



JOY HOFMEISTER

STATE SUPERINTENDENT OF PUBLIC INSTRUCTION
OKLAHOMA STATE DEPARTMENT OF EDUCATION

MEMORANDUM

TO: The Honorable Members of the State Board of Education

FROM: Joy Hofmeister

DATE: March 22, 2018

SUBJECT: FY2018 General Fund Balance Penalty

The following public school districts, for the second consecutive school year, exceeded their General Fund Balance (GFB) allowable amount for the 2016-17 school year ending June 30, 2017. The GFB penalty for these districts is at the discretion of the State Board of Education, pursuant to 70 O.S. § 18-200.1(G).

District	County	Penalty Amount	No Foundation &/or Incentive	Loss of more than 40%	Congressional District
<u>Districts submitting correspondence requesting a State Board of Education waiver</u>					
Burlington (02I001)	Alfalfa	\$6,751	Yes	Yes	3
Cherokee (02I046)	Alfalfa	\$83,347	Yes	Yes	3
Sayre (05I031)	Beckham	\$64,510	Yes	Yes	3
Calumet (09I076)	Canadian	\$4,368	Yes	Yes	3
Seiling (22I008)	Dewey	\$9,244	Yes	Yes	3
Calvin (32I048)	Hughes	\$2,423	Yes	Yes	2
Aline-Cleo (44I004)	Major	\$9,445	Yes	Yes	3
Pryor (46I001)	Mayes	\$18,957	Yes	Yes	2
Frontier (52I004)	Noble	\$11,100	Yes	Yes	3
Kiowa (61I014)	Pittsburg	\$10,205	Yes	Yes	2
Reydon (65I006)	Roger Mills	\$4,875	Yes	Yes	3
Cheyenne (65I007)	Roger Mills	\$11,267	Yes	Yes	3
Hammon (65I066)	Roger Mills	\$6,152	Yes	Yes	3
Alva (76I001)	Woods	\$11,977	Yes	Yes	3
Freedom (76I006)	Woods	\$1,690	Yes	Yes	3
Fort Supply (77I005)	Woodward	\$4,355	Yes	Yes	3
<u>District with no response to the GFB penalty correspondence</u>					
Taloga (22I010)	Dewey	\$3,705	Yes	Yes	3

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Attachments

Joy Hofmeister
State Superintendent of Public Instruction
Oklahoma State Department of Education

General Fund Balance Penalty Statute

70 O.S. § 18-200.1:

Paragraph G:

1. Notwithstanding the provisions of Section 18-112.2 of this title, a school district shall have its State Aid reduced by an amount equal to the amount of carryover in the general fund of the district as of June 30 of the preceding fiscal year, that is in excess of the following standards for two consecutive years:

Total Amount of General Fund Collections, Excluding Previous Year Cash Surplus as of June 30	Amount of General Fund Balance Available
Less than \$1,000,000	40%
\$1,000,000 - \$2,999,999	35%
\$3,000,000 - \$3,999,999	30%
\$4,000,000 - \$4,999,999	25%
\$5,000,000 - \$5,999,999	20%
\$6,000,000 - \$7,999,999	18%
\$8,000,000 - \$9,999,999	16%
\$10,000,000 or more	14%

2. By February 1 the State Department of Education shall send by certified mail, with return receipt requested, to each School District Superintendent, Auditor and Regional Accreditation Officer a notice of and calculation sheet reflecting the general fund balance penalty to be assessed against that school district. Calculation of the general fund balance penalty **shall not include federal revenue**. Within thirty (30) days of receipt of this written notice the school district shall submit to the Department a written reply either accepting or protesting the penalty to be assessed against the district. If protesting, the school district shall submit with its reply the reasons for rejecting the calculations and documentation supporting those reasons. The Department shall review all school district penalty protest documentation and notify each district by March 15 of its finding and the final penalty to be assessed to each district. General fund balance penalties shall be assessed to all school districts by April 1.
3. Any school district which receives proceeds from a tax settlement or a Federal Emergency Management Agency settlement during the last two (2) months of the preceding fiscal year shall be exempt from the penalties assessed in this subsection, if the penalty would occur solely as a result of receiving funds from the tax settlement.
4. Any school district which receives an increase in State Aid because of a change in Foundation and/or Salary Incentive Aid factors during the last two (2) months of the preceding fiscal year shall be exempt from the penalties assessed in this subsection, if the penalty would occur solely as a result of receiving funds from the increase in State Aid.

(continued next page)

5. If a school district does not receive Foundation and/or Salary Incentive Aid during the preceding fiscal year, the State Board of Education may waive the penalty assessed in this subsection if the penalty would result in a loss of more than forty percent (40%) of the remaining State Aid to be allocated to the school district between April 1 and the remainder of the school year and if the Board determines the penalty will cause the school district not to meet remaining financial obligations. (*State Board of Education action required.*)
6. Any school district which receives gross production revenue apportionment during the 2002-2003 school year or in any subsequent school year that is greater than the gross production revenue apportionment of the preceding school year shall be exempt from the penalty assessed in this subsection, if the penalty would occur solely as a result of the gross production revenue apportionment, as determined by the State Board of Education.
7. Beginning July 1, 2003, school districts that participate in consolidation or annexation pursuant to the provisions of the Oklahoma School Voluntary Consolidation and Annexation Act shall be exempt from the penalty assessed in this subsection for the school year in which the consolidation or annexation occurs and for the next three (3) fiscal years.
8. Any school district which receives proceeds from a sales tax levied by a municipality pursuant to Section 22-159 of Title 11 of the Oklahoma Statutes or proceeds from a sales tax levied by a county pursuant to Section 1370 of Title 68 of the Oklahoma Statutes during the 2003-2004 school year or the 2004-2005 school year shall be exempt from the penalties assessed in this subsection, if the penalty would occur solely as a result of receiving funds from the sales tax levy.
9. For purposes of calculating the general fund balance penalty, the terms “carryover” and “general fund balance” shall not include federal revenue.

