



## 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 23, 2017

**SUBJECT:** FY2017 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 2015-16 school year ending June 30, 2016. 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).

<u>District</u>	<u>County</u>	<u>Penalty Amount</u>	<u>No Foundation &amp;/or Incentive</u>	<u>Loss of more than 40%</u>	<u>Congressional District</u>
<b><u>Districts submitting correspondence requesting a State Board of Education waiver</u></b>					
Burlington (02I001)	Alfalfa	\$ 7,520	Yes	Yes	3
Cherokee (02I046)	Alfalfa	\$ 86,582	Yes	Yes	3
Beaver (04I022)	Beaver	\$182,778	Yes	Yes	3
Sayre (05I031)	Beckham	\$ 73,422	Yes	Yes	3
Calumet (09I076)	Canadian	\$ 4,519	Yes	Yes	3
Seiling (22I008)	Dewey	\$ 9,143	Yes	Yes	3
Deer Creek-Lamont (27I095)	Grant	\$ 27,521	Yes	Yes	3
Frontier (52I004)	Noble	\$ 11,458	Yes	Yes	3
Kiowa (61I014)	Pittsburg	\$ 10,527	Yes	Yes	2
Reydon (65I006)	Roger Mills	\$ 4,095	Yes	Yes	3
Cheyenne (65I007)	Roger Mills	\$ 11,682	Yes	Yes	3
Alva (76I001)	Woods	\$ 19,030	Yes	Yes	3
Freedom (76I006)	Woods	\$ 1,885	Yes	Yes	3
<b><u>District with no response to the GFB penalty correspondence</u></b>					
Waynoka (76I003)	Woods	\$ 5,980	Yes	Yes	3

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Attachments



County	District	Congressional District	FY2017 General Fund Balance Penalty	FY2017 Original Estimated Balance after March Payment	Revised w/Revenue Reductions		Lessor of GFB Penalty or State Aid Balance after the March Payment	Previous Years Waivered &/or Accepted Penalty	2nd Year Exceeded	No Foundation &/or Incentive Aid	No Remaining State Aid Funds	Waiver Eligible	Request Waiver	Accepted Penalty	No Response	
					FY2017 Estimated Balance after March Payment	FY2017 Estimated 40% of April 1, 2017 Balance										
<b>DISTRICTS REQUESTING STATE BOARD OF EDUCATION WAIVER</b>																
02	ALFALFA	I001	BURLINGTON	3	1,014,924.82	7,520	7,520	3,008	7,520	0	1	X		1	1	
02	ALFALFA	I046	CHEROKEE	3	2,160,571.54	91,297	86,582	34,633	86,582	0	1	X		1	1	
04	BEAVER	I022	BEAVER	3	273,742.01	191,599	182,778	73,111	182,778	0	1	X		1	1	
05	BECKHAM	I031	SAYRE	3	8,286,558.01	81,189	73,422	29,369	73,422	5	1	X		1	1	
09	CANADIAN	I076	CALUMET	3	1,557,097.74	4,519	4,519	1,808	4,519	0	1	X		1	1	
22	DEWEY	I008	SEILING	3	2,565,896.08	9,143	9,143	3,657	9,143	1	1	X		1	1	
27	GRANT	I095	DEER CREEK-LAMONT	3	320,916.21	30,285	27,521	11,008	27,521	0	1	X		1	1	
52	NOBLE	I004	FRONTIER	3	1,377,404.96	11,458	11,458	4,583	11,458	2	1	X		1	1	
61	PITTSBURG	I014	KIOWA	2	1,640,790.09	10,527	10,527	4,211	10,527	9	1	X		1	1	
65	ROGER MILLS	I006	REYDON	3	764,766.60	4,095	4,095	1,638	4,095	2	1	X		1	1	
65	ROGER MILLS	I007	CHEYENNE	3	1,785,463.33	11,682	11,682	4,673	11,682	8	1	X		1	1	
76	WOODS	I001	ALVA	3	4,984,027.36	19,030	19,030	7,612	19,030	0	1	X		1	1	
76	WOODS	I006	FREEDOM	3	206,673.63	1,885	1,885	754	1,885	3	1	X		1	1	
<b>DISTRICTS ELIGIBLE FOR WAIVER BUT ACCEPTED THE PENALTY</b>																
18	CRAIG	C001	WHITE OAK	2	349,063.79	2,275	2,275	910	2,275	2	1	X		1		1
21	DELAWARE	C006	CLEORA	2	1,876,526.90	3,229	3,229	1,292	3,229	6	1	X		1		1
27	GRANT	I054	MEDFORD	3	6,040,758.89	6,045	6,045	2,418	6,045	0	1	X		1		1
41	LINCOLN	I054	STROUD	3	5,807,069.88	12,699	12,699	5,080	12,699	1	1	X		1		1
65	ROGER MILLS	I066	HAMMON	3	882,316.04	6,305	6,305	2,522	6,305	6	1	X		1		1
77	WOODWARD	I005	FORT SUPPLY	3	144,348.37	4,485	4,485	1,794	4,485	3	1	X		1		1
<b>DISTRICTS ELIGIBLE FOR WAIVER AND NO RESPONSE TO CORRESPONDENCE</b>																
76	WOODS	I003	WAYNOKA	3	1,937,335.41	5,980	5,980	2,392	5,980	2	1	X		1		1
<b>DISTRICTS WITH NO REMAINING BALANCE TO PENALIZE</b>																
09	CANADIAN	C029	RIVERSIDE	3	58,986.76	0	0	0	0	0	1	X		1		1
65	ROGER MILLS	I015	SWEETWATER	3	5,980,227.53	0	0	0	0	9	1	X		1		1
22	DEWEY	I010	TALOGA	3	1,958,806.43	0	0	0	0	3	1	X		1		1
<b>TOTAL BREAKDOWN</b>																
								Amount	Districts							
								Total Penalty	\$ 491,180	23						
								Eligible to Request a Waiver	\$ 491,180	20						
								Districts Requesting Board Waiver	\$ 450,162	13						
								No Response	\$ 5,980	1						
								Penalty Accepted	\$ 35,038	6						
								District with no Remaining Balance to Penalize	\$ -	3						



# EXAMPLE - PENALTY LETTER

January 31, 2017

«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 2016 Oklahoma Cost Accounting System (OCAS) for the fiscal year ending June 30, 2016.

