

2024-2025 BUDGET GUIDE

ADA CITY SCHOOLS 62; I-019



Mike Anderson
Superintendent

Board of Education Meeting
September 9, 2024

ADA CITY SCHOOLS

Mike Anderson
Superintendent

September 9, 2024

The Honorable Board of Education
Ada City Schools
Ada, Oklahoma

Dear Board Members:

I am recommending, for your approval, the Annual Budget for fiscal year 2024-2025 for the Ada City School District. The structure of the budget is based on statutory requirements (Title 70 §5-134.1) using the Oklahoma Cost Accounting System (OCAS) function codes. Additionally, the County Excise Board approved the Estimate of Needs for FY 2024-2025 and Financial Statement for FY 2023-2024.

The format of the budget is designed to give readers a better understanding of the financial structure and budgeting process of the school district. The funds included for approval are the General, Building and Child Nutrition. Capital Project Funds (Bond) and Debt Service Funds (Sinking) are included as information because the Capital Projects have been approved by City of Ada patrons in 2014 and 2021 bond elections and the Debt Service Fund holds the tax collections, which in turn, pay the bond obligations.

The budget is a communication tool and reference document for the school district. Through this presentation, the financial position, the operations and the fiscal management requirements of the District are disclosed.

The preparation of this document would not have been possible without the efforts of all of our central office staff. Your support and dedication as members of the Board of Education in conducting the financial affairs of the District with integrity and responsibility are appreciated. Thank you for all that you do for the students and the staff of the Ada City School District.

Sincerely,

Mike Anderson
Superintendent

BOARD OF EDUCATION

The Board of Education is composed of five individuals elected by district patrons in an annual election. Board members serve five-year terms. The terms are staggered and commence on the first school board meeting after the date of the annual school election. The following show the current members of the Board of Education, their positions, terms, and election dates.

| | | | |
|-----------|-------------------|----------------|-----------------|
| OFFICE #1 | Kiah Anderson | Member | Term: 2021-2026 |
| OFFICE #2 | Kyle Stuart | President | Term: 2022-2027 |
| OFFICE #3 | Melissa Rollins | Clerk | Term: 2023-2028 |
| OFFICE #4 | Sarah Cody | Member | Term: 2024-2025 |
| OFFICE #5 | Anne Nicole Flinn | Vice-President | Term: 2020-2025 |

Mission Statement

It is the mission of the Ada City School District to prepare all students to become engaged, high-performing citizens with the skills necessary to succeed in a global society.

CENTRAL OFFICE PERSONNEL

- Mike Anderson
 - Superintendent of Schools
- Kelly Howry
 - Administrative Assistant/Treasurer/Board Minutes Clerk
- Lisa Fulton
 - Federal Programs/Assessment
- Eddie Jacobs
 - Assistant to the Superintendent
- Becky Hucceby
 - Encumbrance Clerk
- Krissy Bohannon
 - Payroll Clerk
- Sheila Todd
 - Student Information/Personnel

DISTRICT DIRECTORS

- Linda Dickinson
 - Special Education
- Celena Galbreath
 - Information Technology
- Chris Eckler
 - STEAM
- Christie Jennings
 - Athletics
- Robert Gray
 - Safety and Security
- Charity Eakens
 - First Americans Programs
- Shana Allison
 - Child Nutrition
- Michael Calhoun
 - Maintenance
- Jonathan Boeck
 - Transportation
- Melanie Briggs
 - G.A.T.E.
- Shawn Freeman
 - Activities/Public Relations

THE DISTRICT ENTITY

The district is legally autonomous.

School District - Designation and Independent School Districts. Title 70, § 5-101 and 5-102 (Sections 49 and 50 - School Laws)

All school districts in Oklahoma, now in existence or which may hereafter be created, shall be designated only as independent, elementary or area career tech school districts. Independent school districts, elementary school districts and area career tech school districts shall be under the supervision and the administration of the respective boards of education thereof. All independent school districts in Oklahoma shall be those, which shall have maintained during the previous school year a school offering high school subjects fully accredited by the State Board of Education. The Ada City School District, I-019, Pontotoc County, operates as a Pre-Kindergarten through 12th Grade, independent school district.