Title 70, Section 1-117:

- G. Schools which receive gifts or donations or state-appropriated monies for the purpose of capital expenditures or projects shall place such monies in the building fund, as provided by Section 1-118 of this title, and not in the general fund. School districts which receive gifts, grants, or donations of monies for noncapital expenditures **may place the monies in the general fund**, and such monies shall not be required to be used during the year in which the money was received but may accumulate from year to year and **shall not be considered a part of the general fund collections when calculating the general fund carryover** as provided in subsection G of Section 18-200.1 of this title.

					FY2018	FY2018	FY2018	Lessor of GFB Penalty	2nd Year	No Found	Incent Aid	No Remain-	Waiver	Request	Accepted	No	Response
					General Fund	Balance after	Estimate of 40% of	or State Aid Balance	Exceeded	&/or		ing State	Eligible	Waiver	Penalty		
County		District			Balance Penalty	March Payment	April 1, Balance	after the March Pymt				Aid Funds					
DISTRICTS REQUESTING STATE BOARD OF EDUCATION WAIVER																	
02	ALFALFA	I001	BURLINGTON	3	1,352,614.75	6,751	2,700	6,751	X	1			X	X			
02	ALFALFA	I046	CHEROKEE	3	1,807,686.66	83,347	33,339	83,347	X	1			X	X			
05	BECKHAM	I031	SAYRE	3	7,787,822.59	64,510	25,804	64,510	X	1			X	X			
09	CANADIAN	I076	CALUMET	3	1,802,849.05	4,368	1,747	4,368	X	1			X	X			
22	DEWEY	I008	SEILING	3	3,775,414.71	9,244	3,698	9,244	X	1			X	X			
32	HUGHES	I048	CALVIN	2	2,423.30	4,768	1,907	2,423	X	1			X	X			
44	MAJOR	I004	ALINE-CLEO	3	64,446.95	9,445	3,778	9,445	X	1			X	X			
46	MAYES	I001	PRYOR	2	349,361.32	18,957	7,583	18,957	X	1			X	X			
52	NOBLE	I004	FRONTIER	3	1,293,906.09	11,100	4,440	11,100	X	1			X	X			
61	PITTSBURG	I014	KIOWA	2	1,403,195.16	10,205	4,082	10,205	X	1			X	X			
65	ROGER MILLS	I006	REYDON	3	688,386.15	4,875	1,950	4,875	X	1			X	X			
65	ROGER MILLS	I007	CHEYENNE	3	1,796,018.88	11,267	4,507	11,267	X	1			X	X			
65	ROGER MILLS	I066	HAMMON	3	1,558,326.15	6,152	2,461	6,152	X	1			X	X			
76	WOODS	I001	ALVA	3	5,854,833.89	11,977	4,791	11,977	X	1			X	X			
76	WOODS	I006	FREEDOM	3	346,370.93	1,690	676	1,690	X	1			X	X			
77	WOODWARD	I005	FORT SUPPLY	3	216,579.47	4,355	1,742	4,355	X	1			X	X			
DISTRICTS ELIGIBLE FOR WAIVER BUT ACCEPTED THE PENALTY																	
18	CRAIG	C001	WHITE OAK	2	172,853.46	2,015	806	2,015	X	1			X		X		
21	DELAWARE	C006	CLEORA	2	2,157,771.52	3,308	1,323	3,308	X	1			X		X		
27	GRANT	I054	MEDFORD	3	6,949,529.36	6,305	2,522	6,305	X	1			X		X		
41	LINCOLN	I054	STROUD	3	8,657,651.42	11,807	4,723	11,807	X	1			X		X		
76	WOODS	I003	WAYNOKA	3	2,728,529.60	7,085	2,834	7,085	X	1			X		X		
DISTRICTS ELIGIBLE FOR WAIVER AND NO RESPONSE TO CORRESPONDENCE																	
22	DEWEY	I010	TALOGA	3	2,168,459.00	3,705	1,482	3,705	X	1			X				X
DISTRICT NOT MEETING THE QUALIFICATION FOR PENALTY WAIVER																	
05	BECKHAM	I002	MERRITT	3	122,923.99	345,927	138,371	122,924	X					X			
DISTRICTS WITH NO REMAINING BALANCE TO PENALIZE																	
02	ALFALFA	I093	TIMBERLAKE	3	455,236.99	0	0	0	X	1		X	X			X	
27	GRANT	I095	DEER CREEK-LAMON	3	321,339.78	0	0	0	X	1		X	X			X	
DISTRICTS WITH NO REMAINING BALANCE TO PENALIZE AND NO RESPONSE																	
65	ROGER MILLS	I015	SWEETWATER	3	6,673,206.42	0	0	0	X	1		X	X				X
TOTAL BREAKDOWN																	
								Amount									
							Total Penalty	\$ 417,815	26								
							Eligible to Request a Waiver	\$ 294,891	22								
							Not Eligible to Request a Waiver	\$ 122,924	1								
							Districts Requesting Board Waiver	\$ 260,666	16								
							No Response	\$ 3,705	1								
							Penalty Accepted	\$ 30,520	5								
							District with no Remaining Balance to Penalize	\$ -	3								

EXAMPLE – PENALTY LETTER

January 26, 2018

«CO»«DIST»

«FirstName» «LastName», Superintendent
«District_Name» Public School
«Address2»
«City2», «State2» «Zip2»

Superintendent,

This letter shall serve as official notification to your school district from the Oklahoma State Department of Education, that the General Fund Balance of your school district, as reported, exceeded the allowable amount as outlined in Paragraph G. of Title 70, Section 18-200.1 (*see statutory attachment; also note instructions in bold below*). Revenue figures used for the general fund balance calculation were gathered from the 2017 Oklahoma Cost Accounting System (OCAS) for the fiscal year ending June 30, 2017.

Title 70, Section 18-200.1, states: “*Notwithstanding the provisions of Section 18-112.2 of this title, a school district shall have its State Aid reduced by an amount equal to the amount of carryover in the general fund of the district as of June 30 of the preceding fiscal year, that is in excess of the following standards **for two consecutive years:***”

- (1) Your school district exceeded the allowable carryover limit as of June 30, 2016.
- (2) Your school district exceeded the allowable carryover limit as of June 30, 2017.

