



JANET BARRESI  
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION  
STATE OF OKLAHOMA

**MEMORANDUM**

TO: The Honorable Members of the State Board of Education

FROM: Janet C. Barresi

DATE: December 19, 2013

SUBJECT: School District in Noncompliance of 70 O.S. § 5-135.2, September 1 Submission Date

Pursuant to 70 O.S. § 5-135.2, not later than September 1 each year, every school district shall transmit a copy of the income and expenditures data according to the Oklahoma Cost Accounting System coding to the State Department of Education. Failure to meet this deadline, as referenced in the Oklahoma Administrative Code 210:25-5-4, is considered "not operating pursuant to the Oklahoma Cost Accounting System" and can result in the reduction of State Aid funds.

Pursuant to 70 O.S. § 5-135.2, part B, states the reduction may be waived by the State Board of Education if the district can demonstrate that failure to operate pursuant to said system was due to circumstances beyond the control of the district and that every effort is being made by the district to operate pursuant to said system as quickly as possible

There were twelve (12) school districts which did not meet the September 1, 2013 deadline.

All twelve (12) school districts were contacted by U. S. Mail and were asked to submit a letter explaining the reason for the delay and the steps to prevent this from reoccurring in the future. Enclosed are letters from the school districts: Cherokee Immersion Charter School, Davidson, Epic One Virtual Charter School, Farris, Optima, Perkins-Tryon, Ryal, Sharon Mutual, Varnum, Washington, Wellston, and Wister.

Jb/nh

Attachments



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Title 70. Schools

**Oklahoma Statutes Citationized**

**Title 70. Schools**

**Chapter 1 - School Code of 1971**

**Article Article V - School Districts and Boards of Education**

**Section 5-135.2 - Report of Financial Transactions and Costs - Reduction of Monthly Payment of District's State Aid Funds**

Cite as: O.S. §, \_\_ \_\_

A. For the 1991-92 school year, school districts shall report financial transactions for all funds, except for the school activity fund, using the Oklahoma Cost Accounting System, as adopted by the State Board of Education pursuant to Section 5-135 of this title. Costs shall be reported by curricular subject area where applicable. For the 1992-93 school year and in each subsequent school year, school districts shall report financial transactions for all funds using the Oklahoma Cost Accounting System. Costs shall be reported by curricular subject area where applicable.

B. Beginning July 1, 1991, and in each subsequent school year, the State Department of Education shall reduce the monthly payment of a district's State Aid funds if, at the time of such payment, the district is not operating pursuant to the Oklahoma Cost Accounting System. The amount of the reduction shall be one percent (1%) for the first payment, two percent (2%) for the second payment, three percent (3%) for the third payment, four percent (4%) for the fourth payment, and five percent (5%) for each subsequent payment. The reduction may be waived by the State Board of Education if the district can demonstrate that failure to operate pursuant to such system was due to circumstances beyond the control of the district and that every effort is being made by the district to operate pursuant to such system as quickly as possible.

C. No later than September 1 each year, every district board of education shall prepare a statement of actual income and expenditures of the district for the fiscal year that ended on the preceding June 30. The statement of expenditures shall include functional categories as defined in rules adopted by the State Board of Education to implement the Oklahoma Cost Accounting System pursuant to Section 5-135 of this title.

D. No later than September 1 each year, every school district shall transmit a copy of the income and expenditures data required pursuant to subsection C of this section to the State Department of Education. The Department shall post the income and expenditure data on the Internet web site for the Department in a form that is accessible to the public.

**Historical Data**

Added by Laws 1991, HB 1236, c. 280, § 55, emerg. eff. July 1, 1991; Amended by Laws 2000, SB 901, c. 308, § 2, emerg. eff. July 1, 2000 ([superseded document available](#)); Amended by Laws 2005, SB 668, c. 472, § 11, emerg. eff. July 1, 2005 ([superseded document available](#)).

