\$ 38,156.54	\$ 182,374.01	\$ 40,422,440.67
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Outstanding warrants	\$ 941,168.93	\$ -	\$ -	\$ 5,443.48	\$ 946,612.41
Encumbrances	-	-	-	-	-
Total liabilities	\$ 941,168.93	\$ -	\$ -	\$ 5,443.48	\$ 946,612.41
Fund balances:					
Designated for capital projects	\$ 39,260,027.51	\$ 713.68	\$ 38,156.54	\$ 176,930.53	\$ 39,475,828.26
Undesignated	-	-	-	-	-
Total fund balances	\$ 39,260,027.51	\$ 713.68	\$ 38,156.54	\$ 176,930.53	\$ 39,475,828.26
Total liabilities and fund balances	\$ 40,201,196.44	\$ 713.68	\$ 38,156.54	\$ 182,374.01	\$ 40,422,440.67

OWASSO SCHOOL DISTRICT NO. I-11
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

	Bond Fund 31	Bond Fund 33	Bond Fund 35	Bond Fund 39	Total
Revenues collected:					
Local sources	\$ 1,004,785.00	\$ -	\$ -	\$ -	\$ 1,004,785.00
Intermediate sources	-	-	-	-	-
State sources	-	-	-	-	-
Federal sources	-	-	-	-	-
Non-Revenue sources	-	-	-	-	-
Total revenues collected	\$ 1,004,785.00	\$ -	\$ -	\$ -	\$ 1,004,785.00
Expenditures paid:					
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Support services	-	-	-	-	-
Non-instructional services	-	-	-	-	-
Capital outlays	28,096,100.13	-	113,304.00	103,784.16	28,313,188.29
Other outlays	-	-	-	-	-
Repayments	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures paid	\$ 28,096,100.13	\$ -	\$ 113,304.00	\$ 103,784.16	\$ 28,313,188.29
Excess of revenues collected over (under) expenditures	\$ (27,091,315.13)	\$ -	\$ (113,304.00)	\$ (103,784.16)	\$ (27,308,403.29)
Adjustments to prior year encumbrances					
Other financing sources (uses):					
Bond sale proceeds	\$ 33,662,310.00	\$ -	\$ -	\$ -	\$ 33,662,310.00
Operating transfers in/(out)	-	-	-	-	-
Bank charges	-	-	-	-	-
Total other financing sources (uses)	\$ 33,662,310.00	\$ -	\$ -	\$ -	\$ 33,662,310.00
Excess revenues and other sources over (under) expenditures and other uses	\$ 6,570,994.87	\$ -	\$ (113,304.00)	\$ (103,784.16)	\$ 6,353,906.71
Fund balances, beginning of year	\$ 32,689,032.64	\$ 713.68	\$ 151,460.54	\$ 280,714.69	\$ 33,121,921.55
Fund balances, end of year	\$ 39,260,027.51	\$ 713.68	\$ 38,156.54	\$ 176,930.53	\$ 39,475,828.26

OWASSO SCHOOL DISTRICT NO. I-11
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
 FIDUCIARY FUND - REGULATORY BASIS
 JUNE 30, 2025

	Fiduciary Fund Types			
	Agency Fund	Private Purpose Trust Fund	Jennifer Gibson Memorial Fund	Total
ASSETS:				
Cash	\$ 3,086,256.82	\$ 206,877.58		\$ 3,293,134.40
Investments	-	-		-
Total assets	<u>\$ 3,086,256.82</u>	<u>\$ 206,877.58</u>		<u>\$ 3,293,134.40</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Outstanding warrants	\$ 98,247.05	\$ -		\$ 98,247.05
Encumbrances	-	-		-
Total liabilities	<u>\$ 98,247.05</u>	<u>\$ -</u>		<u>\$ 98,247.05</u>
Fund balances:				
Cash fund balances	\$ 2,988,009.77	\$ 206,877.58		\$ 3,194,887.35
Total fund balances	<u>\$ 2,988,009.77</u>	<u>\$ 206,877.58</u>		<u>\$ 3,194,887.35</u>
Total liabilities and fund balances	<u>\$ 3,086,256.82</u>	<u>\$ 206,877.58</u>		<u>\$ 3,293,134.40</u>

Private Purpose Trust Fund	
Jennifer Gibson Memorial Fund	
Revenues Collected	
Local	\$ 6,877.58
Donation	-
Total	\$ 6,877.58
Expenditures Paid	
Other uses	\$ 6,120.29
Total	\$ 6,120.29
Excess of revenues collected over (under) expenses paid	\$ 757.29
Other financing sources (uses):	
Transfer in/(out)	\$ -
Excess revenues and other sources over/(under) expenditures and other uses	\$ 757.29
Fund balance, beginning of year	\$ 206,120.29
Fund balance, end of year	\$ 206,877.58