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, 2015.
- (2) Your school district exceeded the allowable carryover limit as of June 30, 2016.

**As stated in law, you are requested to respond in writing no later than Wednesday, February 15, 2017**, 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 Wednesday, March 1, 2017, 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 23, 2017 at 1:00 p.m.** The Board will determine if the penalty will cause the school district not to meet remaining financial obligations for the 2016-17 school year. Please contact me if you want to pursue this option; documentation may be required.

«District\_Name» Public School  
Page 2  
January 31, 2017

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

**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)*

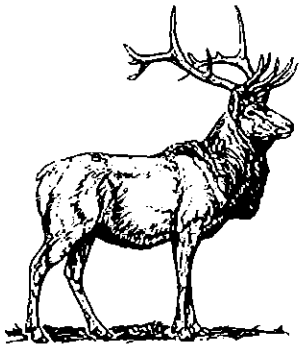
5. If a school district does not receive Foundation and/or Salary Incentive Aid during the preceding fiscal year, the State Board of Education may waive the penalty assessed in this subsection if the penalty would result in a loss of more than forty percent (40%) of the remaining State Aid to be allocated 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.







# BURLINGTON PUBLIC SCHOOL

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

Glen Elliott, Superintendent  
Shane Feely, Principal  
Randy Turney, Athletic Director  
Misty McCullough, Counselor/Test Coordinator

February 9, 2017



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.

We feel very fortunate to be in a good economic bubble in our school district from the oil and gas findings the past three or four years but realize it will not last forever. We have made several repairs and renovations that make our plant more efficient and an enhancement to our educational system going forward. But at the same time we have attempted to grow our carryover to be prepared when the revenue is not so good.

We will appeal to the State Board of Education to waive our penalty as we are trying to be ready for the tougher economic times in the future.

Sincerely,

Glen Elliott  
Superintendent

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 02  
 DISTRICT NUMBER: I001

COUNTY NAME: ALFALFA  
 DISTRICT NAME: BURLINGTON

1. 2016 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)	\$3,211,424.96
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$963,427.49
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$2,016,190.62
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,052,763.13
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$37,838.31
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,014,924.82
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,014,924.82

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,014,925
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	\$7,520

**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

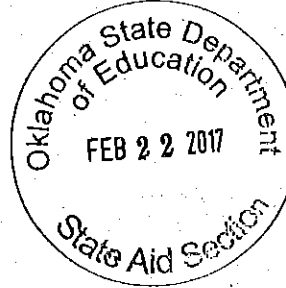
(P) 580-596-3277

February 19, 2017

## JEREMY HICKMAN

H.S. & J.H. Principal

(P) 580-596-3391



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 \$91,297 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:

*"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"*

In 2015, Gross Production income increased for one year due to oil and gas production. This increase caused the decrease of Foundation and Salary Incentive Aid for the subsequent years. Attached you will find our Gross Production amounts from 2014 to current month totals of 2017.

Along with Gross Production, the oil and gas industry decline has impacted our community through our local evaluation. Lariat Oilfield Services permanently closed and directly decreased our evaluation. This, along with the OTC evaluating the tax on lease compressors for next year, will place us in a harmful financial position for the future.

All public schools have declining allocations due to failing state revenues, but we are losing state funding, local evaluation and gross production. We ask that you take our protest waiver under consideration. I have included our State Aid Allocation sheets to show the decline in our revenue from all chargeables, as well as, the four million dollar decrease in our Adjusted District Evaluation. Please feel free to contact me if I can be of further assistance.

Thank you,

Donna Anderson  
Superintendent  
Cherokee Public School

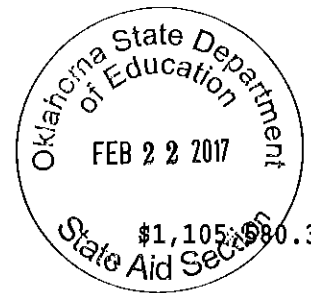
	2014 GROSS PRODUCTION	2015	2016	2017
JANUARY	\$ 157,194.74	\$ 380,787.01	\$ 166,652.39	\$ 164,717.87
FEBRUARY	\$ 166,091.70	\$ 283,374.27	\$ 151,006.57	\$ 177,851.00
MARCH	\$ 200,748.11	\$ 163,927.87	\$ 188,965.19	
APRIL	\$ 156,427.56	\$ 198,787.90	\$ 128,326.64	
MAY	\$ 122,795.39	\$ 137,458.20	\$ 132,898.13	
JUNE	\$ 156,964.95	\$ 164,649.10	\$ 120,609.50	
JULY	\$ 218,371.19	\$ 176,600.95	\$ 168,700.77	
AUGUST	\$ 323,166.58	\$ 286,091.43	\$ 216,412.88	
SEPTEMBER	\$ 333,552.46	\$ 218,897.50	\$ 181,136.77	
OCTOBER	\$ 323,404.34	\$ 194,133.00	\$ 165,306.19	
NOVEMBER	\$ 289,172.31	\$ 174,174.34	\$ 220,334.29	
DECEMBER	\$ 317,412.17	\$ 138,427.82	\$ 219,181.18	



STATE AID ALLOCATION 2016-2017  
TENTATIVE STATE ALLOCATION

COUNTY: 02 ALFALFA

DISTRICT: I046 CHEROKEE



FOUNDATION AID:

FOUNDATION WEIGHTED ADM (694.46) X  
FOUNDATION AID FACTOR (\$1,592.00) =

\$1,105,980.32

LESS CHARGEABLES:

AD VALOREM CHARGEABLE\* \$678,040.56  
\*increased millage due to personal property tax adjustment  
COUNTY 4 MILL LEVY (0.75000) X (\$243,890) 182,917.50  
SCHOOL LAND EARNINGS 59,107.00  
GROSS PRODUCTION 2,120,823.00  
MOTOR VEHICLE 162,797.00  
REA TAX 186,303.00

TOTAL CHARGEABLES

3,389,988.06

NET FOUNDATION AID (ZERO IF LESS THAN ZERO)

\$0.00

TRANSPORTATION:

REGULAR A.D.H. (75.00) X PER CAPITA (\$152.00) X  
TRANSPORTATION FACTOR (1.39) =

15,846.00

SALARY INCENTIVE AID:

1: INC. AID GUARANTEE FACTOR (72.90) X  
INC. WEIGHTED ADM (694.46) = \$50,626.1340  
2: ADJUSTED DISTRICT VALUATION  
(\$35,675,595) / 1000 = 35,675.5950  
3: #1 - #2 = \$14,950.5390  
4: #3 X INCENTIVE MILLS (20.0) =

299,011.00

BASIC FORMULA

\$314,857.00

SUPPLEMENT

0.00

\$314,857.00

BASIC STATE AID (BASIC FORMULA + SUPPLEMENT)  
X PRORATE FACTOR (1.0000000)

\$314,857.00

OCAS NONCOMPLIANCE PENALTY \$0.00

CLASS SIZE GRADE LEVEL WEIGHTED PENALTY (0.00)

X \$3,050.00 = CLASS SIZE PENALTY AMOUNT 0.00

PENALTY FOR PER PUPIL REVENUE IN EXCESS 150% 85,834.00

ADMINISTRATIVE COSTS PENALTY 0.00

ADJUSTMENTS DUE TO ADDITIONS 0.00

AND REDUCTIONS 0.00

GENERAL FUND BALANCE PENALTY 0.00

TOTAL ADDITIONS/REDUCTIONS

85,834.00

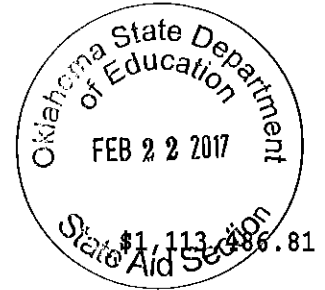
TOTAL NET STATE AID

\$229,023.00

STATE AID ALLOCATION 2016-2017  
TENTATIVE FINAL STATE ALLOCATION

COUNTY: 02 ALFALFA

DISTRICT: I046 CHEROKEE



FOUNDATION AID:

FOUNDATION WEIGHTED ADM (701.63) X  
FOUNDATION AID FACTOR (\$1,587.00) =

LESS CHARGEABLES:

AD VALOREM CHARGEABLE\* \$601,632.20  
\*increased millage due to personal property tax adjustment  
COUNTY 4 MILL LEVY (0.75000) X (\$241,330) 180,997.50  
SCHOOL LAND EARNINGS 58,799.00  
GROSS PRODUCTION 2,076,783.00  
MOTOR VEHICLE 158,493.00  
REA TAX 184,281.00

TOTAL CHARGEABLES

NET FOUNDATION AID (ZERO IF LESS THAN ZERO) 3,260,985.70  
\$0.00

TRANSPORTATION:

REGULAR A.D.H. (73.00) X PER CAPITA (\$154.00) X  
TRANSPORTATION FACTOR (1.39) = 15,626.00

SALARY INCENTIVE AID:

1: INC. AID GUARANTEE FACTOR (73.18) X  
INC. WEIGHTED ADM (701.63) = \$51,345.2834  
2: ADJUSTED DISTRICT VALUATION  
(\$31,654,523) / 1000 = 31,654.5230  
3: #1 - #2 = \$19,690.7604  
4: #3 X INCENTIVE MILLS (20.0) = 393,815.00

BASIC FORMULA

\$409,441.00

SUPPLEMENT

0.00

\$409,441.00

BASIC STATE AID (BASIC FORMULA + SUPPLEMENT)  
X PRORATE FACTOR (1.0000000)

\$409,441.00

OCAS NONCOMPLIANCE PENALTY \$0.00

CLASS SIZE GRADE LEVEL WEIGHTED PENALTY (0.00)  
X \$3,050.60 = CLASS SIZE PENALTY AMOUNT 0.00

PENALTY FOR PER PUPIL REVENUE IN EXCESS 150% 0.00

ADMINISTRATIVE COSTS PENALTY 0.00

ADJUSTMENTS DUE TO ADDITIONS 0.00

AND REDUCTIONS 83,381.00

GENERAL FUND BALANCE PENALTY 0.00

TOTAL ADDITIONS/REDUCTIONS 83,381.00

TOTAL NET STATE AID

\$326,060.00



**From:** SDE State Aid  
**To:** Mathangi Shankar  
**Cc:** Renee McWaters  
**Bcc:** [andersond@cherokee.k12.ok.us](mailto:andersond@cherokee.k12.ok.us); [dgarner@riverside.k12.ok.us](mailto:dgarner@riverside.k12.ok.us); [rmcspadden@whiteoakschool.net](mailto:rmcspadden@whiteoakschool.net);  
[gbaker@hammon.k12.ok.us](mailto:gbaker@hammon.k12.ok.us); [ltackett@waynoka.k12.ok.us](mailto:ltackett@waynoka.k12.ok.us); [melva@fortsupply.k12.ok.us](mailto:melva@fortsupply.k12.ok.us);  
[dbrown@taloqa.k12.ok.us](mailto:dbrown@taloqa.k12.ok.us)  
**Subject:** OSDE: General Fund Balance Penalty Response  
**Date:** Friday, February 17, 2017 3:09:00 PM  
**Attachments:** 70-18-200.1 STATUTE.docx  
**Importance:** High