As stated in law, you are requested to respond in writing no later than Friday, February 16, 2018, on behalf of the school district to the State Aid Section, Oklahoma State Department of Education. Such written response shall indicate the acceptance of the calculated amount, or provide documentation of reasons for rejecting that amount. *To reduce your calculated penalty amount, we have already applied numbers two, four, five (State Board of Education action is required for item five) from Title 70, Section 18-200.1 as reasons of protest, and six as listed on the statutory attachment (Title 70, Section 18-200.1, Paragraph G.).* We have also applied to our calculation, the provisions of Title 70, Section 1-117 (*see attached statute*). ***If applicable, you may be able to apply number three*** (*this process may further reduce or eliminate any exceeded carryover amount*). *Your letter of protest should state the applicable numerical items from Paragraph G.* The Department shall review all school district protest documentation and notify your district by Thursday, March 1, 2018, of its finding.

In 70 O.S. 18-200.1, item number five (attached), you may want to ask for a waiver of this penalty from the State Board of Education at its next scheduled meeting on **Thursday, March 22, 2018 at 9:30 a.m.**. The Board will determine if the penalty will cause the school district not to meet remaining financial obligations for the 2017-18 school year. Please contact me if you want to pursue this option; documentation may be required.

«District_Name» Public School

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January 26, 2018

The “Exceeded Carryover Allowance Amount After Exclusions” is indicated on the attached calculation sheet on Line 12. If you have questions regarding this penalty calculation, please contact me at (405) 521-3460.

Sincerely,

Renée McWaters
Executive Director,
State Aid Section

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Attachments

c: State Superintendent Joy Hofmeister
«Auditor», Auditor
«RAO», Regional Accreditation Officer

From: [SDE State Aid](#)
To:
Cc: [Mathangi Shankar](#); [Renee McWaters](#)
Subject: OSDE: General Fund Balance Penalty
Date: Monday, February 12, 2018 2:00:09 PM
Importance: High

Superintendent,

We appreciate your prompt response to the General Fund Balance Penalty notification (00/00/18). Your district has agreed with our penalty calculation and accepted the penalty assessment.

Your district however **meets all the qualifications to request the Oklahoma State Board of Education for a penalty waiver**. If your district elects to do so, please submit a letter requesting a waiver with details explaining financial situation by fax 405.522.3559 or Email to State.Aid@sde.ok.gov by Friday, February 23, 2018.

70 O.S. § 18-200.1(G)(5)

If a school district does not receive Foundation and/or Salary Incentive Aid during the preceding fiscal year, the State Board of Education may waive the penalty assessed in this subsection if the penalty would result in a loss of more than forty percent (40%) of the remaining State Aid to be allocated to the school district between April 1 and the remainder of the school year and if the Board determines the penalty will cause the school district not to meet remaining financial obligations. (State Board of Education action required.)

If you have any questions regarding, please contact our office.

State Aid Section

Oklahoma State Department of Education
2500 North Lincoln Boulevard, Suite 427
Oklahoma City, Oklahoma 73105
(405) 521-3460, Fax (405) 522-3559
<State.Aid@sde.ok.gov>

From: [SDE State Aid](#)
To: [Mathangi Shankar](#)
Cc: [Renee McWaters](#)
Bcc: gelliott@burlingtonschool.com; andersond@cherokee.k12.ok.us; mnewton@tlake.k12.ok.us; daughertyj@merritt.k12.ok.us; dcraab@sayre.k12.ok.us; rmcspadden@whiteoakschool.net; kguthrie@cleora.net; rseifried@seiling.k12.ok.us; dbrown@taloga.k12.ok.us; bregier@dclak12.org; pdrouhard@reydon.k12.ok.us; creed@sweetwater.k12.ok.us; gbaker@hammon.k12.ok.us; jsparkhurst@alvaschools.net; jmiller@freedom.k12.ok.us
Subject: OSDE: General Fund Balance Penalty Response
Date: Tuesday, February 13, 2018 11:39:07 AM
Attachments: [70-18-200.1 STATUTE.docx](#)

Superintendent,

Your district has not responded to the January 26, 2018 General Fund Balance Penalty Notification Letter. Written response is requested to indicate the acceptance of the calculated amount, documentation for rejecting the penalty or to request a waiver from the State Board of Education.

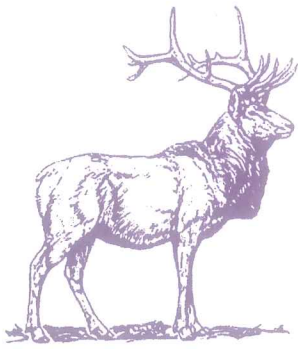
Your response may be submitted by Email to <State.Aid@sde.ok.gov>, by mail or by fax 405.522-3559. If district has not respond by **Friday, February 23, 2018**, penalty amount shall be submitted to the State Board of Education on March 22, 2018, for approval to assess penalty on April 1.

If you would like to discuss, please contact the state aid office at 405-521-3460

(Statute attached)

State Aid Section

Oklahoma State Department of Education
2500 North Lincoln Boulevard, Suite 427
Oklahoma City, Oklahoma 73105
(405) 521-3460, Fax (405) 522-3559
<State.Aid@sde.ok.gov>



BURLINGTON PUBLIC SCHOOL

401 Main Street, PO Box 17
Burlington, OK 73722-0017
Ph. 580-431-2222
FAX 580-431-2237

Glen Elliott, Superintendent
Lane Pruett, Principal
Randy Turney, Athletic Director
Misty McCullough, Counselor/Test Coordinator

February 5, 2018

Oklahoma State Department of Education
State Aid Section
2500 North Lincoln Boulevard
Oklahoma City, Oklahoma 73105-4599

To Whom It May Concern:

In response to your letter that Burlington Public School has exceeded the allowable carryover limit the past two years as set by the state legislature. We agree with the general fund balance sheet calculations that have been provided and accept the calculated amount.