OWASSO SCHOOL DISTRICT NO. I-11
BUDGETARY COMPARISON SCHEDULE - REGULATORY BASIS
BUILDING FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Revenues collected:				
Local sources	\$ 3,780,213.28	\$ 3,780,213.28	\$ 4,298,281.14	\$ 518,067.86
Intermediate sources	-	-	-	-
State sources	-	-	1,085,827.72	1,085,827.72
Federal sources	-	-	-	-
Non-revenue sources	-	-	-	-
Total revenues collected	\$ 3,780,213.28	\$ 3,780,213.28	\$ 5,384,108.86	\$ 1,603,895.58
Expenditures paid:				
Instruction	\$ -	\$ -	\$ -	\$ -
Support services	7,790,055.15	7,790,055.15	5,112,573.09	2,677,482.06
Non-instructional services	-	-	-	-
Capital outlay	-	-	-	-
Other Outlays	-	-	-	-
Other Uses	-	-	-	-
Repayment	-	-	-	-
Debt service:	-	-	-	-
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	\$ 7,790,055.15	\$ 7,790,055.15	\$ 5,112,573.09	\$ 2,677,482.06
Excess of revenues collected over (under) expenses paid before adjustments to prior year encumbrances	\$ (4,009,841.87)	\$ (4,009,841.87)	\$ 271,535.77	\$ 4,281,377.64
Adjustments to prior year encumbrances	\$ -	\$ -	\$ -	\$ -
Other financing sources (uses):				
Operating transfers in/out	\$ -	\$ -	\$ -	\$ -
Bank charges	-	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -
Excess (deficiency) of revenue collected over expenditures paid and other financing sources (uses)	\$ (4,009,841.87)	\$ (4,009,841.87)	\$ 271,535.77	\$ 4,281,377.64
Fund balances, beginning of year	\$ 4,009,841.87	\$ 4,009,841.87	\$ 4,009,841.87	\$ -
Fund balance, end of year	\$ -	\$ -	\$ 4,281,377.64	\$ 4,281,377.64

OWASSO SCHOOL DISTRICT NO. I-11
BUDGETARY COMPARISON SCHEDULE - REGULATORY BASIS
CHILD NUTRITION FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Revenues collected:				
Local sources	\$ 1,465,299.39	\$ 1,465,299.39	\$ 1,769,179.30	\$ 303,879.91
Intermediate sources	-	-	-	-
State sources	276,657.02	276,657.02	302,122.94	25,465.92
Federal sources	2,300,463.97	2,300,463.97	2,347,602.17	47,138.20
Non-revenue sources	11,672.52	11,672.52	13,514.20	1,841.68
Total revenues collected	\$ 4,054,092.90	\$ 4,054,092.90	\$ 4,418,904.41	\$ 376,484.03
Expenditures paid:				
Instruction	\$ -	\$ -	\$ -	\$ -
Support services	-	-	-	-
Non-instructional services	6,613,495.70	6,613,495.70	4,758,416.59	1,855,079.11
Capital outlay	-	-	-	-
Other Outlays	13,514.20	13,514.20	13,514.20	-
Other Uses	-	-	-	-
Repayment	-	-	-	-
Debt service:	-	-	-	-
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	\$ 6,627,009.90	\$ 6,627,009.90	\$ 4,771,930.79	\$ 1,855,079.11
Excess of revenues collected over (under) expenses paid before adjustments to prior year encumbrances	<u>\$ (2,572,917.00)</u>	<u>\$ (2,572,917.00)</u>	<u>\$ (339,512.18)</u>	<u>\$ 2,233,404.82</u>
Adjustments to prior year encumbrances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other financing sources (uses):				
Operating transfers in/out	\$ -	\$ -	\$ -	\$ -
Bank charges	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenue collected over expenditures paid and other financing sources (uses)	<u>\$ (2,572,917.00)</u>	<u>\$ (2,572,917.00)</u>	<u>\$ (339,512.18)</u>	<u>\$ 2,233,404.82</u>
Fund balances, beginning of year	<u>\$ 2,572,917.00</u>	<u>\$ 2,572,917.00</u>	<u>\$ 2,572,917.00</u>	<u>\$ -</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,233,404.82</u></u>	<u><u>\$ 2,233,404.82</u></u>