School District - Body Corporate - Powers Title 70 § 5-105. (Section 54)

Every school district shall be a body corporate for public purposes...

Governing Body of the School District. Title 70 § 5-106. (Section 55)

The governing body of each school district in Oklahoma -- shall be known as the board of education of such district. Oklahoma laws give the district the power to levy taxes, the ability to sue and be sued, the ability to contract and hold real and personal property. The district is subject to the requirements of the State Board of Education.

District Size and Scope

The District is located in the Central part of Pontotoc County and encompasses approximately fifteen square miles.

The District has:

- 1 Ada High School (Grades 10, 11 and 12) With one Alternative School
- 1 Ada Junior High School (Grades 7, 8 and 9)
- 3 Elementary Grade Centers
 - Hayes Grade Center (Grades 1, 2)
 - Washington Grade Center (Grades 3, 4)
 - Willard Grade Center (Grades 5, 6)
- 1 Ada Early Childhood Center (Grades PK, K)

**Enrollment and Membership Summary
SY 2019 - September 10, 2023**

Actual Student Enrollment* on:

| | 10/1/19 | 10/1/20 | 10/1/21 | 10/1/22 | 10/1/23 | 9/4/24 |
|-------------------------|----------------|----------------|----------------|----------------|----------------|---------------|
| Ada Early Childhood | 357 | 333 | 358 | 402 | 360 | 351 |
| Hayes Grade Center | 382 | 367 | 373 | 393 | 435 | 412 |
| Washington Grade Center | 359 | 333 | 325 | 361 | 378 | 391 |
| Willard Grade Center | 384 | 345 | 342 | 355 | 360 | 373 |
| Ada Junior High School | 538 | 547 | 565 | 606 | 581 | 590 |
| Ada High School | 544 | 498 | 533 | 540 | 546 | 575 |
| TOTALS | 2,564 | 2,423 | 2,496 | 2,657 | 2,660 | 2,692 |

*Enrollment = October 1 Enrollment Count

The Current Year Enrollment Count is as of 9.4.24

The FY weighted average daily membership numbers are the major numbers that are used to calculate state aid for our district.

| | 6/30/19 | 6/30/20 | 6/30/21 | 6/30/22 | 6/30/23 | 6/30/24 |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Weighted ADM** | 4,474.64 | 4,492.51 | 4,248.00 | 4,423.61 | 4,757.33 | 4,798.14 |

****Weighted Average Daily Membership:**

The weighted pupil grade level calculation is found by taking the highest average daily membership of the preceding year or the 1st Quarter of the current year and assigning “weights” to the pupils according to the grade attended. The Legislature has set the “weights” for various categories. The weighted pupil category calculation is determined by multiplying the number of pupils by appropriate “weights” such as Grade Level Weights, EL/Bilingual Weights, Special Education Weights, Gifted Talented Weighted and Economically Disadvantaged Weights. Those totals are then added to the following weights (if applicable): Teacher Index and Alternative Education. All of these total the Weighted Average Daily Membership (WADM).

DISTRICT FUND STRUCTURE

District funds are categorized pursuant to the Oklahoma Cost Accounting (OCAS) referenced in Oklahoma Administrative Codification (OAC) 25-7-1. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording case and other resources together with all related liabilities and balances. The funds operating in the District are:

General Fund

Special Revenue Funds:

- Building Fund
- Child Nutrition Fund
- Activity Funds
 - Athletic Fund
- Gifts Fund

Capital Project Funds :

