TO: The Honorable Members of the State Board of Education

FROM: Janet C. Barresi

DATE: August 27, 2014

SUBJECT: Request for Approval to use FY2015 General Fund for Capital Expenditures

State Board of Education approval is being requested for the following school district to use five percent (5%) of the district’s FY2015 General Fund for Capital Expenditures pursuant to 70 O.S. 70 § 1-117 and OAC 210:25-5-4.

The below district has voted in excess of eighty-five (85%) bonded indebtedness within the preceding three (3) school years, has the maximum five (5) building fund mills and a total assessed property valuation per average daily attendance (per capita) less than sixty percent (60%) of the state average. District meets the qualifications to request the State Board of Education for approval to use five percent (5%) of the FY2015 General Fund to be used for Capital Expenditures.

<table>
<thead>
<tr>
<th>County</th>
<th>District</th>
<th>Request</th>
<th>Congressional District</th>
</tr>
</thead>
<tbody>
<tr>
<td>71</td>
<td>Tillman</td>
<td>I158</td>
<td>5%</td>
</tr>
</tbody>
</table>

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Attachments
Oklahoma State Board Authorization Request Form
for use of Five Percent (5%) and/or Fifty Thousand ($50,000) of
District's General Fund for Capital Expenditures per O.S. 70 § 1-117

Submit completed form by email <State.Aid@sde.ok.gov>, fax (405) 522-3559 or mail to:
Oklahoma State Department of Education, State Aid Section, 2500 N Lincoln Blvd, Rm 427, OKC, OK 73105-4599

Date of Request: 6-14-2014
County Number: 71
District Number: 1-158
Person requesting authorization: Shannon Vanderburg
Title: Superintendent
Contact number: 580-335-5616

Requesting: [ ] Five Percent (5%) [ ] Fifty Thousand ($50,000)

Type of Capital Expenditure:
☐ Purchase of Land or Existing Building
☐ Purchased of Real Property
☐ Ground or site improvement for construction purposes
☒ Additional to Buildings
☐ Remodeling (structural involving roof or load-bearing walls)
☐ Architects & Engineers (professional services, salaries & expenses, except for those covered by bond issue)
☐ Heat & Air (initial installation or extension of existing buildings systems)
☐ Destroyed building replacement
☐ Installments and Lease payments on property including interest, which has a terminal date and results in the
   acquisition of property.

Provide a detailed description of the anticipated capital expenditures, detailing purchases, construction,
improvements, professional service, etc. that is to be paid with the requested District General Funds if qualified:

Architect Fees and Construction costs for cost over runs on bond project. Prather Brown Center, Gymnasium, Media Center construction costs to Fenix Construction. Architect Fees for same project to Boynton Williams and Associates.

I certify that all General Revenue Funds requested and expended for the above referenced capital expenditure, will
comply with O.S. 70 § 1-117.

Authorized Signature: Shannon Vanderburg
Date: 7-14-2014

Received Time Jul. 17, 2014 1:12PM No. 2088
85% BONDED INDEBTEDNESS CALCULATION:

COUNTY: 71 Tillman
DISTRICT: 1158 Frederick

LAST ELECTION DATE: 9/13/2011

<table>
<thead>
<tr>
<th>AMOUNT OF BONDS:</th>
<th>AMOUNT</th>
<th>ISSUED</th>
<th>PAID</th>
</tr>
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<tbody>
<tr>
<td>2010 GO BONDS</td>
<td>385,000</td>
<td>07/01/10</td>
<td>12/1/2012</td>
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<tr>
<td>2010 GO BONDS</td>
<td>435,000</td>
<td>07/01/10</td>
<td>12/1/2013</td>
</tr>
<tr>
<td>2011 SERIES I</td>
<td>15,000</td>
<td>12/01/11</td>
<td>12/1/2013</td>
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<tr>
<td>2011 SERIES I</td>
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<td>12/01/11</td>
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<tr>
<td>2011 SERIES II</td>
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<td>07/01/13</td>
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<tr>
<td>2011 SERIES III</td>
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<tr>
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<td>2011 SERIES IV</td>
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<td>2011 SERIES V</td>
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<td>2011 SERIES V</td>
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<td>2011 SERIES VI</td>
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<td>2011 SERIES VII</td>
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<td>2011 SERIES VII</td>
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<tr>
<td>2011 SERIES VIII</td>
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<tr>
<td>2011 SERIES VIII</td>
<td>605,000</td>
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</tbody>
</table>