The Burlington school district is very fortunate to be in a good economic bubble from the oil and gas findings in our district the past five or so years. The increased ad valorem dollars and the increase that has come from the gross production taxes have benefited our school district and students greatly. We have been able to do repairs, renovations and remodels to our plant that have enhanced our educational system greatly for the future. However, as we have the opportunity to make these improvements we have tried to be good stewards of the district money and build our fund balance for the future as well. We think that there possibly are rougher times ahead.

We will appeal to the State Board Of Education to waive our penalty by applying item 5 from Title 70, section 18-200.1 as a partial reason of the protest. We have not received foundation and/or Salary incentive aid for several years and the penalty is more than the remaining amount that we will receive for transportation. In preparation for more challenging times that lay ahead of us we are attempting to be nearly self sufficient as long as possible.

Sincerely

Glen Elliott
Superintendent

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 02
DISTRICT NUMBER: I001

COUNTY NAME: ALFALFA
DISTRICT NAME: BURLINGTON

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$3,224,927.71
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$967,478.31
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$2,475,708.00
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,508,229.69
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$38,979.94
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,469,249.75
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,469,249.75

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$116,635.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,352,614.75
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$6,751.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%



CHEROKEE PUBLIC SCHOOLS

DONNA ANDERSON, SUPERINTENDENT

P.O. BOX 325

CHEROKEE, OK 73728

580-596-3391 • Fax 580-596-2319



RUTH RICHMOND

Elementary Principal

(P) 580-596-3277

JEREMY HICKMAN

H.S. & J.H. Principal

(P) 580-596-3391

February 13, 2018

Oklahoma State Board of Education
2500 North Lincoln Boulevard
Oklahoma City, OK 73105-4599

Honorable Board:

On behalf of Cherokee Public School, I am writing to request a protest waiver of the reduction of State Aid in the amount of \$84,891 due to exceeding the allowable amount of carryover funds. Cherokee Public School is requesting the waiver under the statute 70 O.S. 18-200.1:

"If a school district does not receive Foundation and or Salary Incentive Aid during the preceding fiscal year, the State Board of Education may waive the penalty assessed in this subsection if the penalty would result in a loss of more than forty percent (40%) of the remaining State Aid to be allocated to the school district between April 1 and the remainder of the school year and if the Board determines the penalty will cause the school district not to meet remaining financial obligations"

We ask that you take our protest waiver under consideration.

Thank you,

Donna Anderson

Donna Anderson
Superintendent
Cherokee Public School

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 02
DISTRICT NUMBER: I046

COUNTY NAME: ALFALFA
DISTRICT NAME: CHEROKEE

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$5,464,742.78
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,092,948.56
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$3,357,104.28
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,264,155.72
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$230,475.06
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$2,033,680.66
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$450.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$2,033,230.66

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$225,544.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,807,686.66
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$83,347.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%



Sayre Public Schools

Sayre, Oklahoma 73662

Home of the Eagles

February 13, 2018

Oklahoma State Board of Education
2500 North Lincoln Boulevard
Oklahoma City, Ok 73105

RE: Carryover Waiver Request

Members of the Oklahoma State Board of Education:

During the 2016-2017 school year, Sayre Schools exceeded the maximum carryover amount for the general fund. The district acknowledges the penalty amount noted in the notification letter, dated January 26, 2018, but respectfully requests that the penalty for exceeding the limit be waived due to the factors listed below:

- Several years ago, Sayre Schools received protested tax funds that had been held in escrow during a lengthy litigation process. Following the release of those funds, the board of education and superintendent took precautions to make sure those funds were spent responsibly and in a way that could provide stability in future years.
- In the years following the release of the protested funds, revenue generated from other sources (a private prison, the natural gas storage facility and gross production) allowed the district to build a carryover amount that exceeded the statutory limit and resulted in ineligibility to receive Foundation Aid. Utilizing a conservative approach, the fund balance was maintained to allow the district to continue facility repairs, technology upgrades, etc. and to better prepare for the cyclical nature of revenue sources.
- During the past two years, we have seen the closure of several businesses including the North Fork Correctional Facility, the Sayre Hospital, local restaurants and other businesses...not to mention the continuing slump of the oil/gas industry. The economic downturn in the area led to the loss of hundreds of jobs. Those factors resulted in a sizable reduction in the district's adjusted valuation and has created a significant loss in local property taxes paid to the district.
- Last school year, general fund expenditures exceeded revenue by over \$300,000 with this year's projected deficit appearing to be much greater.

With the current economic conditions and the resulting loss of revenue, expenses will again significantly outpace collections this year. The carryover balance will be utilized to ensure the district is able to meet its financial obligations now and in the future.

Please feel free to contact me if you need any additional information. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Crabb', written over a horizontal line.

Danny Crabb
Superintendent
Sayre Schools

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 05
DISTRICT NUMBER: I031

COUNTY NAME: BECKHAM
DISTRICT NAME: SAYRE

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$4,961,906.60
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	25%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,240,476.65
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$9,347,688.82
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$8,107,212.17
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$319,189.58
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$7,788,022.59
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$200.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$7,787,822.59

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$7,787,822.59
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$64,510.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%



Calumet Public Schools

*P.O. Box 10 Calumet, OK 73014
405-893-2222 fax 405-893-8019*

Keith Weldon, Superintendent

Jason Pennington, HS Principal

Lindy Renbarger, Elementary Principal

February 1, 2018

State Board of Education
State Aid Section



Dear Renee McWaters,

Calumet Public School is seeking a waiver in Paragraph G. of Title 70, Section 18-200.1. It states that Calumet would receive the "Exceeded Carryover Allowance Amount After Exclusions" in the sum of \$4,368.

Calumet Public School receives over 50% of our budget that comes for the Advalorem Reimbursement Fund. This money comes to the school district about the last day of June and sometimes not even till July. We must budget enough in our Carryover so that we can pay bills and payroll until February of each year. Therefore, it is impossible to keep our Carryover under 30% allowed by Law. It will be this way for the next three years at

Calumet Public School.

Therefore, as Superintendent of Calumet, I am asking the State Board of Education, State Superintendent Joy Hofmeister, and Executive Director, Renee McWaters to wave the penalty of \$4,368.

