



OKLAHOMA STATE DEPARTMENT OF EDUCATION

March 15, 2012

Mr. Tim Carson, Superintendent
Cleora Public School District
451358 E 295 Road
Afton, Oklahoma 74331-8113

Dear Mr. Carson:

We received your district's response letter dated February 14, 2012, accepting the calculation of the General Fund Balance Penalty. This penalty with all correspondence and documentation will be submitted for State Board review at the meeting scheduled at 9:30 a.m. on Thursday, March 29, 2012.

If you have questions regarding, please contact Kim Ivester, Assistant Director, State Aid, at (405) 521-3460.

Sincerely,

A handwritten signature in cursive script that reads "Renée McWaters".

Renée McWaters,
Executive Deputy Director
Financial Services, State Aid Section

ki

c: State Superintendent Janet Barresi

BOARD OF EDUCATION
BILLY JARVIS, PRESIDENT
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DLAE FROST, CLERK

PHONE (918-256-6401)
FAX (918-256-2128)

Cleora Public School

TIM CARSON, SUPERINTENDENT
451358 E 295 ROAD
AFTON, OK 74331



” WHERE LEARNING IS # 1 ”

FEBRUARY 14, 2012

RENEE' MCWATERS
FINANCIAL SERVICES, STATE AID SECTION
2500 NORTH LINCOLN BLVD
OKLAHOMA CITY, OK 73105-4599

RE: GENERAL FUND CARRYOVER

MS. MCWATERS:

CLEORA PUBLIC SCHOOL ACCEPTS THE GENERAL FUND CARRYOVER CALCULATIONS.

SINCERELY,

TIM CARSON
SUPERINTENDENT

RECEIVED

FEB 17 2012

STATE DEPT. OF EDUCATION
STATE AID SECTION



FILE COPY

OKLAHOMA STATE DEPARTMENT OF EDUCATION

February 1, 2012

Mr. Tim Carson, Superintendent
Cleora Public School District
451358 East 295 Road
Afton, Oklahoma 74331-8113

Dear: Mr. Carson,

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 2011 Oklahoma Cost Accounting System (OCAS) for the fiscal year ending June 30, 2011.

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, 2010.
- (2) Your school district exceeded the allowable carryover limit as of June 30, 2011.

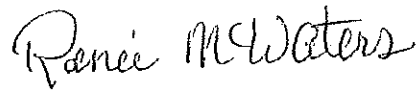
As stated in law, you are requested **to respond in writing no later than Friday, March 2, 2012**, on behalf of the school district to the State Aid Section, Oklahoma State Department of Education. Such written response shall indicate the acceptance of the calculated amount, or provide documentation of reasons for rejecting that amount. *To reduce your calculated penalty amount, we have already applied numbers two, four, and six as listed on the statutory attachment (Title 70, Section 18-200.1, Paragraph G.). If applicable, you may be able to apply numbers three, five, or eight (State Board of Education action is required for item five) from Title 70, Section 18-200.1 as reasons of protest (this process may further reduce or eliminate any exceeded carryover amount). Your letter of protest should state the applicable numerical items from Paragraph G.* We have also applied to our calculation, the provisions of Title 70, Section 1-117 (*see attached statute*). The Department shall review all school district protest documentation and notify your district by Thursday, March 15, 2012, 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 29, 2012 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 2011-12 school year. Please contact me if you want to pursue this option; documentation may be required.

Mr. Carson, Superintendent
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February 1, 2012

The "Exceeded Carryover Allowance Amount After Exclusions" is indicated on the attached calculation sheet on Line 10. If you have questions regarding this penalty calculation, please contact me at (405) 521-3460.

Sincerely,



Renée McWaters
Executive Deputy Director,
Financial Services, State Aid Section

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Attachments

c: State Superintendent Janet Barresi
Turner & Associates, PLC, Auditor
Mr. Mike Teel, Regional Accreditation Officer

FY2012 GENERAL FUND BALANCE CALCULATION

February 1, 2012

COUNTY NUMBER: 21
DISTRICT NUMBER: C006

COUNTY NAME: DELAWARE
DISTRICT NAME: CLEORA

1.	FY2011 GENERAL FUND REVENUE (Fund 11)	\$1,605,739.29
2.	ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE	35%
3.	GENERAL FUND BALANCE - JUNE 30, 2011 (As reported on the FY2012 Estimate of Needs)	\$1,340,142.56
4.	LINE 3 minus FEDERAL REVENUE	\$1,228,546.76
5.	LINE 4 minus GIFTS AND ENDOWMENTS (Source of Revenue 1610 and 1640)	\$1,228,546.76
6.	TOTAL GENERAL FUND BALANCE ALLOWABLE	\$562,008.75
7.	LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$666,538.01

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

8.	LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0.00
9.	GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0.00
10.	EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 7 minus [Lines 8 and 9] equals Adjusted General Fund Balance Penalty)	\$666,538.01
11.	ESTIMATED AMOUNT OF STATE AID TO BE REDUCED AFTER MARCH PAYMENT	\$3,040

Total Amount of Gen. Fund 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%

Pursuant to 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.

Cleora did not receive Foundation or Salary Incentive Aid in FY2011
Remaining State Aid balance after March payment times forty percent (40%) equals \$1,216