BONDS ISSUED (EST. OF NEEDS): 1,300,000
BONDS ISSUED IN FY2014: 895,000
BONDS PENDING ISSUE: 5,370,000
TOTAL BONDS ISSUED & PENDING: 7,565,000

TOTAL BONDS PAID: 835,000

TOTAL OUTSTANDING (Total Bonds less Bonds Paid): $6,730,000

YEAR OF VALUATION: 2014
AMOUNT OF VALUATION: 20,096,002
BONDING CAPACITY (10%): 2,009,600.20
PERCENT (%) OF BONDED INDEBTEDNESS: 334.89%

FOR CLASS SIZE PURPOSES, DISTRICT WILL REMAIN BONDED INDEBT FOR FIVE YEARS BEGINNING WITH SCHOOL YEAR 2014 - 2015

B77006 dated: 7/10/2014
Requested By: Shannon Vanderburg, Superintendent

State Aid Section
Bonded Information
711158 Frederick (Series)072314.xlsx / ki
Equalization Fund are insufficient to rebuild the facility. Capital expenditures from the general fund pursuant to this subsection shall be limited to an amount necessary to defray the cost of rebuilding the facility which exceeds monies received by the school district through insurance, federal reimbursement, contributions and state allocations.

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 for in subsection G of Section 18-200.1 of this title.

H. School districts which receive monies from rental, sale, or lease of buildings, impact aid monies, or grants, gifts or donations for capital purposes, whether from state, federal, or other sources, may place such monies in the building fund authorized by Section 1-118 of this title or the general fund authorized by this section.

I. Any construction of a building included as a capital expenditure from the general fund of a school district which is authorized and has had a contractual agreement concerning such construction executed prior to July 1, 1991, may be proceeded with and completed as authorized prior to July 1, 1991, as a capital expenditure from such general fund.

J. School districts receiving revenues authorized by Section 9B of Article X of the Oklahoma Constitution shall be authorized to make capital expenditures from the general revenue fund no greater than the amount levied by the incentive millage.

K. Upon the approval of the State Board of Education, a school district shall be authorized to make capital expenditures as defined in this section from its general fund if:

1. A bond issue has been rejected at an election by the school district electors voting on that question within the current school year, as certified by the secretary of the county election board; or

2. The school district has voted indebtedness at any time within the preceding three (3) school years through the issuance of bonds or through approval by voters of issuance of new bonds for more than eighty-five percent (85%) of the maximum allowable pursuant to the provisions of Section 26 of Article X of the Oklahoma Constitution as shown on the school district budget filed with the State Board of Equalization for the current school year and certifications by the Attorney General prior to April 1 of the current school year. The State Board of Education shall establish the rules to administer the provisions of this subsection which shall include, but not be limited to, specification of a maximum amount of general fund monies to be used for capital expenditures, the purposes for which such funds may be expended and the period of time in which such funds shall be encumbered.