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Superintendent,

**Your district has not responded to the January 31, 2017 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 mail, fax 405.522-3559 or Email to [State.Aid@sde.ok.gov](mailto:State.Aid@sde.ok.gov). If district does not respond by Friday, February 24, 2017, penalty amount shall be submitted to the State Board of Education for approval to assess the penalty by 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](mailto:State.Aid@sde.ok.gov)



OKLAHOMA STATE DEPARTMENT OF  
**EDUCATION**  
CHAMPION EXCELLENCE

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 02  
 DISTRICT NUMBER: I046

COUNTY NAME: ALFALFA  
 DISTRICT NAME: CHEROKEE

1. 2016 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)	\$5,187,587.03
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,037,517.41
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$3,410,472.50
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,372,955.09
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$186,218.55
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$2,186,736.54
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$26,165.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$2,160,571.54

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$2,160,572
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	\$91,297

**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 10, 2017

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



**RE: Carryover Waiver**

Dear Members of the Oklahoma State Board of Education:

During the 2015-2016 school term, Sayre Public Schools (051031) exceeded the maximum carryover amount for the general fund. The district accepts the penalty amount noted in the notification letter from Ms. Renee McWaters, dated January 31, 2017. We are respectfully requesting that the penalty for exceeding the statutory limit be waived. Please allow me to explain to you a few of the distinguishing factors regarding this request.

- Several years ago, following a lengthy litigation process with multiple companies from the oil/gas industry, we received the release of protested tax funds that were being held in escrow. Since that date, those funds have been carefully maintained in reserve to ensure that those funds were spent responsibly.
- In addition to the funds from the above mentioned settlements – the revenue generated from other sources (i.e, private prison, natural gas storage facility, gross production) has allowed the district to build a carryover balance that exceeds the statutory limit and placed us in the position of being ineligible to receive Foundation Aid. That balance has been maintained to allow the district to approach campus improvement projects (technology upgrades, saferooms) and enable us to better manage the cyclical nature of the energy industry and the possible closure of the 2,200-bed private prison (CCA) facility located within district boundaries.
- This past year, the year-long closure of the North Fork Correctional Facility, the closure of the Sayre Hospital, and the slumping oil/gas industry had caused the loss of hundreds of jobs to the local economy as well as a drop in enrollment of over sixty students. Those factors have also combined to reduce the district's adjusted valuation by 10.5%, resulting in a significant loss in local property taxes paid to the district.

As a result, given the current economic conditions, over the course of at least the next two years expenses will outpace collections and our carryover balance will be utilized to ensure that the District is able to meet its financial obligations in the future.

Should you need additional information, please feel free to contact me. We would like to thank you in advance for considering this request.

Respectfully Yours,

Todd Winn,  
Superintendent of Schools



# Sayre Public Schools

Sayre, Oklahoma 73662

*Home of the Eagles*

February 10, 2017

Oklahoma State Department of Education  
ATTN: State Aid Section  
Ms. Renee McWaters, Executive Director  
2500 North Lincoln Boulevard  
Oklahoma City, OK 73105-4599



**RE: Carryover Waiver**

Dear Ms. McWaters:

Attached, please find a letter to the Members of the State Board of Education requesting a waiver of the carryover penalty assessed the Sayre Public Schools.

If I need to provide any additional information, please feel free to contact me at (580) 928-5531, x1103. Thank you so much for your assistance.

Respectfully Yours,

Todd Winn,  
Superintendent of Schools

Central Office  
716 N.E. Highway 66  
580-928-5531  
580-928-5538 Fax

Sayre Elementary School  
400 East Hanna  
580-928-2013  
580-928-3936 Fax  
PreSchool to Grade 5

Sayre Middle School  
600 East Hanna  
580-928-5578  
580-928-3045 Fax  
Grades 6-8

Sayre High School  
600 East Hanna  
580-928-5576  
580-928-3045 Fax  
Grades 9-12

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 05  
 DISTRICT NUMBER: 1031

COUNTY NAME: BECKHAM  
 DISTRICT NAME: SAYRE

1. 2016 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)	\$5,265,958.17
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,053,191.63
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$9,667,688.08
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$8,614,496.45
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$327,938.44
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$8,286,558.01
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$8,286,558.01

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$8,286,558
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	\$81,189

**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%



**Beaver Public School**  
**Box 580**  
**Beaver, Oklahoma 73932**  
Office of Superintendent

February 13, 2017

To: Oklahoma State Superintendent Joy Hofmeister  
Oklahoma State Board Members  
Ren'ee McWaters, Exec. Director, State Aid Section

From: Beaver Public School  
Scott Kinsey, Superintendent

RE: Waiver Request, 70, Sect. 18-200.1 Gen Fund C/O Balance

Please consider the following information as our request is considered at your March board meeting:

1. We had a short time window to expend the funds and rather than spend needlessly during this window, we considered the current budget crisis, 7% cut for us and anticipated the same or possibly worse for FY17, concluding those funds would be better expended this year.
2. We lost four instructors to other schools and one retired. We planned on replacing all of these using un-expended funds if we could attract them to our district. Our geographical location makes it very difficult to attract teachers especially competing against larger school districts like Woodward and Enid. Our plan is to offer some type of incentive package that will hopefully draw new teachers and their families to our community.
3. Federal program reimbursements have not been available the last few years until December or later, creating a necessity for more carry-over funds to make it until that time frame.
4. We have several projects planned to expend excess dollars to ease burden on upcoming bond issues which are getting more difficult to acquire the required 60% to pass.
5. Also planned to use excess dollars for student technology, wifi infrastructure, and replacing classroom floor tile.