OWASSO SCHOOL DISTRICT NO. I-11
SCHEDULE OF FEDERAL AWARDS EXPENDED
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Grantor's Number	Balance at July 1, 2024	Receipts	Expenditures	Balance at June 30, 2025
U.S. Department of Education						
Direct Programs:						
Title VI, Indian Education	84.060A	S060A242284	\$ (167,483.31)	\$ 425,545.07	\$ 412,971.00	\$ (154,909.24)
Subtotal Direct Programs:			\$ (167,483.31)	\$ 425,545.07	\$ 412,971.00	\$ (154,909.24)
Passed-Through U.S. Department of Education						
* Title I, Basic	84.010	N/A	\$ (247,528.01)	\$ 1,009,606.43	\$ 1,007,695.28	\$ (245,616.86)
* Title I Part A Neglected	84.010	N/A	(265.60)	1,930.65	1,748.90	(83.85)
Title II Part A Teacher and Principal Training	84.367	N/A	(30,513.55)	228,566.81	271,227.65	(73,174.39)
Title IV Student Support	84.424A	N/A	-	49,068.19	67,568.19	(18,500.00)
Title III Immigrant Education Act	84.365	N/A	-	119.28	119.28	-
Title III Part A English Language Acquisition Language	84.365	N/A	(12,799.67)	60,260.92	62,148.41	(14,687.16)
* ARP ESSER III - Oklahoma Paid Student Teacher Stipend	84.425U	N/A	-	6,996.00	6,996.00	-
* ARP ESSER III - Oklahoma Science of Reading	84.425U	N/A	1,292.00	5,814.00	7,092.52	13.48
* ESSER III American Rescue Plan	84.425U	N/A	(189,216.09)	347,970.50	158,754.41	-
* ARP ESSER III - Homeless II	84.425U	N/A	(5,867.66)	10,139.19	4,271.53	-
Subtotal			\$ (484,898.58)	\$ 1,720,471.97	\$ 1,587,622.17	\$ (352,048.78)
<i>* Special Education Cluster</i>						
Special Ed Prof Development-OSDE	84.027	N/A	\$ -	\$ 10,726.06	\$ 10,726.06	\$ -
Special Ed Prof Development	84.027	N/A	(280.77)	4,448.11	4,167.34	-
Transition Development Program	84.027X	N/A	-	18,418.37	22,820.87	(4,402.50)
IDEA B Flow Through	84.027	N/A	(468,163.39)	2,075,067.38	1,985,563.58	(378,659.59)
IDEA B Flow Through-Private	84.027	N/A	(228.90)	9,228.90	10,757.55	(1,757.55)
Preschool	84.173	N/A	(4,078.00)	51,010.83	46,932.83	-
Subtotal Special Education Cluster			\$ (472,751.06)	\$ 2,168,899.65	\$ 2,080,968.23	\$ (384,819.64)
Subtotal Passed Through State Department of Education			\$ (957,649.64)	\$ 3,889,371.62	\$ 3,668,590.40	\$ (736,868.42)

(Continued)

OWASSO SCHOOL DISTRICT NO. I-11
SCHEDULE OF FEDERAL AWARDS EXPENDED
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Grantor's Number	Balance at July 1, 2024	Receipts	Expenditures	Balance at June 30, 2025
<u>U. S. Department of Agriculture</u>						
Passed-Through State Department of Education						
<i>Child Nutrition Cluster</i>						
Non-Cash Assistance (Commodities):						
National School Lunch Program	10.555	N/A	-	248,918.73	248,918.73	-
Subtotal Non-Cash Assistance (Commodities)			-	248,918.73	248,918.73	-
National School Lunch Program	10.555	N/A	830,364.11	1,923,664.17	2,754,028.28	-
School Breakfast	10.553	N/A	-	342,940.34	342,940.34	-
Summer Food Service Programs	10.559	N/A	-	80,997.66	80,997.66	-
Subtotal Child Nutrition Cluster			830,364.11	2,596,520.90	3,426,885.01	-
Subtotal Passed-Through Child Nutrition			830,364.11	2,596,520.90	3,426,885.01	-
<u>Other Federal Assistance</u>						
Passed-Through Cherokee Nation						
Johnson O'Malley	15.130	N/A	(35,941.51)	82,388.56	122,423.19	(75,976.14)
Subtotal Passed-Through Cherokee Nation			(35,941.51)	82,388.56	122,423.19	(75,976.14)
Passed-Through Tulsa County						
Flood Control	12.112	N/A	122.22	44.01	166.23	-
Subtotal Passed-Through Tulsa County			122.22	44.01	166.23	-
Subtotal Other Federal Assistance			(35,819.29)	82,432.57	122,589.42	(75,976.14)
TOTAL FEDERAL ASSISTANCE			(330,588.13)	6,993,870.16	7,631,035.83	(967,763.80)

* Major program

The accompanying notes are an integral part of this schedule

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the school under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of The Oklahoma State Department of Education. Because the Schedule presents only a selected portion of the operations of the school, it is not intended and does not present the financial position, changes in net assets, or cash flows of the school.

B. Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the regulatory basis of accounting consistent with the preparation of the combined financial states except for non-monetary assistance noted in Note C. The school has elected not to use the 10% de minimis indirect cost rate. None of the federal programs include any loan programs.

C. Food Distribution

Non-monetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed.