Sincerely,

Dr. Keith Weldon
Calumet Public School Superintendent

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 09
DISTRICT NUMBER: I076

COUNTY NAME: CANADIAN
DISTRICT NAME: CALUMET

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$3,419,469.59
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,025,840.88
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$3,132,788.88
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,106,948.00
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$301,409.95
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,805,538.05
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,805,538.05

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$2,689.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,802,849.05
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$4,368.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

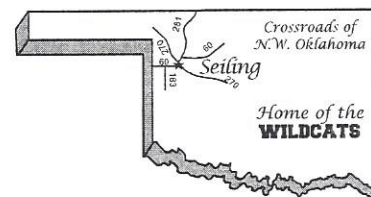
Randy Seifried
Superintendent

Greg Gregory
Secondary Principal
(580) 922-7382

Brandon Nyberg
Elementary Principal
(580) 922-7381

Seiling Public Schools

100 N. Elm Street
P.O. Box 780
Seiling, Oklahoma 73663
Phone (580) 922-7383
Fax (580) 922-8019



February 14, 2018

TO: OSDE
State Aid Section
State Board of Education

RE: General Fund Balance Penalty

To Whom It May Concern:

Our District has reviewed the General Fund Balance Calculation in relation to allowable carryover. The District is requesting that the Oklahoma State Board of Education consider a waiver because the penalty would result in a loss of more than (40%) of the remaining State Aid to be allocated to our school district between April 1 and the remainder of the school year.

Thank you for your consideration of the penalty waiver. If you need additional information, please contact me at 580-922-7383.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Seifried".

Randy Seifried
Superintendent

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 22
DISTRICT NUMBER: I008

COUNTY NAME: DEWEY
DISTRICT NAME: SEILING

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$5,223,812.31
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,044,762.46
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$5,165,761.77
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$4,120,999.31
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$270,758.25
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$3,850,241.06
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$863.35
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$3,849,377.71

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$73,963.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$3,775,414.71
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$9,244.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

Calvin Public Schools

P.O. Box 127 • Calvin, OK 74531

Phone 405.645.2411 • Fax 405.645.2384



Travis Graham, Superintendent

February 8, 2018

Dear Oklahoma State Board of Education:

Calvin Public Schools is requesting a Statutory Waiver with regard to Title 70 Section 18-200.1 on the basis of Item 5 which states:

If a school district does not receive Foundation and/or Salary Incentive Aid during the preceding fiscal year, the State Board of Education may waive the penalty assessed in this subsection if the penalty would result in a loss of more than forty percent (40%) of the remaining State Aid to be allocated to the school district between April 1 and the remainder of the school year and if the Board determines the penalty will cause the school district not to meet remaining financial obligations. (State Board of Education action required.)

Calvin Public Schools did not receive Foundation and/or Salary Incentive Aid during FY 17. Several factors require us to maintain a fund balance that could in some years be more than the law allows. I am listing a few below for your consideration and the consideration of the State Board of Education.

1. The largest part of our ad valorem comes in two main payments (January and April). Our Ad valorem money is budgeted from January through December for our operation.
2. Our valuation has been slowly decreasing as it has dropped from 37,000,000 in FY 09 to around 27,000,000 in recent years.
3. We do not receive money from the state reimbursement fund.
4. The largest source of our ad valorem payments comes from a single gas distribution center. This plant is owned by an out-of-state corporation. With the inconsistencies and mobility of the oil and gas industry we know change may happen and try to be prepared for those changes.
5. The plant is depreciating in value.

I believe each point shows Calvin School's necessity and justification for exceeding the State Department's allowed General Fund Balance.

Sincerely,

Travis Graham, Superintendent



FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 32
DISTRICT NUMBER: I048

COUNTY NAME: HUGHES
DISTRICT NAME: CALVIN

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$1,819,228.86
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$636,730.10
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$895,735.31
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$259,005.21
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$242,984.91
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$16,020.30
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$973.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$15,047.30

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$12,624.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$2,423.30
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$2,423.30

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%



Aline-Cleo Public Schools

BOX 49 • ALINE, OKLAHOMA 73716 • 580-463-2255



2/6/18

To Whom It May Concern:

The Aline-Cleo Public School District received notice of exceeding our allowable carryover amount as of June 30th 2017. Many factors played a part in the excess over the allowable amount. We are asking for an appeal/waiver due to the following reasons listed below.

1. No Child Left Behind being repealed
2. New ESSA adoption to replace No Child Left Behind (Now being considered to be replaced)
3. Projected loss of state revenue in the upcoming year per OSSBA calculations of \$250.00 per student. Currently that number is at \$160.00 per student and with the current budget shortfall more cuts are coming to schools per SDE notifications.
4. Local revenue was projected to be down \$120,000.00 to \$170,000.00 from the previous year due to the local revenue reports for the current year reflecting the projected amount listed above.
5. Textbooks were not purchased due to the changes in No Child Left Behind being repealed and new ESSA guidelines being implemented. As per SDE advice districts were told to hold off buying text books due to the uncertainty of the direction education was taking in addition to text book money not being funded by the state.
6. The district had passed a bond issue for transportation and building repairs and upgrades which in turn help aid the school in savings due to costly repair expenditures.
7. Federal funds keep decreasing from previous years.
8. Budget shortfall expected for the upcoming 2018-2019 school year which will possibly affect that years funding of schools.
9. Our school Treasurer passed away and the district was trying to locate someone to take on the duties of treasurer which took several weeks which caused the district not to have a report with revenue and expenditures for months.
10. During the end of the year it takes longer each year to closeout due to changes to OCAS coding and computations of beginning and ending balances by the district, school auditor and the Department of Education financial division.
11. The district has lost 11 students which equates using \$3,042.00 per student less any weights of the students with a projected loss of State Aid of \$33,462.00 for the upcoming year.
12. The district also will be adopting new math curriculum which is estimated to cost the district over \$30,000.00 dollars. Next year is reading and literature which will cost the district roughly the same estimate. (Pre-K- 12th grades)

As you can see there are many issues that affect the budget and expenditures. With all the changes in education and budget shortfalls it has been increasingly difficult to make informed decisions based on factors unseen and beyond our control. The educational system as a whole currently is on hold by budget issues of the State of Oklahoma that causes many questions if funding will be decreased during the year. I realize it is not just one entity to blame but without clear guidance and stability in the direction we need that prohibits the district to properly plan for a successful sound educational system. Here are the figures we had at our disposal at the time of closing out for 2017. Beginning budget of \$2,076,146.49 expenditure's of \$1,530,635.11 = \$545,511.38 ending balance for the year per our calculations by the district.