**Citationizer<sup>®</sup> Summary of Documents Citing This Document**

Cite Name Level  
None Found.

**Citationizer: Table of Authority**

Cite Name	Level
Title 70. Schools	
Cite	Name
70 O.S. 5-135,	System for Initiating, Recording and Paying Contractual Obligations
	Level
	Cited

School Districts that submitted  
Revenue and Expenditures after the deadline

County	District Name	Congressional District	Submission Date	Penalty	Prior Year Penalty
Cherokee	Cherokee Immersion Charter	2	10/16/2013	\$ 3,033.33	No
Tillman	Davidson	4	9/5/2013	\$ 283.00	No
Okfuskee	Epic One Virtual Charter	2	9/4/2013	\$ 10,466.00	No
Atoka	Farris	2	11/14/2013	\$ 12,554.00	No
Texas	Optima	3	9/4/2013	\$ 178.00	No
Payne	Perkins-Tryon	3	9/4/2013	\$ 3,991.00	No
Murray	Ryal	4	9/23/2013	\$ 1,092.00	No
Woodward	Sharon Mutual	3	11/8/2013	\$ 479.00	Yes
Seminole	Varnum	5	9/4/2013	\$ 994.00	No
McClain	Washington	4	10/22/2013	\$ 15,214.00	No
Lincoln	Wellston	3	9/12/2013	\$ 5,382.00	No
LeFlore	Wister	2	9/4/2013	\$ 2,203.00	No

Deadline was September 3rd due to Holiday



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SEQUOYAH SCHOOLS  
*School of Choice*



P.O. Box 520 • Tahlequah, OK 74465  
918-453-5400 • 1-888-467-4746

Leroy Qualls  
*Superintendent*

Jolyn Rose  
*Principal*

Holly Davis  
*Elementary Principal*

Bill John Baker  
*Principal Chief*

S. Joe Crittenden  
*Deputy Principal Chief*

December 9, 2013

Oklahoma State Department of Education  
State Board of Education  
Oklahoma City, OK

Dear Oklahoma State Board of Education:

We at Cherokee Language Immersion Charter School would like to take this opportunity to explain the delay in our FY 13 OCAS financial data report. We accept responsibility in not meeting this important deadline and are doing all in our capacity as both a charter school and an entity of Cherokee Nation to rectify this situation as quickly as possible.

As you know, our school is unique in many ways. We provide opportunities that no other students anywhere in the world experience. Becoming a state charter school has been beneficial in helping our students become bilingual and learn to better blend their traditional cultures with mainstream culture in a productive way that will encourage them to become productive global citizens who contribute to society. However, this ongoing transition to charter school status has not been without challenges.

One particularly significant challenge is the difficulty we have experienced in the lack of compatibility in the financial systems of the Cherokee Nation and of the Oklahoma State Department of Education. Cherokee Nation, which utilizes the Lawson finance system, follows strict guidelines under the Office of Management and Budgets, a federal agency. For the past several years Cherokee Nation has received the prestigious GFOA award for excellence in government finance, an indication of accountability that only a handful of governmental agencies receive. OCAS, the system used by the OSDE, is significantly different from Lawson. Entries

are recorded and coded differently. Interpreting and coding the data to OCAS qualifications requires training for not only our on-site budget supervisor but also our Cherokee Nation accounting supervisor for special revenue.

While this compatibility issue has been our most significant problem, compounding this has been that our Estimate of Needs was not sent until mid-November. Also, the original date of September 1 was misinterpreted as September 30.

Despite our difficulties, please be assured that we fully realize the importance of providing this information in a timely manner and, to that end, we continue to work to provide a quality report that is accurate and demonstrates transparency of our financial status. Our relationship with Sam Duell as our new charter school liaison has been a beneficial one; he provides us with support and information and is available to answer questions that we, as a new charter school, need answered. Also, our REAC3H coaches have been more available and have established positive relationships with our teaching staff. While these relationships may not deal directly with our financial issues, we realize that all relationships we maintain with the OSDE, including the financial staff, are important and beneficial to the success of our school.