- Bond Funds

Debt Service Funds

- Sinking Fund

System of Classifying Revenue and Expenditures

Revenue is classified by fund and by source. Sources are grouped by local, intermediate (county), state (state dedicated and state aid) and federal. Local sources include property taxes, interest earnings and reimbursements. Intermediate resources include county 4-mill taxes and county mortgage taxes. State sources include state dedicated revenue, which are foundation and incentive aid, various grants and career tech. Federal sources include, but are not limited to, Title I and IDEA-B (Special Education). Expenditures are classified in a nine dimension coding structure using 26 digits in the account code by year, fund, project, function, object, program, subject, job class, and operational unit (site or location). **This budget presents expenditures by function as required by law for Board approval.** Function categories are defined in detail on the following pages. These include instruction and support services as examples.

Basis for Measuring Available Revenue and Expenditures

In Oklahoma, revenue is recorded as received cash. Expenditures are recorded in the accounting period in which the fund liability is incurred and encumbered. This practice differs from generally accepted accounting principles (GAAP).

SIGNIFICANT LAWS AFFECTING THIS BUDGET

The following is a summary of the significant provisions of the laws of the State of Oklahoma applicable to Oklahoma school district budgets. This budget is adopted in compliance with these legal requirements.

Title 70 § 5-135.2 Oklahoma Cost Accounting System (OCAS)

...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...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...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.

Title 70 § 5-135.4 School District Transparency Act

...The State Department of Education shall make school district expenditure data available on its website.

Title 68 § 3020 Temporary Appropriations (Section 959 - School Laws)

The excise boards...may convene at any time after the beginning of any fiscal year...for the purpose of approving temporary appropriations for the counties, cities, school districts and other municipal subdivisions of the state. Warrants may be drawn against such temporary appropriations pending action by the excise board upon the annual estimate of needs and budget of such...school district, for such fiscal year. Any such temporary appropriations so approved by the excise board...shall, when the annual budget for such...school district...is finally approved, be merged in the annual appropriations.

Title 68 § 3002 Time for Making Estimates (Section 159 - School Laws) (Estimate of Needs and Financial Statement)

...make, in writing, a financial statement showing the true fiscal condition of their respective political subdivision as of the close of the previous fiscal year ended June 30th, and [prior to September 1,] shall make a written itemized statement of estimated needs and probable income from all sources including ad valorem tax for the current fiscal year. Each financial statement and estimates of needs...shall be published [and]...the financial statements and estimates of all school districts shall be filed with the county excise board on or before September 1 of each year...

Carryover (fund balance) Standards

Title 70 § 18-200.1 State Aid - Foundation Aid, Salary Incentive Aid, Transportation Supplement.

...a school district shall have its State Aid reduced by an amount equal to the amount of carryover in the district's general fund as of June 30 of the preceding fiscal year, that is in excess of the following standards:

- Total amount of General Fund collections
- Excluding previous year cash surplus as of June 30

Amount of General Fund Balance Allowable...**17%**

Per HB 2332 (2004) Legislation the General Fund Carryover penalty will not consider Federal Funds. Per SB 531 (2005) the General Fund Carryover Penalty will not be assessed until it has been exceeded two consecutive years.

Carryover penalty will not be assessed to schools: who are at or above 85% bonding capacity, while carryover penalty moratorium is in place, if carryover penalty is the result of increased gross production revenue in previous year, or if penalty is a result of increased foundation aid in last two months of school year.

Warrants Issued and Limit of Authority to Issue

Title 62 § 476 and 477 - Amount to be issued -Limit of Authority to Issue - Liability of Officers. (Section 206, 210 - School Laws 70-5-182, 70-5-186)

Warrants...may be issued to the amount of the estimate made and approved by the excise board for the current fiscal year.

It shall be unlawful for any officer (Board of Education members, Treasurer) to issue, approve, sign or attest any warrant...in excess of the estimate of expense made and approved for the current fiscal year...and any such warrant in excess of the estimate made and approved...shall not be a charge against the school district...but may be collected by civil action from any officer...