Sincerely,

Barry Nault
Superintendent
Aline-Cleo Public Schools

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 44
DISTRICT NUMBER: I004

COUNTY NAME: MAJOR
DISTRICT NAME: ALINE-CLEO

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$1,499,380.76
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$524,783.27
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$692,963.25
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$168,179.98
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$103,733.03
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$64,446.95
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$64,446.95

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$64,446.95
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$9,445.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

Pryor Public Schools

P.O. Box 548

Pryor, Oklahoma 74362

(918) 825-1255

Don Raleigh, Ed.D.
Superintendent

David Wilkins, Ed.D.
Asst. Superintendent

February 21, 2018

To Whom It May Concern:

This letter shall serve as the response for Pryor Public Schools to the letter received January 26, 2018 concerning our district exceeding the allowable amount for our General Fund Balance for the school year ending June 30, 2017.

Due to unprecedented growth in our district, our total assessed property valuation has increased significantly since 2013. See below:

2013 - Pryor valuation -\$144,422,853

2014 - Pryor valuation -\$209,597,158 (increase of \$65,174,305) - 45.1%

2015 - Pryor valuation -\$325,584,169 (increase of \$115,987,011) - 55.3%

2016 - Pryor valuation -\$430,676,814 (increase of \$105,092,645) – 32.28%

2017 – Initial Pryor Valuation - \$533,163,764 (Increase of \$102,486,764) – 23.80%

This has created a substantial increase in our ad valorem revenue and subsequently we no longer receive foundation aid from the state. We have increased expenses as our revenue has improved, but with such a rapid increase, we have been prudent in our application of this new revenue, thus causing an increase to the fund balance at the end of the fiscal year. We project that the substantial increase in our current year may create the same situation going forward.

It has been pointed out that our district would be eligible for a waiver for this year since we did not receive Foundation and/or Salary Incentive Aid during the previous fiscal year and the loss this year will be more than 40% of the remaining State Aid to be allocated between April 1st and the end of the year. Please use this letter as notification of a request for such a waiver for this fiscal year. We appreciate all of your efforts on our behalf!

If you have questions please contact me at the information below:



Don Raleigh
Superintendent
Pryor Public Schools
P.O. Box 548
405 SW 1st
Pryor, Ok 74362

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 46
DISTRICT NUMBER: I001

COUNTY NAME: MAYES
DISTRICT NAME: PRYOR

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$19,886,249.01
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	14%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$2,784,074.86
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$4,617,695.67
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,833,620.81
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$1,424,553.06
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$409,067.75
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$57,888.43
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$351,179.32

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$1,818.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$349,361.32
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$18,957.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

Board of Education

Frontier Schools

Administration

President - Cheryl Lane
Vice-President - Scott Kodesh
Clerk - Cruz Conneywerdy
Member - Brad Childs
Member - Dennis Wilson

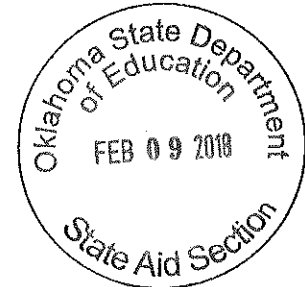
P.O.Box 130
17750 Valley
Red Rock, OK 74651

Office: (580) 723-4361 Fax: (580) 723-4516

Bob Weckstein - Superintendent
Bud Valerius - 7-12 Principal
Jera Kiespert - PreK-6 Principal

February 6, 2018

Renee McWaters
Executive Director
State Aid Section



RE: Carryover penalty

Dear Ms. McWaters:

Frontier Public Schools requests a waiver of this penalty from the State School Board of Education, in reference to the notification received January 26, 2018. We are asking for a waiver based on the following reasons.

This penalty is more than 40% of the remaining state aid which was received for transportation.

This penalty would void fiduciary responsibility to the patrons of the district. We have a responsibility to refrain from wasteful spending.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Weckstein".

Robert Weckstein
Superintendent
Frontier Public Schools

Home of the Mustangs

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 52
DISTRICT NUMBER: 1004

COUNTY NAME: NOBLE
DISTRICT NAME: FRONTIER

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$5,081,002.39
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,016,200.48
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$3,172,270.71
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,156,070.23
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$861,693.14
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,294,377.09
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$471.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,293,906.09

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,293,906.09
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$11,100.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

KIOWA PUBLIC SCHOOLS

PO BOX 6

KIOWA, OK 74553

OFFICE (918)432-5631 FAX (918)432-5683

January 29, 2018

Renee McWaters, Executive Director

OSDE State Aid Section

Re: Carry Over Waiver

Dear Ms. McWaters,

*Kiowa Public Schools is requesting a Statutory Waiver with regard to Title 70 Section 18-200.1 **(Paragraph G item #5)**. We have an electric generating power plant in our District that creates an Ad Valorem tax base which causes us to be ineligible to receive Foundation Aid on the top half of the funding formula.*

*Therefore, at the end of each fiscal year (June 30) we must carry over more than the law allows in order to maintain an adequate balance to finish the 'calendar year' through December. We cannot meet our payroll or pay other bills in the months of October, November, and December without our fund balance exceeding the limit in June of each year. We do not receive the tax from our Ad Valorem until January (midyear) and have no revenue to meet our financial obligations until the next January unless we exceed our carry over amount in June of each year. **(Paragraph G item #5)***

Kiowa Schools would like to thank you in advance for your consideration in this matter. Please let me know if I need to be at the Thursday, March 22, 2018 meeting of the State Board of Education to address this matter.