We have high expectations that we will not experience these difficulties in the future. However, to prevent these issues from happening next fiscal year, we will take steps to be proactive in preventing them. The Cherokee Nation Account Supervisor for Special Revenue and the Sequoyah Schools Accounting Supervisor will attend as many offered trainings as possible and will also request personal training if needed. The Sequoyah Schools Compliance Manager can attend the trainings as well if this will assist in demonstrating accountability. Also, the school principal will collaborate with the school superintendent, compliance manager, and accounting supervisor to ensure that all are aware of deadlines in advance and that appropriate steps are taken to meet the deadlines. Finally, we will work more closely with staff from the OSDE to ensure that we understand the expectations of reports and receive the necessary training to complete them.

As a new state charter school, we are well aware that we have much room for growth in many areas. We appreciate the support and assistance from the OSDE. We will take whatever actions are needed to be in good standing with the OSDE and provide the best education possible for our students.

Sincerely,  
  
Holly Davis, Principal  
Sequoyah Schools

**DAVIDSON PUBLIC SCHOOLS  
PHILLIP RATCLIFF-SUPERINTENDENT  
P.O. BOX 338 DAVIDSON, OK. 73530  
PHONE: 580-568-2423  
FAX: 580-568-2219**

December 9, 2013

Nancy Hughes  
Financial Accounting Section  
State Department of Education  
2500 North Lincoln Boulevard  
Oklahoma City, Oklahoma 73105


Dear Mrs. Hughes

The Davidson School missed the September 1 date for submission of its OCAS revenue and expenditure data to the State Department because of a health issues with the District's Encumbrance Clerk. She was absent from school due to doctors appointments during August. This created a brief window of time to close out 2013 revenue and expenditure data.

Her health issue continued in September. She eventually was hospitalized for a week and released with limited duties the first part of October.

If there are additional questions about this matter please contact the school. Any consideration of a waiver as per the statute is appreciated.

Sincerely,



Phillip Ratcliff  
Superintendent



December 9, 2013

Epic Charter School  
4101 NW 122<sup>nd</sup> Street  
Suite B  
Oklahoma City, OK 73120

To Whom It May Concern:

Please accept this as our letter indicating that the first submission of our OCAS data was delayed until the next morning after the due date as we experienced some technical difficulties with the website the afternoon/evening of the due date. An email was sent to the Department of Education indicating that we were having this issue.

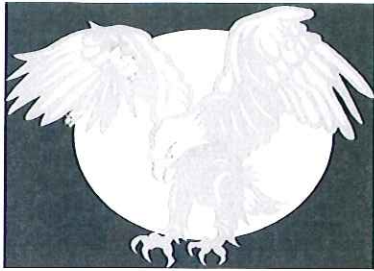
In the future, we will work to ensure we give ourselves enough time to account for any such glitches, and we appreciate the courtesy calls by the Department of Education letting us know that the due date is approaching.

Thanks for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Josh Brock", with a long horizontal flourish extending to the right.