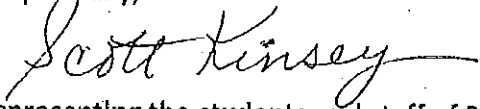


6. Lastly, planned on using un-expended funds to attract and keep effective teacher assistants and support personnel by increasing that part of our budgeted items.

Our hope is that you all will consider these items and our strategic use of the funds. We are also hopeful that in this current budget climate the granting of this waiver will allow us to serve our students and staff with much needed funding.

Thank you for your time and consideration.

Respectfully,

A handwritten signature in cursive script that reads "Scott Kinsey". The signature is written in black ink and is positioned above the typed name and title.

Representing the students and staff of Beaver Public Schools  
Scott Kinsey, Superintendent

**Kimberly Ivester**

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**From:** Brandi Brown <bbrown@beaver.k12.ok.us>  
**Sent:** Tuesday, February 14, 2017 10:24 AM  
**To:** SDE State Aid  
**Cc:** Scott Kinsey  
**Subject:** Beaver Public Schools Waiver Request  
**Attachments:** Waiver Request.pdf

Hi Renée,

I've attached our waiver request for Beaver Schools. Please let me know that you have received it and if you have any questions.

Thanks,

Brandi Brown  
Beaver Public Schools  
PO Box 580  
Beaver, OK 73932  
(580)625-3444

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 04  
 DISTRICT NUMBER: 1022

COUNTY NAME: BEAVER  
 DISTRICT NAME: BEAVER

1. 2016 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)	\$2,849,776.59
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$997,421.81
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$1,449,492.08
5. LINE 4 minus LINE 3 -- GENERAL FUND BALANCE PENALTY	\$452,070.27
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$175,649.62
7. LINE 5 minus LINE 6 -- GENERAL FUND BALANCE PENALTY	\$276,420.65
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$2,678.64
9. LINE 7 minus LINE 8 -- GENERAL FUND BALANCE PENALTY	\$273,742.01

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$273,742
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	\$191,599

**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

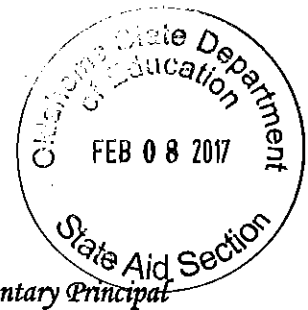
Total Amount of Gen. Fd Collections, Excl. Previous Yr. Cash Surplus as of June 30	Amt. of Gen. Fd. Balance Allowable
Less than \$1,000,000	40%
\$1,000,000-\$2,999,999	35%
\$3,000,000-\$3,999,999	30%
\$4,000,000-\$4,999,999	25%
\$5,000,000-\$5,999,999	20%
\$6,000,000-\$7,999,999	18%
\$8,000,000-\$9,999,999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

*Eric Carr, HS Principal*

*Lindy Renbarger, Elementary Principal*

February 7, 2017

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

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 \$4,519.

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 waive the penalty of \$4,519.

Sincerely,

Dr. Keith Weldon  
Superintendent  
Calumet Public School

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 09  
 DISTRICT NUMBER: I076

COUNTY NAME: CANADIAN  
 DISTRICT NAME: CALUMET

1. 2016 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)	\$3,418,768.78
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,025,630.63
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$2,897,915.70
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,872,285.07
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$315,187.33
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,557,097.74
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,557,097.74

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,557,098
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	\$4,519

**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%



# Deer Creek-Lamont Public Schools

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High School Principal  
P. O. Box 10  
Lamont, OK 74643  
Phone: (580) 388-4334  
Fax: (580) 388-4341

Superintendent  
P. O. Box 10  
Lamont, OK 74643  
Phone: (580) 388-4333  
Fax: (580) 388-4341

Elementary Principal  
P. O. Box 10  
Deer Creek, OK 74643  
Phone: (580) 267-3241  
Fax: (580) 267-3276

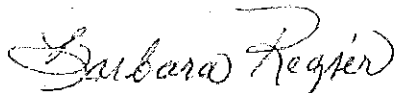
Members of the State Board of Education:

Please accept this letter as a request for a waiver of the penalty for the Deer Creek-Lamont School District exceeding the General Fund allowable amount. I began this position as a first year Superintendent on July 1, 2016 and would like to submit the following as an explanation of the amount in our General Fund.

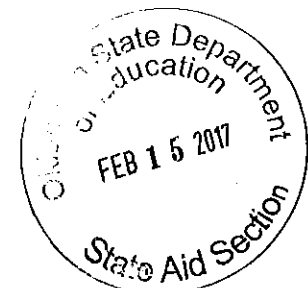
Beginning in 2002, our District endured tax protests that went on for nine years and were finally settled in 2011. Our District had to operate without receiving funds for many years while also being responsible for large legal fees to settle the tax protests. During the time of the tax protests, the tax funds were deposited in a holding account until the protest was settled. Therefore, our District also did not receive State funds because we should have been receiving the funds from the oil and gas companies. Since the settlement, we have had more tax protests and additional legal fees. Our District is part of a group acting together to fight the tax protests; however, our district pays the majority of the fees in our county because the majority of the protest is in our District. In addition to the tax protests, we have seen a drastic decline in gross production, 75% less than 2014-15, which if we had not been cautious in our spending would have created a more severe financial problem for our District. These are two of the major factors for our District to not spend down our General Fund. At this time, factors out of our control are depleting the fund.

In conclusion, we have tried to be good stewards of our District funds in order to be able to continue to meet our students' needs in the future while funds are declining in all areas. We are serving our students well and are striving to be prepared to serve our District in the future. Thank you for your time and consideration.