OWASSO SCHOOL DISTRICT NO. 1-11
SCHOOL ACTIVITY FUND
RECEIPTS, TRANSFERS, DISBURSEMENTS AND SUB-ACCOUNT BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

Activities	Balance 7-1-24	Deposited	Net Transfers/ Adjustments	Disbursed	Balance 6-30-25
General Fund	\$ 156,685.74	\$ 112,218.44	\$ (10,082.30)	\$ 35,816.38	\$ 223,005.50
Child Nutrition Refund	-	10,000.00	-	10,000.00	-
OHS Activity	74,068.37	28,837.07	784.36	20,130.50	83,559.30
HS AP	33,936.41	40,690.72	-	37,820.00	36,807.13
HS Honor Society	24,968.69	3,485.00	-	8,678.69	19,775.00
HS Student Council	82,695.76	44,912.34	-	49,187.65	78,420.45
HS Speech/Debate	4,635.46	2,744.00	-	3,034.06	4,345.40
OHS-Teachers/Staff Appreciation	1,837.72	-	2,742.36	2,176.16	2,403.92
HS Youth Alive	805.69	-	-	-	805.69
HS Yearbook	8,632.95	7,086.51	-	3,694.50	12,024.96
HS Academic Bowl	668.05	226.60	-	484.79	409.86
HS Equality Club	178.43	-	-	-	178.43
HS Band	199,329.31	371,472.30	-	356,395.62	214,405.99
5th Grade Honor Choir	4,071.82	-	-	-	4,071.82
HS FFA	30,956.25	100,932.38	-	96,530.28	35,358.35
HS East- The Ram Reserve - School Store	-	279.00	750.00	731.49	297.51
HS STEM Club	79.25	-	-	-	79.25
HS Counselors	3,190.03	-	-	297.88	2,892.15
HS Art Club	1,801.90	8,807.00	-	8,703.36	1,905.54
HS Stagecraft	405.18	-	-	-	405.18
HS Library	10,886.81	36,805.19	-	33,678.27	14,013.73
HS Senior Class	38,217.01	52,206.72	-	51,974.67	38,449.06
HS Unified Club	1,130.48	2,310.10	-	2,574.04	866.54
HS Junior Class	50,082.93	38,140.00	-	35,322.20	52,900.73
Spark	111,010.47	948,971.90	-	673,206.10	386,776.27
E-Sports	1,861.17	2,970.26	-	3,598.69	1,232.74
HS FCA-Fellowship of Christian Athletes	115.00	-	-	-	115.00
HS History Club	580.62	-	-	150.00	430.62
HS World Travel Club	359.25	332.70	-	86.38	605.57
HS Robotics	1,018.72	-	-	-	1,018.72
OHS LARP Club	230.39	-	-	90.40	139.99
HS Drama/Production	10,040.72	32,597.77	-	27,816.50	14,821.99
8th Grade Teacher/Staff Appreciation	947.01	-	890.43	837.44	1,000.00
Eighth Grade Activity	3,034.23	335.50	271.77	281.49	3,360.01
Eighth Grade Student Council	5,728.59	7,158.00	-	6,255.52	6,631.07
Eighth Grade FACS	2,089.95	1,785.00	-	488.29	3,386.66
Eighth Grade Yearbook	2,409.64	3,138.70	-	2,044.61	3,503.73
Eighth Grade Art	1,474.89	2,585.00	-	2,435.88	1,624.01
Eighth Grade Foreign Lang.	1,585.48	1,400.00	-	1,297.71	1,687.77
Eighth Grade Robotics	24.62	-	-	-	24.62
Eighth Grade Computer	168.97	330.00	-	57.55	441.42
Eighth Grade English	114.52	-	-	-	114.52
Eighth Grade Teachers Welfare	898.91	525.00	-	510.79	913.12
7th Grade Stem	268.43	830.00	-	1,005.62	92.81
Eighth Grade FCCLA	520.81	9,907.41	-	2,352.35	8,075.87
Eighth Grade Strength & Conditioning	829.62	360.00	-	264.64	924.98
Eighth Grade STEM	712.08	560.00	-	680.99	591.09
Seventh Grade Activity	10,383.39	-	7.14	614.69	9,775.84
Seventh Grade Yearbook	1,238.94	3,973.55	-	-	5,212.49
Seventh Grade Foreign Lang.	112.16	1,233.00	-	823.08	522.08

(continued)

OWASSO SCHOOL DISTRICT NO. I-11
SCHOOL ACTIVITY FUND
RECEIPTS, TRANSFERS, DISBURSEMENTS AND SUB-ACCOUNT BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