Josh Brock  
Encumbrance Clerk



# LANE PUBLIC SCHOOL

601 W. McGee Creek Road Lane, Oklahoma 74555

Ph. # 580-889-2743 Fax # 580-889-9157

**Roland Smith - Superintendent**

**Jaylene Roberts**  
Child Nutrition & Supt. Secretary

**Debra Patton**  
Principal

**Jodie Moore**  
Business Manager & Federal Program

12-3-2013

Oklahoma State Department of Education

2500 North Lincoln Blvd.

Oklahoma City, OK 73105-4599

Re: Farris Public School Late Submission of OCAS Data

Attn: Nancy Hughes

**RECEIVED**  
**FINANCIAL ACCOUNTING**

**DEC 09 2013**

**STATE DEPARTMENT OF EDUCATION**

This letter is in response to the late submittal of the Farris School District OCAS Data. The Farris School District annexed into the Lane School District effective March 1<sup>st</sup>, 2013. This annexation occurring in the middle of a school year has created many obstacles and challenges for the receiving Lane School District. One of the many issues we have faced is the merger of districts regarding all financial paperwork, accounting, reporting, compliance, closeout etc. The responsibility of the Farris School financial data from when they existed as a dependent school district from July 1, 2012 through February 28, 2013 became the responsibility of Lane School. This presented challenges in that business was conducted at Farris in their way, incorrectly. The process of assessing the information, correcting all errors and non compliance issues and having as accurate and valid data available to the State Department of Education has been an overwhelming, time consuming endeavor. This has to all be completed while ensuring the Lane School District data and business operations continue in accordance to all regulations and timelines. I have extremely competent staff to accomplish this task and we have completed all duties and responsibilities necessary for both districts to the best of our ability.

During this time the Farris School District data also underwent a State Auditors Investigation. This investigation has required additional compliance, requirements, research and staff time. This financial reporting situation is just one of many challenges Lane School has faced during this annexation process. Due to this one time extreme situation I ask that the State Board of Education grant a waiver to the Lane School District from any assessed penalties.

It is truly remarkable how well the Farris students have made the transition to our school district. We have been extremely successful in the merger of these districts through hard work, determination, and the vision and implementation of a better education for all students. If you have any questions or need additional information please feel free to contact me at any time.

Sincerely,

Roland Smith

Superintendent





# Optima Public School

RR 1, Box 188  
Optima, OK 73945  
Office 580.338.6712  
Fax 580.338.6721

December 9, 2013

Re: Late report

Oklahoma State Department of Education  
Financial Accounting  
2500 N Lincoln  
Oklahoma City, OK

The reason the report was late was that I depended on other people to do what I am responsible for doing.

I now know that the local county excise board does not to give it sanctification, nor can I depend on the county treasurer to deliver it to you in good order.

From now on I will send it to you myself the morning after the board signs it.

If you can wave the penalty this time we will have no more problems. (I hope)

Thanks for your help.

Rex Hale  
Superintendent  
[optima@ptsi.net](mailto:optima@ptsi.net)

# Perkins-Tryon Public Schools

P.O. Box 549 • 103 SW 2nd • Perkins, Oklahoma 74059

December 9, 2013

To Whom It May Concern:

The submission deadline for the OCAS Report for Perkins-Tryon School District was September 1, 2013 and the report was submitted September 4, 2013. The delayed submission was due to changes in the OCAS coding numbers. The financial secretary submitted the report and then had to resubmit the report several times due to these changes.

The delay in submission should not be a recurring problem as long as the district is notified of coding changes prior to report deadlines with ample time for the financial secretary to make the changes in the system.

If you have any questions, please contact me at 405-547-5703 xt13.

Respectfully,

  
James Ramsey  
Superintendent



**Henryetta Public Schools**

**1801 TROY AIKMAN DRIVE, HENRYETTA, OKLAHOMA 74437-3834  
918.652.6523 FAX: 918.652.6510**

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John Walker  
Ryal Public School  
Interim Superintendent

December 11, 2013

**Mrs. Hughes:**

**Ryal Public Schools is in a situation that has caused a delay in their FY13 OCAS data to be confirmed, altered, and/or final submission.. This was caused by the change in employment of the person that handled this situation. I apologize for the delay and I hope to resolve this situation in the near future. Thank you for your consideration in granting Ryal a waiver.**

**Yours in Education,**



**John Walker**

**Interim Superintendent**

**Ryal Public School**

Chris Syms, High School Principal  
210 S. Maple St.  
Mutual, Oklahoma 73853  
Phone (580) 989-3231

Dustie Shryock, Elementary Principal  
201 S. 3rd St.  
Sharon, Oklahoma 73857  
Phone (580) 866-3333

## Sharon-Mutual Schools

Jeff Thompson, Superintendent  
210 S. Maple St.  
Mutual, Oklahoma 73853  
Phone (580) 989-3210

December 11, 2012

RE: OCAS Deadline

To: State Board of Education

Sharon-Mutual failed to meet the deadline for OCAS data by the September 1<sup>st</sup> deadline due to technical issues with installation of a new server that housed our accounting software. My staff and I will be more diligent next year when filing this report. We would also like to thank the State Department of Education personnel for helping us complete the report accurately.