Respectfully,



Barbara Regier  
Superintendent





**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 27  
 DISTRICT NUMBER: 1095

COUNTY NAME: GRANT  
 DISTRICT NAME: DEER CREEK-LAMONT

1. 2016 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)	\$2,027,972.30
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$709,790.31
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$1,131,253.72
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$421,463.41
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$100,547.20
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$320,916.21
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$320,916.21

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$320,916
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	\$30,285

**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%



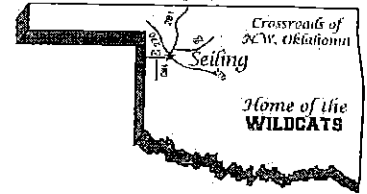
Randy Seifried  
Superintendent

Darris Servis  
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 16, 2017

TO: OSDE  
State Aid Section  
State Board of Education

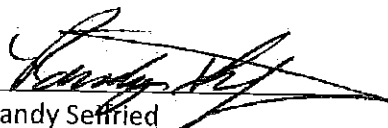
RE: General Fund Balance Penalty

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,

  
Randy Seifried  
Superintendent

**From:** SDE State Aid  
**To:** SDE State Aid  
**Cc:** Mathangi Shankar; Renee McWaters  
**Bcc:** mgeurkink@medford.k12.ok.us; "kguthrie@cdeora.net"; "rselfried@seiling.k12.ok.us";  
"jvantuy@stroud.k12.ok.us"; "robert.trammell@cheyenne.k12.ok.us"  
**Subject:** OSDE: General Fund Balance information  
**Date:** Friday, February 10, 2017 3:12:00 PM  
**Importance:** High

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Superintendent,

We appreciate your prompt response to the General Fund Balance Penalty notification (01/31/17). 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](mailto:State.Aid@sde.ok.gov) by February 21, 2017.

**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](mailto:State.Aid@sde.ok.gov)>



OKLAHOMA STATE DEPARTMENT OF  
**EDUCATION**  
— CHAMPION EXCELLENCE —



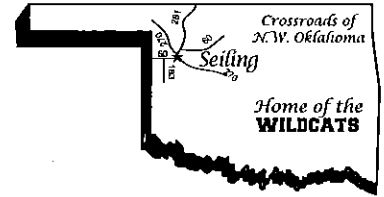
Randy Seifried  
Superintendent

Darris Servis  
Secondary Principal  
(580) 922-7382

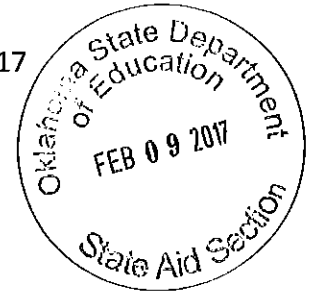
Brandon Nyberg  
Elementary Principal  
(580) 922-7381

# Seiling Public Schools

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



February 8, 2017



TO: OSDE  
State Aid Section

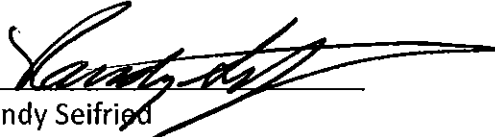
RE: Allowable Carryover

To Whom It May Concern:

Our District has reviewed the General Fund Balance Calculation in relation to allowable carryover. The District accepts the calculated amount set forth by the State Aid Section for the 2015-16 fiscal year.

If you need additional information, please contact me at 580-922-7383.

Sincerely,

  
Randy Seifried

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 22  
 DISTRICT NUMBER: I008

COUNTY NAME: DEWEY  
 DISTRICT NAME: SEILING

1. 2016 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)	\$5,388,025.10
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,077,605.02
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$3,895,387.07
5. LINE 4 minus LINE 3 -- GENERAL FUND BALANCE PENALTY	\$2,817,782.05
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$251,767.43
7. LINE 5 minus LINE 6 -- GENERAL FUND BALANCE PENALTY	\$2,566,014.62
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$118.54
9. LINE 7 minus LINE 8 -- GENERAL FUND BALANCE PENALTY	\$2,565,896.08

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$2,565,896
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	\$9,143

**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

President - David Beck  
Vice-President - Cheryl Lane  
Clerk - Scott Kodesh  
Member - Brad Childs  
Member - Cruz Conneywerdy

*Frontier Schools*

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

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

Administration

Bob Weckstein - Superintendent  
Doug Sinor - HS Principal  
Erron Kauk - PreK-8 Principal

February 10, 2017

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 Board of Education, in reference to the notification received February 3, 2017.

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

This penalty would void fiduciary responsibility to the patrons of the district. To refrain from wastefully spending dollars purchasing unwanted items.

Sincerely,

Robert Weckstein  
Superintendent  
Frontier Public Schools

*Home of the Mustangs*

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 52  
 DISTRICT NUMBER: I004

COUNTY NAME: NOBLE  
 DISTRICT NAME: FRONTIER

1. 2016 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)	\$5,031,885.88
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,006,377.18
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$3,235,386.10
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,229,008.92
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$843,975.93
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,385,032.99
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$7,628.03
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,377,404.96

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,377,405
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	\$11,458

**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

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February 1, 2017

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 24, 2016 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

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 61  
 DISTRICT NUMBER: I014

COUNTY NAME: PITTSBURG  
 DISTRICT NAME: KIOWA

1. 2016 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)	\$3,734,346.13
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,120,303.84
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$3,046,502.14
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,926,198.30
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$285,408.21
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,640,790.09
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$0.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,640,790.09

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,640,790
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	\$10,527

**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%

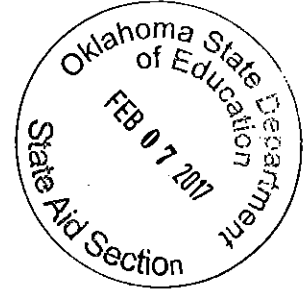


# REYDON PUBLIC SCHOOL I-6

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

**Phil Drouhard**, *Superintendent*  
**Ryan Baker**, *Principal*

February 2, 2017



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 2015-2016 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. 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,

A handwritten signature in black ink, appearing to read "Phil Drouhard".