Activities	Balance 7-1-24	Deposited	Net Transfers/ Adjustments	Disbursed	Balance 6-30-25
Seventh Grade Student Council	1,836.76	4,975.00	-	4,364.70	2,447.06
Seventh Grade Science	137.11	-	-	-	137.11
Seventh Grade Physical Ed	3,278.08	900.00	-	799.80	3,378.28
7GC FACS	219.54	900.00	-	911.83	207.71
7GC Teacher/Staff Appreciation	353.53	-	777.98	888.18	243.33
Seventh Grade Teachers Welfare	24.05	-	-	24.05	-
Seventh Grade NJHS	1,383.04	1,664.00	-	1,055.30	1,991.74
Seventh Grade Library	2,791.63	7,890.13	-	7,722.94	2,958.82
Barnes Activity	9,546.37	22,103.89	27.81	9,216.19	22,461.88
Barnes All In	1,393.87	3.20	-	646.17	750.90
Barnes Library	20,413.60	10,036.55	-	7,647.42	22,802.73
Barnes Tack	27.81	-	(27.81)	-	-
Seventh Grade Art	1,366.87	4,215.00	-	4,065.26	1,516.61
Barnes Teacher/Staff Appreciation	749.17	-	686.10	679.03	756.24
Barnes Music	193.14	310.00	-	468.84	34.30
Ator Library	5,801.60	13,142.89	-	14,943.48	4,001.01
Ator Activity	8,879.86	4,446.10	604.59	8,524.91	5,405.64
Ator Physical Ed	1,594.70	-	-	-	1,594.70
Ator Music (Inactive as of 4/14/25)	696.40	580.00	(604.59)	671.81	-
Mills Activity	6,919.04	9,816.60	-	11,776.47	4,959.17
Mills Student Leadership	1,561.50	-	-	103.86	1,457.64
Mills Teacher Welfare	4,208.52	570.00	-	878.81	3,899.71
Mills Teacher/Staff Appreciation	1,000.00	-	263.10	520.89	742.21
Mills Library	5,622.94	22,582.25	-	20,256.06	7,949.13
Smith Teacher/Staff Appreciation	1,000.00	-	288.76	660.16	628.60
Smith Activity	18,985.67	9,483.38	(15.46)	9,710.61	18,742.98
Smith Library	12,241.85	10,663.00	-	12,606.75	10,298.10
Smith Run Club	-	-	23.00	-	23.00
Smith Teachers Welfare	1,858.46	1,117.25	-	1,092.34	1,883.37
Hodson Activity	20,489.81	11,933.02	7,622.32	14,216.41	25,828.74
Hodson Teachers Welfare	568.09	661.00	-	935.07	294.02
Hodson Teacher/Staff Appreciation	588.81	-	977.62	794.51	771.92
Hodson Library	10,022.36	27,419.66	(7,622.32)	18,382.09	11,437.61
Hodson Physical Ed	948.21	-	-	134.95	813.26
Hodson Music	735.81	2,950.00	-	2,868.73	817.08
Northeast Teacher/Staff Appreciation	938.32	-	86.09	24.41	1,000.00
Northeast Activity	26,044.60	8,575.95	-	9,159.61	25,460.94
Northeast Teachers Welfare	567.80	-	-	347.26	220.54
Northeast Library	21,571.40	34,911.50	-	23,274.11	33,208.79
Bailey Activity	12,581.35	6,691.55	200.00	10,145.01	9,327.89
Bailey Teachers Welfare	190.56	-	-	-	190.56
Bailey Library	7,269.26	15,143.95	-	14,923.66	7,489.55

(continued)

OWASSO SCHOOL DISTRICT NO. I-11
SCHOOL ACTIVITY FUND
RECEIPTS, TRANSFERS, DISBURSEMENTS AND SUB-ACCOUNT BALANCES
FOR THE YEAR ENDED JUNE 30, 2025