Further emphasis:

Attorney General Opinion, April 3, 1936, "A school district is not authorized to divert money collected from taxes levied for current expenses to pay existing indebtedness created during a previous fiscal year. Legal warrants for the preceding fiscal year remaining unpaid on account of failure to collect taxes sufficient to retire the same may be paid only under one of the following methods: First, by reducing the warrants to judgment; second, the issuing of funding bonds for their payments."

BOARD OF EDUCATION ADMINISTRATIVE REGULATIONS, POLICY AND PROCEDURES

The following budget policies of the Board of Education and administrative regulations and procedures guide the preparation and administration of the budget.

District Budget Policies and Administrative Regulations and Procedures (General Fund, Building Fund, Child Nutrition Fund, Activity Fund, Gifts and Endowments Fund)

Funds are budgeted for no more than a twelve-month period of time, which includes a fiscal year from July 1 through June 30. The Superintendent administers the school district budget and may delegate the preparation and management. The budget is based on funding within anticipated revenue and the compliance with all state and federal statutes relating to budget management. The budget will provide for adequate allocations to support the instructional programs and operations in the district. An on-line budgetary control system will be maintained to assist in monitoring budget allocations and expenditures in conformance with state law, Board of Education policy and administrative regulations.

A Monthly Financial Report will be prepared. This report includes:

- a) Treasurer's Report for monthly disbursements, balances, investments, encumbrances
- b) Analysis of Collections by fund by source
- c) Analysis of Expenditures by fund
- d) School Activity Fund Summary

Fund Balance Policy

The Board of Education will not budget or negotiate for any purpose, items of revenue, which it cannot reasonably anticipate. It is the intent of the Board of Education to establish in the initial management budget a minimum of 8% surplus with the objective of establishing and maintaining a 15-17% surplus.

Capital Project (Bond Funds) Budget Procedures

Projects will be budgeted as per the Bond Resolution after the passage. The financial advisor will assist with the preparation of necessary information for full disclosure as required by law.

Debt Service (Sinking Fund) Procedures

All debt service (bond payment) principal and interest obligations will be paid when due.

Accounting, Auditing, and Financial Reporting Procedures

The accounting system will report financial information as required by law. The State Department of Education defines the accounting and financial reporting procedures including the use of the system of accounting as provided by law, the Oklahoma Cost Accounting System (OCAS). Financial information is prepared and reported on the basis of fund accounting. The accounting practices closely resemble generally accepted accounting principles for state and local governments, except in the area of financial reporting. Reporting practices for the state and local governments under generally accepted accounting principles are defined as those principles prescribed by the Governmental Accounting Standards Board.

Generally accepted accounting principles (GAAP) require funds to be combined by fund type and for the financial statements to be prepared on the basis of these combined funds. GAAP also requires that the account groups, which are general fixed assets and general long-term debt, be presented in the combined financial statements. The basic financial statements required by GAAP are: (1) combined

balance sheet - all fund types and account groups; (2) combined statement of revenue, expenditures and changes in fund balances - all governmental fund types; and (3) combined statement of revenue, expenditures and changes in fund balance - budget and actual - general and certain special revenue types.

In Oklahoma, although similar in some aspects to the financial statements required under GAAP, the financial statements presented in the school district audit report are not intended to represent GAAP. The financial statements are prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma.

The district operates on a statutory (cash) basis of accounting. School districts operating under the accrual basis of accounting, consistent with GAAP must have approval of the State Department of Education. The Board of Education shall select an independent public accounting firm on an annual basis to perform an annual audit and publicly issue their opinion on the district's financial status.

BUDGET DEVELOPMENT AND ADMINISTRATION

All funds except Capital Project (Bond Funds):

The final budget is prepared and presented for Board of Education approval as required by law within two board meetings from the date of approval of the Estimate of Needs (the legal appropriation establishing revenue, tax levies, and ad-valorem valuations) by the County Excise Board.