**Phil Drouhard**

## FY2017 GENERAL FUND BALANCE CALCULATION

COUNTY NUMBER: 65  
DISTRICT NUMBER: I006

COUNTY NAME: ROGER MILLS  
DISTRICT NAME: REYDON

1. 2016 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)	\$3,061,797.39
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$918,539.22
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$2,094,329.79
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$1,175,790.57
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$392,421.97
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$783,368.60
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$18,602.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$764,766.60
<b><u>EXCLUSIONS APPLIED FROM 70 O.S. 18-200.1 (PARAGRAPH G.):</u></b>	
10. LESS INCREASE IN STATE AID BECAUSE OF STATE AID FACTOR ADJUSTMENT DURING LAST TWO MONTHS OF THE PRECEDING FISCAL YEAR	\$0
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$764,767
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	\$4,095
<b><u>STATE BOARD OF EDUCATION ACTION REQUIRED:</u></b>	
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%





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# CHEYENNE PUBLIC SCHOOLS

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

**COUNTRY**

ROBERT TRAMMELL  
SUPERINTENDENT

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

---

February 14, 2017

State Aid Section  
State Department of Education  
2500 N Lincoln Blvd, Ste 427  
Oklahoma City, OK 73105

To SDE State Aid Section,

I received your email sent February 10, 2017 concerning notice that our district meets the qualification to request a penalty waiver. The Cheyenne Board of Education has directed me to request a penalty waiver at this time.

As the fluctuation of Gross Production revenue has had a major impact on the budget of the State of Oklahoma, it has also had an impact on Cheyenne Public School budget. Gross Production revenue through the month of February 2017 is \$246,987.55 less than through February 2016. Even though we have made budget cuts, at this time our best estimate indicates our expenditures will exceed our revenue. We respectfully request a carryover penalty waiver for FY 2017 as it will help to offset this deficit.

Sincerely,

Robert Trammell  
Superintendent  
Cheyenne Public School 651007

**From:** SDE State Aid  
**To:** SDE State Aid  
**Cc:** Mathangi Shankar; Renee McWaters  
**Bcc:** mgeurkink@medford.k12.ok.us; "kquthrie@cleora.net"; "rseifried@seiling.k12.ok.us";  
"ivantuyi@stroud.k12.ok.us"; "robert.trammell@cheyenne.k12.ok.us"  
**Subject:** OSDE: General Fund Balance Information  
**Date:** Friday, February 10, 2017 3:12:00 PM  
**Importance:** High

---

Superintendent,

We appreciate your prompt response to the General Fund Balance Penalty notification (01/31/17). 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](mailto:State.Aid@sde.ok.gov) by February 21, 2017.

**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](mailto:State.Aid@sde.ok.gov)>



OKLAHOMA STATE DEPARTMENT OF  
**EDUCATION**  
CHAMPION EXCELLENCE

**B  
E  
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# CHEYENNE PUBLIC SCHOOLS

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

**COUNTRY**

ROBERT TRAMMELL  
SUPERINTENDENT

PHONE 580-497-2666 EXT 202  
FAX 580-497-3373

February 3, 2017



Oklahoma State Department of Education  
State Aid Section  
2500 N Lincoln Blvd  
Oklahoma City, OK 73105-4599

To Whom It May Concern,

We have received your letter notifying us that Cheyenne Public School District I007, Roger Mills County, has exceeded the allowable carryover limit in the General Fund for 2015 and 2016. We agree with the calculation and accept this penalty.

Sincerely,

Robert Trammell  
Superintendent  
Cheyenne Public Schools

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 65  
 DISTRICT NUMBER: I007

COUNTY NAME: ROGER MILLS  
 DISTRICT NAME: CHEYENNE

1. 2016 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)	\$5,031,042.04
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	20%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,006,208.41
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$3,167,046.41
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,160,838.00
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$369,474.67
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,791,363.33
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$5,900.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,785,463.33

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,785,463
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	\$11,682

**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*  
*Office of the Superintendent*  
*Mr. Steve Parkhurst*  
*Superintendent*

*418 Flynn Street*  
*Alva, Ok. 73717-2238*  
*E-mail: schools@alvaok.net*

*Phone (580) 327-4823*  
*Fax (580) 327-2965*

February 10, 2017

Oklahoma State Department of Education  
State Aid Section  
Mrs. Renee McWaters, Executive Director  
2500 N Lincoln Blvd  
Oklahoma City, Ok. 73105-4599

RE: Carryover Waiver

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. Currently we are anticipating a decrease in gross production of \$1.9 million over the course of this year. We feel it is our position to put the school district in strong financial security as we face this financial downturn. Our first commitment is our students and making sure they have what they need to be successful in the classroom. The waiver is being requested due to the fact that the carryover could soon deplete as we experience these changes in the state economy. As we prepare for this financial stress we appreciate the Oklahoma State Board of Education granting a waiver of the carryover penalty.

Sincerely,



Steve Parkhurst  
Superintendent

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 76  
 DISTRICT NUMBER: I001

COUNTY NAME: WOODS  
 DISTRICT NAME: ALVA

1. 2016 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)	\$11,006,063.90
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	14%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,540,848.95
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$6,911,011.31
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$5,370,162.36
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$385,619.24
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$4,984,543.12
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$515.76
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$4,984,027.36

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$4,984,027
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	\$19,030

**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  
P.O. BOX 5/1138 EAGLE PASS  
FREEDOM, OK 73842  
PHONE (580) 621-3271 - FAX (580) 621-3699  
[www.freedom.k12.ok.us](http://www.freedom.k12.ok.us)

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February 9, 2017



To Whom It May Concern:

As per your letter regarding the excessive carryover for Freedom School, both the Superintendent and Principal resigned June 30<sup>th</sup>, leaving the District in a real bind. I was hired in July but too late to do anything about an excessive carryover. However, Freedom is not a state aid school. But with the gross production going down so drastically, the Board of Education chose not to spend the money without careful study and consideration as to where and for what that money would be used. The District has many issues to repair of buildings, hiring more highly qualified teachers, and day to day maintenance and operation of the school.