L. Other provisions of this section notwithstanding, a school district shall be authorized to make capital expenditures from the general fund if the total assessed property valuation per average daily attendance is less than sixty percent (60%) of the state average total assessed property valuation per average daily attendance and if, for each year in which general fund revenue is used for capital expenditures, the district has voted the five-mill building fund levy authorized in Section 10 of Article X of the Oklahoma Constitution and has voted indebtedness through the issuance of new bonds for at least eighty-five percent (85%) within the last three (3) years of the maximum allowable pursuant to the provisions of Section 26 of Article X of the Oklahoma Constitution as shown on the school district budget filed with the State Board of Equalization for the current school year and certifications by the Attorney General prior to April 1 of the school year. Provided, the maximum amount of general fund revenue used for capital expenditures pursuant to this subsection shall not exceed five percent (5%) of the total yearly revenue to the general fund. Said fund may not be used for capital expenditures for more than five (5) consecutive years and may only be utilized for remodeling or construction of classroom facilities and such ancillary facilities to said classrooms as may be necessary. Provided, further, the State Superintendent of Public Instruction shall certify in writing, prior to the expenditure of the funds for which provision is made in this subsection, that such expenditures are in compliance with the provisions of this subsection.

Historical Data


Citationizer® Summary of Documents Citing This Document

(4) complying with regulations as outlined in OAC 210:25-3-7 (Financial information processing), OAC 210:25-5-10 (The encumbrance clerk), OAC 210:25-5-11 (The school district treasurer), OAC 210:25-5-12 (Purchase order procedures for schools), or OAC 210:25-5-13 (School activity fund);

(5) reconciling all recorded and reported revenue and expenditures by applicable OCAS bold code dimensions by balancing data with bank receipts and statements, purchase orders, warrant registers, investment ledgers, and all balance sheet accounts; and

(e) For appropriated funds, all indebtedness should be encumbered (have a purchase order issued and be recorded) on the day the obligation is incurred, rather than when it becomes due, and supporting documentation should be provided for all indebtedness.

(f) Upon the approval of the State Board of Education, school districts may make capital expenditures up to a maximum amount of $50,000 (fifty thousand dollars) during the current fiscal year within the General Fund pursuant to 70 O.S. 2001, § 1-117, if the school district meets the established criteria as outlined in the Statutes. School districts shall be voting the maximum five (5) building fund mills. General Fund monies authorized by the State Board of Education for expenditures must be expended within the current fiscal year. Any such funds encumbered as of June 30th of the current fiscal year, but not expended by November 15th of the subsequent fiscal year, shall lapse and return to the original purpose of such funds.

(g) A school district shall be authorized to utilize general fund monies for capital expenditures, in addition to the amount specified in subsection (c), pursuant to the provisions of 70 O.S. 2001, § 1-117.

(h) Inventory cards or data processing records shall be kept on all equipment and removable fixtures, showing purchase order number when known, date of purchase (when known, if not known an estimated date shall be used), amount of purchase (if known, if not known present value must be estimated) a description of the item, the serial number (when applicable) and the location of the item. New purchases shall be included in the records on the same day in which they are physically received by the district. Disposed equipment must be removed from the records on the disposal date and a detailed description of the circumstances which results in the disposal recorded. Disposed equipment should not be included in the records of future years.

[Source: Amended at 9 Ok Reg 3101, eff 6-11-92 (emergency); Amended at 10 Ok Reg 1141, eff 3-9-93 (emergency); Amended at 11 Ok Reg 1997, eff 5-26-94; Amended at 12 Ok Reg 3620, eff 7-31-95 (emergency); Amended at 13 Ok Reg 1353, eff 5-13-96; Amended at 14 Ok Reg 3347, eff 5-5-97 (emergency); Amended at 15 Ok Reg 2293, eff 6-11-98; Amended at 17 Ok Reg 23, eff 9-10-99 (emergency); Amended at 17 Ok Reg 1092, eff 5-11-00; Amended at 17 Ok Reg 2909, eff 7-13-00; Amended at 20 Ok Reg 822, eff 5-15-03; Amended at 21 Ok Reg 234, eff 8-21-03 (emergency); Amended at 21 Ok Reg 1280, eff 5-27-04; Amended at 22 Ok Reg 1849, eff 6-25-05]