Sincerely,

Rick Pool, Supt.

(918)432-5631 ext. 2

rpool@kiowa.k12.ok.us

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 61
DISTRICT NUMBER: I014

COUNTY NAME: PITTSBURG
DISTRICT NAME: KIOWA

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$3,817,208.91
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,145,162.67
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$2,834,382.09
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,689,219.42
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$267,935.26
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,421,284.16
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,421,284.16

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$18,089.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,403,195.16
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$10,205.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

REYDON PUBLIC SCHOOL I-6

P.O. Box 10 • Reydon, Oklahoma 73660 • Telephone: (580) 655-4375 • FAX (580) 655-4622

Phil Drouhard, Superintendent
Ryan Baker, Principal

February 1, 2018

Oklahoma State Board of Education

Oklahoma State Department of Education

2500 North Lincoln Boulevard

Oklahoma City, OK 73105-4599

Dear Members of the State Board of Education:

During the 2016-2017 school year Reydon Public Schools (651006) exceeded the maximum carryover for the general fund. We humbly are requesting that the penalty for exceeding the carryover be waived for last year's excess carryover. We used the excess money for a lease-purchase agreement to partially fund a new gymnasium and tornado shelter. Our General Fund book balance as of 1-4-17 was \$420,844.66. The project has been completed and we have made a large lease purchase payment that has reduced our carryover well below the carryover limit.

Our school does meet the exception of paragraph G: Number 5 regarding receipt of Foundation and/or Salary Incentive Aid and the loss of more than 40% of the remaining State Aid. The project that was completed has significantly depleted the amount of carryover that Reydon Public School's have.

However, the safety of the students of Reydon Public School is paramount. Should you need additional information, please feel free to contact me. We thank you in advance for considering this request.

Respectfully yours,



Phil Drouhard

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 65
DISTRICT NUMBER: 1006

COUNTY NAME: ROGER MILLS
DISTRICT NAME: REYDON

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$2,700,410.33
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$945,143.62
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$1,981,975.79
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,036,832.17
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$348,396.02
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$688,436.15
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$50.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$688,386.15

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$688,386.15
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$4,875.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

**B
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COUNTRY

CHEYENNE PUBLIC SCHOOLS

P.O. BOX 650
CHEYENNE, OK 73628-0650

ROBERT TRAMMELL
SUPERINTENDENT

PHONE 580-497-3371 EXT 202
FAX 580-497-3373

February 21, 2018

State Aid Section
OSDE
2500 N Lincoln Blvd
OKC, OK 73105

To: SDE State Aid Section

After much deliberation, examination, and correspondence with your office concerning the statute 70 O.S. § 18-200.1(G)(5), Cheyenne Public Schools respectfully ask the State Board of Education to waive the carry-over penalty for the 2017-18 School year. Cheyenne Public Schools meet all of the requirements for an exemption. This decision is in part due to the financial responsibility of the district, the financial instability of our great state, and the current inability of our legislature to pass any revenue bill. Thank you for your consideration.

Sincerely,

Robert Trammell
Superintendent
Cheyenne Public School 65I007

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 65
DISTRICT NUMBER: I007

COUNTY NAME: ROGER MILLS
DISTRICT NAME: CHEYENNE

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$4,880,242.86
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	25%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,220,060.72
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$3,336,230.07
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,116,169.35
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$312,700.81
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,803,468.54
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$7,449.66
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,796,018.88

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,796,018.88
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$11,267.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

GARY BAKER, SUPERINTENDENT

High School 580-473-2737

Administration Off. 580-473-2221 • Fax 580-473-2464

Elementary 580-473-2289

HAMMON

HAMMON PUBLIC SCHOOLS

P.O. Box 279 • Hammon, Oklahoma 73650-0279

February 13, 2018

Oklahoma State Board of Education
Oklahoma State Department of Education
2500 North Lincoln Boulevard
Oklahoma City, Ok. 73105-4599

Dear Members of the State Board of Education:

During the 2016-2017 school year Hammon Public Schools (651066) exceeded the maximum carryover for the general fund. We humbly are requesting that the penalty for exceeding the carryover be waived for last year's excess carryover.

Our school does meet the exception of Paragraph G: Number 5 regarding receipt of Foundation and/or Salary Incentive Aid and loss of more than 40% of the remaining State Aid. Should you need any additional information, please feel free to contact me. We thank you in advance for considering this request.

Respectfully yours,


Gary Baker

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 65
DISTRICT NUMBER: I066

COUNTY NAME: ROGER MILLS
DISTRICT NAME: HAMMON

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$3,818,167.62
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,145,450.29
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$2,845,649.82
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,700,199.53
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$140,873.38
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,559,326.15
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$1,000.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,558,326.15

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,558,326.15
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$6,152.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

Alva Independent School District #001

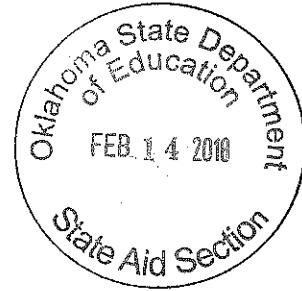
Steve Parkhurst
Superintendent

418 Flynn Street
73717-2238

(580) 327-4823 Alva, Ok
(580) 327-2965 Fax

February 13, 2018

Oklahoma State Department of Education
State aid section
Mrs. Renee McWaters, Executive Director
2500 N Lincoln Blvd.
Oklahoma City, OK 73105-4599



RE: Carryover Wavier

On behalf of the Alva Independent School district, I am requesting a waiver of Title 70 Section 18-200.1. Over the last several years the Alva District has been very fortunate with the rise in oil and gas prices causing a significant increase in gross production revenue. Our school district utilized these revenue benefits over the years however, we are well aware of the volatile nature of this industry. We feel it is our position to put the school district in strong financial security as we face this financial downturn. With the discussion of teacher pay raise in the amount of \$5,000 per teacher and our school district not receiving this money, this is alarming and we need to plan for the future. Our first commitment is to our students and making sure they have what they need to be successful in the classroom. The waiver is being requested due the fact that the carryover could soon deplete as we experience these changes in the state economy. As we prepare for the financial stress we appreciate the Oklahoma State Board of Education granting a waiver of the carryover penalty.