The Board of Education must approve revisions to the final budget. The budget will not exceed the level of appropriation for each fund as established by the Estimate of Needs. If needed, supplemental appropriations may be added if available at a later date. The budget will be updated by the Superintendent and Board in the fiscal year as needed. At the end of the fiscal year, unencumbered appropriations (balances) lapse and become a part of the fund balance.

Capital Project (Bond Funds):

Based on available bonding capacity, the Superintendent and staff prepare a list of projects determined by the needs within the district and within available monies. This list, once approved by the Board of Education, becomes the resolution which is then presented to the voters in the district. Oklahoma laws allow schools to be indebted to a maximum of 10% of the net assessed valuation of the district. Ada City Schools will promote bond issues on an as-needed basis, most usually with no increase in taxes.

Budget Administration and Management Process

Each fund has a budget that is assigned by project, allocated to a control account by function (to third digit) and object. The district budget is administered by the Superintendent or a person authorized by the Superintendent to monitor and control the budget as per Board of Education policy. Budget expenditures are monitored through the financial management system that will not allow expenditures to increase above the appropriated budget or project levels within the budget unless authorized within total available appropriations. Requisitions are submitted for purchase orders along with blanket salary reserves and employee contracts to the Board of Education as encumbrances against the legal appropriation by fund.

DISTRICT FUNDS

The Financial Section is outlined as follows by fund, except for Debt Service Fund and Capital Project Funds:

- . District Funds
- . Revenue/Expenditure Summary (Source/Object)
- . Revenue by Function
- . Detail of Revenue by Source/Expenditure by Project
- . Fund Balance Comparison

Major Revenue Sources and Expenditures

The state mandates the accounting system for school districts. The Oklahoma Cost Accounting System (OCAS) codes are utilized to categorize revenue and expenditures.

The definitions for these major codes for revenue by source, expenditures by function, expenditures by object, and expenditures by project follow this page.

MAJOR REVENUE SOURCES OKLAHOMA COST ACCOUNTING SYSTEM (OCAS)

Revenue by Source:

The major sources of income are categorized by OCAS codes as follows:

1000 DISTRICT SOURCES OF REVENUE

- 1100 AD-VALOREM-TAXES LEVIED/ASSESSED FOR THE LEA.
Compulsory charges levied by the LEA to finance services for the common benefit.
- 1200 TUITION AND FEES. Revenue from individuals, welfare agencies, private sources and other LEAs for education provided by the LEA. These sources include:
ADULT EDUCATION
STUDENT COMPUTER FEES
SUMMER SCHOOL TUITION
TRANSFER FEES
SUBSTITUTE BACKGROUND CHECKS
STUDENT ACTIVITY FEES
DRIVERS EDUCATION
- 1300 EARNINGS ON INVESTMENTS. Revenue received as profit on holding in savings or investments. These sources include:
INTEREST EARNINGS
ACCRUED INTEREST ON BOND SALES
OTHER EARNINGS ON INVESTMENTS
- 1400 RENTALS, DISPOSALS, AND COMMISSIONS. Revenue received for the use of school property, sales, and commissions. These sources include:
RENTAL OF SCHOOL FACILITIES
SALES OF EQUIPMENT, SERVICES, AND MATERIALS
OTHER RENTALS, DISPOSALS, AND COMMISSIONS
- 1500 REIMBURSEMENTS. Cash or other assets received as repayment of the cost of work or services performed, or of other expenditures made for or on behalf of another governmental unit, department, individual, firm, or corporation. Child nutrition program reimbursements for the current year should not be coded here but under Source of Revenue 5150. These sources include:
INSURANCE LOSS RECOVERIES
LOST TEXTBOOKS
DAMAGES TO SCHOOL PROPERTY
MISC REIMBURSEMENTS
- 1600 OTHER LOCAL SOURCES OF REVENUE. Other revenue from local sources not classified above. These sources include:
CONTRIBUTIONS & DONATIONS FROM PRIVATE SOURCES
DISTRICT CONTRACTS
MISCELLANEOUS REVENUE FROM DISTRICT SOURCES
- 1700 CHILD NUTRITION PROGRAM: Revenue received from food sales to students and adults. These sources include:
STUDENTS' LUNCHES