Activities	Balance 7-1-24	Deposited	Net Transfers/ Adjustments	Disbursed	Balance 6-30-25
Bailey Teacher/Staff Appreciation	1,000.00	-	599.04	1,460.29	138.75
Eighth Grade Library	3,520.76	2,262.21	-	2,694.21	3,088.76
Eighth Grade NJHS	2,594.52	1,050.00	-	985.27	2,659.25
Eighth Grade Science	407.23	-	-	383.16	24.07
Special Ed Programs	223,774.82	-	-	9,821.71	213,953.11
Ator Teacher/Staff Appreciation	812.81	221.85	187.19	596.80	625.05
Special Olympics Dist. Wide	86,506.93	28,761.00	309.00	35,281.42	80,295.51
Ram Academy	6,533.93	4,347.50	-	5,813.76	5,067.67
Indian Education Activity	7,648.53	13,220.00	-	11,252.70	9,615.83
Grants (OEF Only)	-	62,155.54	-	62,155.54	-
Grants (Except OEF-SEE 936)	6,267.01	12,149.00	(2,020.81)	10,943.64	5,451.56
Staff Appreciation-District	1,955.84	2,726.55	387.88	3,028.18	2,042.09
Athletics	408,130.00	792,355.61	-	707,771.13	492,714.48
Ram Partners	114,641.93	203,840.00	-	177,654.77	140,827.16
Virtual/ Summer School	22,875.00	8,575.00	-	425.00	31,025.00
District Fine Arts	102,480.37	64,038.00	-	49,418.24	117,100.13
Operations Welfare Fund	179.58	-	-	-	179.58
Health Services	106.29	-	-	-	106.29
Ram Teacher Welfare	4,621.05	407.73	-	700.80	4,327.98
HS FACS	6,487.95	5,805.00	-	5,486.28	6,806.67
HS Vocal	47,919.01	155,374.60	-	154,233.49	49,060.12
Stem - 6GC	1,867.72	1,850.00	-	2,075.19	1,642.53
Student Holding Account	97,693.28	9,624.98	-	-	107,318.26
HS Liberty Committee	5,292.19	4,993.50	-	4,257.48	6,028.21
HS Teachers Welfare	14,853.20	7,393.84	-	7,230.82	15,016.22
Morrow Activity	17,175.06	12,447.84	-	9,413.01	20,209.89
Morrow Teacher/Staff	902.22	-	401.18	387.27	916.13
Ram Academy Teacher/Staff Appreciation	78.22	-	221.78	-	300.00
HS FCCLA	529.43	8,700.55	-	4,317.09	4,912.89
Morrow Teacher Welfare	3,950.02	3,163.00	-	1,462.80	5,650.22
HS Foreign Language Club	11,157.87	28,370.82	-	29,051.75	10,476.94
Morrow Library	10,557.72	16,270.19	-	14,342.23	12,485.68
Sixth Grade Activity	8,141.46	49.90	8.99	1,523.02	6,677.33
Sixth Grade Physical Ed	896.98	40.00	-	-	936.98
Sixth Grade Student Council	5,919.58	1,409.00	(309.00)	1,676.13	5,343.45
Sixth Grade Yearbook	18,369.04	2,370.00	-	673.10	20,065.94
Sixth Grade Computer	22.42	-	-	-	22.42
6GC Teacher/Staff Appreciation	119.44	-	880.56	948.36	51.64
Sixth Grade Science	932.41	-	-	815.02	117.39
Sixth Grade Art	1,691.93	4,910.00	-	2,100.62	4,501.31
Sixth Grade Teachers Welfare	3,415.05	-	-	1,539.51	1,875.54

(continued)

**OWASSO SCHOOL DISTRICT NO. I-11
SCHOOL ACTIVITY FUND
RECEIPTS, TRANSFERS, DISBURSEMENTS AND SUB-ACCOUNT BALANCES
FOR THE YEAR ENDED JUNE 30, 2025**

Activities	Balance 7-1-24	Deposited	Net Transfers/ Adjustments	Disbursed	Balance 6-30-25
Sixth Grade Math	8.99	-	(8.99)	-	-
Sixth Grade Social Studies	2,747.05	-	-	624.04	2,123.01
Sixth Grade Library	14,787.31	7,373.35	-	7,167.92	14,992.74
Stone Canyon Teacher /Staff Appreciation	683.29	-	692.23	1,061.81	313.71
Sixth Grade ESC	1,572.00	-	-	-	1,572.00
Stone Canyon Activity	8,257.57	16,606.94	-	16,683.47	8,181.04
Stone Canyon Teacher Welfare	953.97	675.00	-	657.00	971.97
Stone Canyon Library	22,159.79	35,786.61	-	38,196.56	19,749.84
Chromebook Ins/Assessories	99,800.85	46,105.50	-	113,996.27	31,910.08
Total Activities	\$ <u>2,506,623.93</u>	\$ <u>3,679,263.64</u>	\$ <u>-</u>	\$ <u>3,197,877.80</u>	\$ <u>2,988,009.77</u>

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.
Broken Arrow, OK 74012
Phone Number 918.250.8838
FAX Number 918.250.9853

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
Owasso School District No. I-11
Tulsa 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 Owasso School District No. I-11, Tulsa County, Oklahoma (District), as listed in the Table of Contents, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated January 5, 2026, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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 the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We have also issued a separate management letter to the District dated January 5, 2026, which includes recommendations not required to be reported under Government Auditing Standards.

Purpose of this Report

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.

Patten & Odom, CPAs

Patten & Odom, CPAs, PLLC.
Broken Arrow, Oklahoma
January 5, 2026

Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.
Broken Arrow, OK 74012
Phone Number 918.250.8838
FAX Number 918.250.9853

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

January 5, 2026

The Honorable Board of Education
Owasso School District No. I-11
Tulsa County, Oklahoma

Opinion of Each Major Federal Program

We have audited Owasso School District No. I-11, Tulsa County, Oklahoma (District's) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Owasso School District No. I-11, Tulsa County, Oklahoma, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis of Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Owasso School District No. I-11, Tulsa County, Oklahoma and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Owasso School District No. I-11, Tulsa County, Oklahoma's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Owasso School District No. I-11, Tulsa County, Oklahoma's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Owasso School District No. I-11, Tulsa County, Oklahoma's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance with it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Owasso School District No. I-11, Tulsa County, Oklahoma's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Governmental Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Owasso School District No. I-11, Tulsa County, Oklahoma's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Owasso School District No. I-11, Tulsa County, Oklahoma's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Owasso School District No. I-11, Tulsa County, Oklahoma's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibility for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

A handwritten signature in cursive script that reads "Patten & Odom, CPAs".