Sincerely,

A handwritten signature in cursive script, appearing to read "Steve Parkhurst".

Steve Parkhurst
Superintendent

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 76
DISTRICT NUMBER: I001

COUNTY NAME: WOODS
DISTRICT NAME: ALVA

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$11,537,947.23
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	14%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,615,312.61
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$8,164,725.22
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$6,549,412.61
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$375,402.25
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$6,174,010.36
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$747.47
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$6,173,262.89

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$318,429.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$5,854,833.89
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$19,532.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

Freedom Public Schools

"Freedom to Learn"

Mr. James Miller – Superintendent

P.O. Box 5
Freedom, OK 73842

Phone - 580-621-3271
Fax - 580-621-3699

Date: February 5, 2018

Re: General Fund Balance

To: Oklahoma State Board of Education,

Freedom Public Schools requests the Oklahoma State Board of Education approve a penalty waiver for exceeding the allowable General Fund Balance. According to 70 O.S. 18-200.1.G.5, Freedom Public Schools does not receive Foundation and/or Salary Incentive Aid and the assess penalty would result in a loss of forty percent (40%) of the remaining State Aid.

Freedom Public Schools' primary source of revenue is Ad Valorem, Gross Production and REA Taxes. The State Transportation Supplement and other Federal Funds are less than two percent (2%) of our total budget. Freedom desires to comply with the Legislature's principles and policies outlined in 70 O.S. 18-101. Specifically, in respect to subsection four (4), the Freedom Board of Education contributes to the support of school budgets according to our respective abilities. We rely upon our General Fund Balance to maintain monthly expenditures until collecting local taxes. Our General Fund average monthly expenditures are approximately one-hundred thirty thousand dollars (\$130,000) and collect considerably less. Monthly revenues consistently fluctuate due to consumer spending behavior and global market trends. By exceeding the allowable General Fund Balance carryover, we ensure the students continue to receive consistent and stable quality education. Contrary to the trend across the State of Oklahoma, Freedom has added Fine Arts programs, maintained a low student/teacher ratio, continued a five-day school week, increased access to technology, supported an unfunded FCCLA program and compensated staff for extra professional development. Any penalty imposed upon Freedom Public Schools would negatively affect the students we serve.

Freedom Public Schools anticipates a reduction in our General Fund Balance after increasing expenditures focused on identified student needs and implementing additional educational opportunities. We seek to maintain a General Fund Balance that enables our students the "Freedom to Learn". We respectfully request the Oklahoma State Board of Education support the students of Freedom Public Schools and grant a penalty waiver.

Educationally Yours,



Mr. James Miller
Superintendent

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 76
DISTRICT NUMBER: I006

COUNTY NAME: WOODS
DISTRICT NAME: FREEDOM

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$1,541,481.16
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$539,518.41
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$961,708.22
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$422,189.81
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$61,718.37
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$360,471.44
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$1,090.51
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$359,380.93

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$13,010.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$346,370.93
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$1,690.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%



Fort Supply Public Schools
PO Box 160
Fort Supply OK 73841
(580) 766-2611
Melva Little, Superintendent



February 5, 2018

Renee McWaters
Executive Director State Aid Section
2500 North Lincoln Boulevard
Oklahoma City, OK 73105-4599

We have received your January 26, 2018 letter notifying us that our general fund balance being in excess of allowable amounts. Line 15 from your FY 2017 general fund balance calculations indicates the amount of state aid to be reduced after March payment of \$4355.00. A waiver is being requested by Fort Supply School as we meet the qualifications noted by 70 O.S. SS 18-200.1 (G)(5).

The penalty could cause the school district not to meet the remaining financial obligations.

It is beyond the districts control to spend adequately to comply with allowable fund balance schedules without expending district fund on unnecessary items and also to keep us financial stable.

Sincerely,

Melva Little,
Superintendent of Fort Supply Schools

CC: Chas. W. Carrol, PA Auditor
Kirk Warnick, Regional Accreditation Officer

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 77
DISTRICT NUMBER: I005

COUNTY NAME: WOODWARD
DISTRICT NAME: FORT SUPPLY

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$1,610,430.05
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$563,650.52
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$837,779.06
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$274,128.54
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$54,953.21
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$219,175.33
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$2,595.86
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$216,579.47

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$216,579.47
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$4,355.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%

FY2018 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 22
DISTRICT NUMBER: I010

COUNTY NAME: DEWEY
DISTRICT NAME: TALOGA

1. 2017 GENERAL FUND REVENUE (Fund 11, Source of Revenue 1000 through 4999, plus 5150, 5160, 5190, 6130, 6140, 6200 less Expenditures for Fund 11, Function 5800, Object 970)	\$2,658,595.97
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$930,508.59
4. GENERAL FUND BALANCE - JUNE 30, 2017 (As reported on the FY2017 Estimate of Needs)	\$3,185,649.95
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,255,141.36
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$37,232.54
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$2,217,908.82
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$3,888.82
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$2,214,020.00

EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):

10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$45,561.00
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$2,168,459.00
13. DISTRICT EXCEEDED TWO CONSECUTIVE YEARS	YES
14. EXEMPTION FOR ANNEXATION/CONSOLIDATION	NO
15. AMOUNT OF STATE AID TO BE REDUCED AFTER THE MARCH PAYMENT	\$3,705.00

STATE BOARD OF EDUCATION ACTION REQUIRED:

A. NO FOUNDATION AND/OR SALARY INCENTIVE AID IN PRECEDING YEAR	YES
B. PENALTY IS MORE THAN FORTY PERCENT (40%) OF REMAINING STATE AID	YES

Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000–\$2,999,999	35%
\$3,000,000–\$3,999,999	30%
\$4,000,000–\$4,999,999	25%
\$5,000,000–\$5,999,999	20%
\$6,000,000–\$7,999,999	18%
\$8,000,000–\$9,999,999	16%
\$10,000,000 or More	14%