Sincerely,



Jeff Thompson, Superintendent  
Sharon-Mutual Public Schools

RECEIVED  
FINANCIAL ACCOUNTING

DEC 05 2013

STATE DEPARTMENT OF EDUCATION

**Mr. Jon W. Dotson**  
**Superintendent**  
405-382-1448  
Fax 405-382-8618



**Mr. Kevin Romine**  
**Principal**  
405-382-1408  
Fax 405-382-9426

*Varnum Public School*  
**11929 NS 3550**  
**Seminole, OK 74868**  
**(405) 382-1408**

December 11, 2013

Dear Oklahoma State Board of Education:

Varnum School failed to meet the deadline of September 1<sup>st</sup>, 2013 in verifying the District's Revenue and Expenditures data. This delay was caused by an issue in our financial accounting software that has since been corrected. This is a "one-time" event that will be avoided in the future. I am asking that you to waive the penalty that is normally assessed in these cases.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Jon Dotson'. The signature is fluid and cursive, written over a white background.

Jon Dotson, Superintendent

# WASHINGTON PUBLIC SCHOOLS



Phone: 405/288-6190

Main Fax: 405/288-6214

H.S. Fax: 405/288-0776

PO Box 98

Washington, OK 73093-0098

McClain County District I-5 • A.J. Brewer - Superintendent

August 28, 2013

Nancy Hughes  
Executive Director  
Financial Accounting  
Oklahoma State Department of Education

Dear Mrs. Hughes,

We are requesting an extension of the OCAS Expenditure/Revenue Upload for the 2012-2013 school year due to circumstances described in the attached letter. We have been working to re-enter lost data to complete our FY13 information. Due to this disruption, our end of year reporting has been delayed. Thank you for your consideration in this matter.

Sincerely,

A.J. Brewer  
Superintendent

BUILDING A FOUNDATION

David Crabbe | H.S. Principal | 405/288-2354 • Stuart McPherson | M.S. Principal / A.D. | 405/288-2428

Rocky Clarke | Elementary Principal | 405/288-2353

# Softline essentials

Friday, November 22, 2013

To All Vendors of Washington Public Schools:

Recently, the school district computer network was adversely affected by a major power surge. The magnitude of this power event was unprecedented and damages to the districts computer systems were significant. We are working diligently to restore all systems and have implemented new "bank level" data protection measures to assure this event never repeats itself.

However, presently this power surge caused a system-wide failure of the data systems utilized by the school district and also caused a failure of most of the data backups and redundant data systems. These failures resulted in the need to perform advanced data recovery of the storage systems. Although most of the districts' critical data was successfully recovered, a portion of its financial system could not be recovered. As a result, the district's accounting staff is faced with the unpleasant task of re-entering all transactions from June 13, 2013 to about July 31, 2013 from the paper records on file. Unfortunately, these transactions must be restored before current accounts payable can be processed. This has caused an unavoidable delay in processing current payments.

Although the district accounting and technical staff are working around the clock to recreate this data, it will take time. Once the affected transactions are restored, the district's account with your company or organization will be brought current as soon as possible and in accordance with Oklahoma state law. Maintaining timely payments is a priority for us and we ask for and appreciate your patience and understanding as we work to process your payments. If you have any questions about this delay, please feel free to contact me personally at (866) 469-8527 x715.