Patten & Odom, CPAs, PLLC
Broken Arrow, Oklahoma
January 5, 2026

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an adverse opinion on the combined financial statements prepared 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 Department of Education.
2. There were no audit findings reported of deficiencies in internal control, which the auditor considers to be "significant deficiency" as defined in A.I.C.P.A. standards.
3. No instances of noncompliance material to the financial statements of Owasso School District which would be required to be reported in accordance with Government Auditing Standards were disclosed during the audit.
4. There were no audit findings reported of deficiencies in internal control over major programs, which the auditor considers to be "significant deficiency" as defined by A.I.C.P.A. standards.
5. The auditor's report on compliance for the major federal award programs for Owasso School District expresses an unmodified opinion on all major federal programs.
6. There were no audit findings relative to major federal award programs for Owasso School District that were required to be reported by Uniform Guidance.
7. The programs tested as major programs included: Title I, Basic & Title I Part A Neglected (84.010); ARP ESSER III – Oklahoma Paid Student Teacher Stipend, ARP ESSER III – Oklahoma Science of Reading, ESSER III, American Rescue Plan, ARP ESSER III – Homeless II (84.425U); Special Education Cluster (84.027, 84.027X & 84.173).
8. A threshold for distinguishing Types A and B programs was \$750,000.00.
9. Owasso School District did not qualify as a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

1. No matters were reported.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

1. No matters were reported.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
SUMMARY OF PRIOR AUDIT FINDINGS
JULY 1, 2024 TO JUNE 30, 2025**

The summary of prior audit findings is required to report the status of all audit findings reported in the prior audit's schedule of findings and questioned costs relative to federal awards.

The school district had no prior year audit findings relative to federal award programs.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
SCHEDULE OF COMMENTS
JULY 1, 2024 TO JUNE 30, 2025**

Based on our tests of accounting records and related procedures, we found nothing to indicate that Owasso School District No. I-11 had not complied with significant compliance rules and regulations of the Oklahoma State Department of Education.

Previous Year's Audit Comments

There are no items in the 2023-2024 audit report which required resolution.

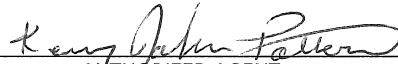
We would like to express our appreciation for the courtesies and cooperation extended to us by school district administrators and employees during the course of this audit.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2024 TO JUNE 30, 2025**

State of Oklahoma)
County of Tulsa)

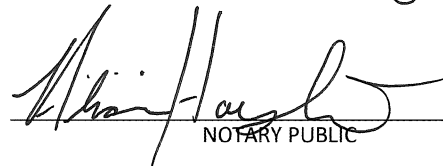
The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Owasso School District for the audit year 2024-2025.

Patten & Odom, CPAs, PLLC
AUDITING FIRM

BY 
AUTHORIZED AGENT

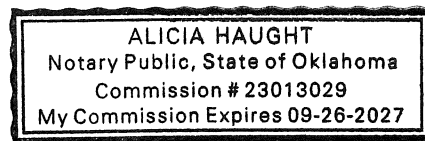
Subscribed and sworn to before me on this

5th day of January, 2026


NOTARY PUBLIC

My commission expires on:

26th day of September, 2027



Patten & Odom, CPAs, PLLC

2101 N. Willow Ave.
Broken Arrow, OK 74012
Phone Number 918.250.8838
FAX Number 918.250.9853

The Honorable Board of Education
Owasso School District No. I-11
Tulsa 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 Owasso School District No. I-11, Tulsa County, Oklahoma (District), as listed in the Table of Contents, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated January 5, 2026, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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 the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

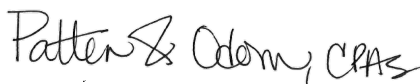
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination 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.

During our audit, we noted certain matters involving internal controls and other operational matters which we determined did not constitute significant deficiencies or material weaknesses, but which we believed deserved management's attention. These comments and recommendations are intended to improve internal controls or result in other operating efficiencies and are not intended to be a comprehensive report of all weaknesses that may exist.

We discussed these matters with appropriate members of management during the audit and appreciate the cooperation and assistance provided by District personnel throughout the engagement.

This letter is intended solely for the information and use of the Board of Education and management of Owasso Public Schools and is not intended to be, and should not be, used by anyone other than those specified parties.