STUDENTS' BREAKFASTS
 ADULT LUNCHESES/BREAKFASTS
 EXTRA FOOD/ALA CARTE/EXTRA MILK
 OTHER DISTRICT REVENUE (CHILD NUTRITION PROGRAMS)

1800 ATHLETIC PROGRAMS. Revenue received for all school sponsored athletic activities.

2000 INTERMEDIATE SOURCES OF REVENUE.

Revenue from intermediate sources is the amount of money from funds collected by an intermediate administrative unit or a political subdivision between the district and the state, and distributed to districts in amounts that differ in proportion to those which were collected within such systems. These sources include:

COUNTY 4 MILL AD VALOREM TAX
 COUNTY APPORTIONMENT (MORTGAGE TAX)
 RESALE OF PROPERTY FUND DISTRIBUTION
 OTHER INTERMEDIATE SOURCES OF REVENUE

3000 STATE SOURCES OF REVENUE. Revenue from state sources is revenue from funds collected by the state and distributed to LEAs in amounts different proportionately from those which were collected within each LEA.

3100 DEDICATED REVENUE. All revenue generated at the state level by taxes, license fees, or other fees that are set aside by the state to be used for the operation of the common schools in the state. These sources include:

GROSS PRODUCTION TAX
 MOTOR VEHICLE COLLECTIONS
 RURAL ELECTRIC COOPERATIVE TAX
 STATE SCHOOL LAND EARNING
 VEHICLE TAX STAMP
 FARM IMPLEMENT TAX STAMP
 OTHER DEDICATED REVENUE

3200 STATE AID-GENERAL OPERATIONS- NONCATEGORICAL. Revenue appropriated by the Legislature and apportioned to the schools for general operations. These sources include:

FOUNDATION AND SALARY INCENTIVE AID
 MENTOR TEACHER STIPEND
 EDUCATION FLEXIBLE BENEFIT

3300 STATE AID- COMPETITIVE GRANTS-CATEGORICAL. Revenue received from the state and appropriated by the Legislature to fund specific programs or to accomplish specific objectives. These sources include:

ALTERNATIVE AND HIGH CHALLENGE EDUCATION GRANT
 COMMUNITY EDUCATION

3400 STATE-CATEGORICAL. Revenue received from the state and appropriated by the Legislature to fund specific programs or to accomplish specific objectives. These sources include:

PROFESSIONAL DEVELOPMENT
 STATE TEXTBOOK and DRIVER EDUCATION
 ADULT EDUCATION MATCHING

- NATIONAL BOARD CERTIFIED BONUS
ADVANCED PLACEMENT INCENTIVES
READING SUFFICIENCY, ETC...
- 3500 SPECIAL PROGRAMS. Revenue appropriated for special purposes. Uses and limitations are specified by the legal authority establishing the programs, and the funds cannot be used or diverted to other uses. These sources include:
PROGRAM OF PARENT EDUCATION
- 3600 OTHER STATE SOURCES OF REVENUE. All state revenue not classified above. These sources include:
OTHER MISC. SOURCES OF STATE REVENUE
- 3700 CHILD NUTRITION PROGRAMS. Revenue received from the state for food to students and adults. These sources include:
STATE REIMBURSEMENT
STATE MATCHING
- 3800 STATE VOCATIONAL PROGRAM. These sources include:
COMPREHENSIVE CAREER TECH SALARY REIMBURSEMENT
CAREER TECH PROGRAMS INCENTIVE ASSISTANCE GRANTS
FORMULA OPERATIONS
CAPITAL OUTLAY
- 4000 FEDERAL SOURCES OF REVENUE.** Revenue collected by the federal government and distributed to state and local education agencies for the purpose of providing financial support for programs, projects, services, and activities which enhance educational opportunities for citizens.
- 4100 GRANTS-IN-AID DIRECT FROM THE FEDERAL GOVERNMENT. These sources include:
TITLE VI-PART A, INDIAN EDUCATION
TITLE VIII-IMPACT AID
- 4200 Title I Part A— Improving basic programs operated by State and local educational agencies (LEA). EVERY STUDENT SUCCEEDS ACT (ESSA).
TITLE II (PART A) Teacher and Principal Training and Recruiting Fund
- 4300 INDIVIDUALS WITH DISABILITIES. Revenue to assure the effective education of disabled children. These sources include:
INDIVIDUALS WITH DISABILITIES, P.L. 105-17, IDEA-Part B
PRESCHOOL AGES 3-5, P.L. 105-17, IDEA-Part B
- 4400 ESSA of 2015, CONTINUED. These sources include:
TITLE IV – 21st Century Schools
Safe and Drug Free Schools, Charter Schools, etc...
- 4500 GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH OTHER STATE AND INTERMEDIATE SOURCES. These sources include:
JOHNSON-O'MALLEY PROGRAM
MEDICAID RESOURCES
- 4600 OTHER FEDERAL SOURCES OF REVENUE THROUGH STATE DEPARTMENT OF EDUCATION OR STATE DEPARTMENT OF CAREER AND VOCATIONAL EDUCATION.**

4700 CHILD NUTRITION PROGRAMS. Revenue received from federal sources for provision of child nutrition programs. These sources include:

LUNCHES
 BREAKFASTS
 SPECIAL MILK
 SUMMER FOOD SERVICE PROGRAM
 CHILD & ADULT CARE FOOD PROGRAM

4800 FEDERAL VOCATIONAL EDUCATION. Formula grants to extend, improve, and maintain programs of vocational education, to develop new programs, to furnish equal opportunity in vocational programs, and to enable youth in need of earnings to continue their education by providing part-time employment. These sources include:

CARL PERKINS VOCATIONAL AND APPLIED TECHNOLOGY
 EDUCATION ACT

5000 NON-REVENUE RECEIPTS. Receipts deposited in the fund that are not new revenue to the district, but the return of assets.

5100 BOND SALES and RETURN OF ASSETS. Return of monies used for investments and financial management procedures.
 CASH OR CHANGE and PETTY CASH
 ACTIVITY FUND REIMBURSEMENT
 INSUFFICIENT FUNDS—RETURN CHECKS CORRECTING ENTRY

6000 BALANCE SHEET ACCOUNTS.

6100 CASH ACCOUNTS

MAJOR EXPENDITURES OKLAHOMA COST ACCOUNTING SYSTEM (OCAS)

Expenditures by Function:

The law requires that the final budget be approved by function codes as defined by the Oklahoma Cost Accounting System (OCAS). The following definitions reflect the categories.