Thank You,



John Vogt, Technology Director

8918 W 21<sup>st</sup> St North  
Suite 200 MS 292  
Wichita, KS 67205

West Coast Regional:  
1104 Corporate Way  
Sacramento, CA 95826

Mountain Regional:  
3773 Cherry Creek N Dr.  
Denver, CO 80209

Mid-West Regional:  
300 N. Dakota Ave.  
Sioux Falls, SD 57104

Northeast Regional:  
125 Park Avenue  
New York, NY 10017

Southeast Regional:  
1050 30<sup>th</sup> Street NW  
Washington, DC 20037

# Wellston Public Schools

P. O. BOX 60  
TELEPHONE 356-2534  
FAX 356-2838  
WELLSTON, OKLAHOMA 74881

12-9-2013

Oklahoma State Dept. of Education  
Nancy Hughes, Executive Director Financial Accounting

Nancy,

This letter is in response to your letter dated November 26, 2013. I have three different departments that work on the year end expenditures for our school district. All three departments were working close to our OCAS data person, Pam Honeysuckle, to correct our coding errors. The amount of errors that we had discovered this year led us into going over our time to submit the data. I was concerned about the past due issue, but I was under the assumption that we were given a little more time to fix our data. Every time I would upload and save my data, it would then take a few days for a response from SDE.

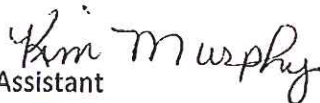
I am the only person that handles and gathers all the information from the other two departments to get the data in as soon as possible. Being that one person that also handles other duties, I strive to meet all my daily and monthly deadlines.

We will work hard to correct all coding issues throughout the school year instead of trying to code everything all at once. I am hoping this will work out better for us in the future in getting our data sent in quicker.

If you should have any questions, please contact me.

Sincerely,

Kim Murphy  
Administrative Assistant





**Jerry F. Carpenter**  
Superintendent/H.S. Principal  
(918) 655-7381  
Fax (918) 655-7402

**Rachel Pugh**  
Assistant Superintendent  
(918) 655-7276

**Debbie White**  
Elementary Principal  
(918) 655-7481



## Wister Public Schools

201 Logan Street  
Wister, Oklahoma 74966

**Board Members**  
Connie Kelley, President  
Ron DeMoss, Vice-President  
Susan Crane, Clerk  
Casey Covey, Deputy Clerk  
Linda Martin, Member

12-09-2013

Ms. Nancy Hughes, Executive Director  
Financial Accounting/OCAS/Audits  
Oklahoma State Department of Education  
2500 North Lincoln Boulevard  
Oklahoma City, Oklahoma 73105-4599

Dear Ms. Hughes:

I would like to formally request a waiver of the FY 2013 OCAS Submission Penalty from the Oklahoma State Board of Education. I am in my second year as one of only a few shared superintendents in the state of Oklahoma. I am also serving as superintendent at Fanshawe Public School. I took on the duties as superintendent of the second school district for no additional salary. This has been done to save both school districts a significant amount of money.

While serving in the capacity of superintendent for both districts and getting the school year started at both districts there was a miscommunication between myself and the school district treasurer for Wister. This miscommunication combined with the Labor Day Holiday caused Wister School District to be slightly late in submitting finalized OCAS data. For FY 2014, I am requiring that all OCAS submissions for both of my districts, Fanshawe and Wister, be finalized by or before August 20, 2014. This should ensure that there are no problems meeting the September 1, 2014, deadline for OCAS submissions.

I would greatly appreciate your consideration of this waiver request. My administrative teams and I are working diligently to keep administrative costs down with our new shared superintendent program. It does put greater demands on all of us in this effort to save money but we feel like it is well worth the effort. We will work very hard to make sure this does not happen again. In my nineteen years as superintendent at Wister, I don't think we have ever before had to request a waiver for this type of penalty. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Jerry Carpenter, Supt." The signature is written in dark ink and is positioned above the typed name and title.

Jerry Carpenter  
Superintendent of Schools