Patten & Odom, CPAs, PLLC.
Broken Arrow, Oklahoma
January 5, 2026

OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
MANAGEMENT LETTER COMMENTS – PAGE 1 of 2
JULY 1, 2024 TO JUNE 30, 2025

I. **Condition:** The District's internal controls over payroll processing and related documentation could be strengthened to ensure accurate, timely and compliant with applicable requirements. During testing, the following deficiencies were identified:

- **Pay Dates – 12-month employees**
12-month employees are being paid on the 15th of each month for services rendered during the entire month, resulting in employees being paid in advance of services performed. This practice exposes the District to risk if an employee terminates prior to completing the pay period.
- **Overtime Calculation**
For non-exempt employees working multiple positions with different pay rates, overtime was not calculated using the required blended pay rate in accordance with the Fair Labor Standards Act (FLSA).
- **Employee Overpayment**
One employee selected for testing was overpaid \$2,522, due to a clerical error related to job termination processing when the employee transferred to a different position, indicating a lack of controls of job changes and payroll updates.
- **Fiscal Year Cutoff for Summer School**
Summer school payments were supported by contracts spanning multiple fiscal years without proper separation of contracts or payments between fiscal years, resulting in improper fiscal year cutoff.
- **Supporting Documentation Timing**
An extra duty payment was supported by a contract executed in a subsequent fiscal year, rather than in the year services were rendered and paid.

Recommendation: We recommend the District strengthen internal controls over payroll as follows:

- **Review Pay Timing Practices**
Evaluate the pay schedule for 12 month employees to ensure compensation aligns with services rendered or implement procedures to mitigate the risk of advanced payments.
- **Ensure FLSA Compliance**
Implement procedures to identify employees working multiple positions and require calculation of overtime using the FLSA mandated blended rate.
- **Strengthen Job Change Controls**
Establish a formal process for timely termination and initiation of job records in the payroll system when employees change positions, including supervisory review to prevent overpayments.
- **Improve Fiscal Year Cutoff Controls**
Require separate summer school contracts and payroll processing by fiscal year to ensure payments are recorded in the appropriate fiscal period.
- **Require Timely Supporting Documentation**
Ensure all payroll payments, including extra duty compensation, are supported by approved contracts and documentation executed in the fiscal year in which services are rendered.

**OWASSO SCHOOL DISTRICT NO. I-11
TULSA COUNTY, OKLAHOMA
MANAGEMENT LETTER COMMENTS – PAGE 2 of 2
JULY 1, 2024 TO JUNE 30, 2025**

- II. **Condition:** Our review of fundraising activities determined that the District has not fully implemented formal policies and procedures to ensure consistent documentation, reconciliation, and oversight of school sponsored fundraisers. The fundraisers selected for audit testing did not maintain adequate records to support fundraiser activities, including inventory tracking, sales documentation and profit and loss reporting. We identified instances where fundraiser proceeds and inventory were not fully accounted for.

Recommendation: We recommend that the District establish and enforce comprehensive policies and procedures governing all fundraising activities. These procedures should address both key components of fundraisers – inventory and cash- and should require sponsors to maintain detailed records, supporting quantities ordered, sold and remaining, as well as timely deposit of all receipts. Profit and loss statements should be prepared for each fundraiser and submitted to the activity fund custodian for review.

Further, the District should ensure that sponsors, site secretaries and activity fund custodians are appropriately trained and held accountable for compliance with these procedures. Any discrepancies, losses or results that are less than expected should be promptly investigated and corrective action taken, as necessary, to strengthen oversight and safeguard activity fund resources.

- III. **Condition:** During our review of general and activity fund expenditures related to training and/or meals we noted supporting documentation did not consistently include a list of students, staff or participants for the activity. As a result, the District did not always maintain sufficient documentation to demonstrate that these expenditures were appropriate and reasonable.

Recommendation: The District should implement and enforce procedures requiring adequate supporting documentation for all activity fund expenditures. Such documentation should include, at a minimum, a list of participants and the purpose of the event to ensure the expenditures are properly supported and aligned with allowable general and activity fund purposes.

- IV. **Condition:** The District's receiving documentation for expenditures primarily consisted of initials or an "Ok to Pay" stamp. As a result, documentation did not consistently indicate who received the goods or services or the date of receipt.

Recommendation: The District should strengthen internal controls over purchasing and disbursements by implementing formal receiving procedures. Policies should clearly define the purpose and required use of the "Ok to Pay" stamp, including required information such as the date received and the signature of the individual verifying receipt. Receiving documentation should be retained with the invoice and supporting purchasing records.

- V. **Condition:** Several bond fund purchase orders were missing required AIA certification documentation, specifically the signature of the architect, to support contractor payment requests. In the absence of completed AIA certifications, the District lacked sufficient evidence that work was reviewed and approved prior to payment.

Recommendation: The District should strengthen controls over bond expenditures by ensuring AIA certification documentation is obtained and retained for all applicable contractor payment requests. Supporting documentation should be maintained with the purchase order and payment records and reviewed prior to approval to ensure compliance with bond expenditure requirements and payment terms.