While we receive little to no state aid, we do not intend to not use the money wisely. We also do not intend to put the district in a bind and our gross production is down tremendously. It takes a lot longer to build up a carryover than it does to spend it.

While my understanding is that since we receive little state aid and that is all that you can legally take from the school district, we respectfully ask for a waiver in this excessive carryover amount. My board is taking great care in deciding the best way to spend any and all dollars. We are all in great concern of more cuts coming.

Sincerely,

A handwritten signature in cursive script that reads "Freida Burgess". The signature is written in black ink and is positioned above the printed name.

Freida Burgess

Superintendent of Freedom School

**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 76  
 DISTRICT NUMBER: I006

COUNTY NAME: WOODS  
 DISTRICT NAME: FREEDOM

1. 2016 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)	\$1,670,868.32
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	35%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$584,803.91
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$887,884.81
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$303,080.90
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$56,307.27
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$246,773.63
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$40,100.00
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$206,673.63

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$206,674
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	\$1,885

**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%

**From:** [SDE State Aid](#)  
**To:** [Mathangi Shankar](#)  
**Cc:** [Renee McWaters](#)  
**Bcc:** [andersond@cherokee.k12.ok.us](mailto:andersond@cherokee.k12.ok.us); ["dgarner@riverside.k12.ok.us"](mailto:dgarner@riverside.k12.ok.us); ["rncspadden@whiteoakschool.net"](mailto:rncspadden@whiteoakschool.net);  
["qbaker@hammon.k12.ok.us"](mailto:qbaker@hammon.k12.ok.us); ["ltackett@waynoka.k12.ok.us"](mailto:ltackett@waynoka.k12.ok.us); ["melva@fortsupply.k12.ok.us"](mailto:melva@fortsupply.k12.ok.us);  
["dbrown@taloga.k12.ok.us"](mailto:dbrown@taloga.k12.ok.us)  
**Subject:** OSDE: General Fund Balance Penalty Response  
**Date:** Friday, February 17, 2017 3:09:00 PM  
**Attachments:** [70-18-200.1 STATUTE.docx](#)  
**Importance:** High

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Superintendent,

**Your district has not responded to the January 31, 2017 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 mail, fax 405.522-3559 or Email to [<State.Aid@sde.ok.gov>](mailto:State.Aid@sde.ok.gov). If district does not respond by Friday, February 24, 2017, penalty amount shall be submitted to the State Board of Education for approval to assess the penalty by 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>](mailto:State.Aid@sde.ok.gov)



OKLAHOMA STATE DEPARTMENT OF  
**EDUCATION**  
CHAMPION EXCELLENCE



**FY2017 GENERAL FUND BALANCE CALCULATION**

COUNTY NUMBER: 76  
 DISTRICT NUMBER: 1003

COUNTY NAME: WOODS  
 DISTRICT NAME: WAYNOKA

1. 2016 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)	\$3,925,213.18
2. ALLOWABLE PERCENTAGE OF GENERAL FUND BALANCE (See below)	30%
3. GENERAL FUND BALANCE ALLOWABLE (Line 1 times Line 2)	\$1,177,563.95
4. GENERAL FUND BALANCE - JUNE 30, 2016 (As reported on the FY2017 Estimate of Needs)	\$3,230,709.89
5. LINE 4 minus LINE 3 – GENERAL FUND BALANCE PENALTY	\$2,053,145.94
6. FEDERAL REVENUE (Fund 11, Source of Revenue 4000 through 4999, plus Fund 22, Source 5150 [rolled to Fund 11])	\$115,157.45
7. LINE 5 minus LINE 6 – GENERAL FUND BALANCE PENALTY	\$1,937,988.49
8. GIFTS AND ENDOWMENTS (Fund 11, Source of Revenue 1610 and 1640)	\$653.08
9. LINE 7 minus LINE 8 – GENERAL FUND BALANCE PENALTY	\$1,937,335.41

**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
11. GROSS PRODUCTION GROWTH GREATER THAN PRECEDING YEAR	\$0
12. EXCEEDED CARRYOVER AMOUNT AFTER EXCLUSIONS (Line 9 minus [Lines 10 and 11] equals Adjusted General Fund Balance Penalty)	\$1,937,335
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	\$5,980

**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

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%

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1.  
 817000 76 1003  
 LOREN TACKETT, SUPT  
 WAYNOKA PUB SCHLS  
 2134 LINCOLN ST  
 WAYNOKA OK 73860-9401



9590 9403 0470 5173 1752 98

2. Article Number (transfer from service label)

7015 0640 0004 1865 6663

PS Form 3811, April 2015 PSN 7530-02-000-9053

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature   Agent  
 Addressee

B. Received by (Printed Name) C. Date of Delivery  
 Cori Adair 2/2/17

D. Is delivery address different from item 1?  Yes  
 If YES, enter delivery address below:  No

3. Service Type
- Adult Signature
  - Adult Signature Restricted Delivery
  - Certified Mail®
  - Certified Mail Restricted Delivery
  - Collect on Delivery
  - Collect on Delivery Restricted Delivery
  - Insured Mail
  - Insured Mail Restricted Delivery (over \$500)
  - Priority Mail Express®
  - Registered Mail™
  - Registered Mail Restricted Delivery
  - Return Receipt for Merchandise
  - Signature Confirmation™
  - Signature Confirmation Restricted Delivery

Domestic Return Receipt