- 1000 INSTRUCTION** Instruction includes the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co curricular activities. It may also be provided through some other approved medium such as television, radio, telephone, and correspondence. Included here are the activities of teacher assistants of any type (clerks, graders, teaching machines, etc.), which assists in the instructional process. The activities of tutors, translators, and interpreters would be recorded here. Also, include department chairpersons who teach for any portion of time. Tuition/transfer fees paid to other LEAs would be included here.
- 2000 SUPPORT SERVICES.** Support services provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community, services, and enterprise programs, rather than as entities within themselves.
- 2100 SUPPORT SERVICES-STUDENTS. Activities designed to assess and improve the well being of students and to supplement the teaching process.
- 2200 SUPPORT SERVICES- INSTRUCTIONAL STAFF. Activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.
- 2300 SUPPORT SERVICES-GENERAL ADMINISTRATION. Activities involving the establishment and administration of policy in connection with operating the entire school district. Do not include the chief business official here, but in Support Services-Business, function series 2500.
- 2400 SUPPORT SERVICES-SCHOOL ADMINISTRATION. Activities concerned with overall administrative responsibility for a single school or a group of schools.
- 2500 CENTRAL SERVICES-BUSINESS. Activities that support other administrative and instructional functions, fiscal services, human resources, planning and administrative information technology.
- 2600 OPERATION AND MAINTENANCE OF PLANT SERVICES. Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in an effective working condition and state of repair. Activities which maintain safety in buildings, on the grounds, and in the vicinity of schools are included.
- 2700 STUDENT TRANSPORTATION SERVICES. Activities concerned with the conveyance of students to and from school as provided by state law. Included are trips between home and school and trips to school activities.
- 3000 OPERATION OF NON INSTRUCTIONAL SERVICES.** Activities concerned with providing non-instructional services to students, staff or community.
- 3100 CHILD NUTRITION PROGRAMS OPERATIONS. Activities concerned with providing food to students and staff in a school or LEA. This service area includes

the preparation and service of regular and incidental meals including breakfasts, lunches, or supplements in connection with school activities, and the delivery of food.

3200 OTHER ENTERPRISE SERVICES OPERATION. Activities that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs are financed or recovered primarily through user charges. Child nutrition programs should not be charged here, but rather to function series 3100. One example could be the LEA bookstore or items purchased through the activity fund for resale.

3300 COMMUNITY SERVICES OPERATIONS. Activities, which are not directly related to the provision of education to students in the LEA. These include services such as community recreation programs, civic activities, public libraries, programs for custody and care of children, and community welfare activities provided by the LEA for the community as a whole or some segment of the community.

4000 FACILITIES ACQUISITION AND CONSTRUCTION SERVICES Consists of activities involved with the acquisition of land and buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvements to sites.

4200 SITE ACQUISITION SERVICES. Activities concerned with the initial acquisition of new sites and improvements thereon.

4300 SITE IMPROVEMENT SERVICES. Activities concerned with improving sites and with maintaining existing site improvements.

4400 ARCHITECTURE AND ENGINEERING SERVICES. The activities of architects and engineers related to acquiring and improving sites and improving buildings. Charges are made to this function only for those preliminary activities which may or may not result in additions to the LEAs property. Otherwise, charge these services to 4200, 4300, 4600 or 4700, as appropriate.

4500 EDUCATIONAL SPECIFICATIONS DEVELOPMENT SERVICES.
Activities concerned with preparing and interpreting descriptions of specific space requirements for the various learning experiences of pupils to be accommodated in a building. These specifications are interpreted to the architects and engineers in the early stages of blueprint development.

4600 BUILDING ACQUISITION AND CONSTRUCTION SERVICES.
Activities concerned with building acquisition through purchase or construction.

4700 BUILDING IMPROVEMENTS SERVICE. Those activities concerned with building additions and with initial installation or extension of service systems and other built-in equipment.

5000 OTHER OUTLAYS. A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These are classified as other outlays. These include debt service payments (principal and interest) and certain transfers of monies from one fund to another. These accounts are not used with the proprietary funds.

7000 OTHER USES. Scholarships, Student Aid, Staff Awards, Workers Comp./Unemployment claims, Tort Liability, Medical care claims, Flexible Benefits, Long-Term disability.

8000 REPAYMENT. Checks/warrants issued to outside agencies for refund of restricted revenue previously received for overpayment, non-qualified expenditures, and other refunds from district funds.

MAJOR EXPENDITURES OKLAHOMA COST ACCOUNTING SYSTEM (OCAS)

Expenditures by Object:

This dimension is used to describe the service or commodity obtained as a result of a specific expenditure. There are nine major object categories, each of which is further subdivided. Following are definitions of the object classes and selected subject categories:

- 100 PERSONNEL SERVICES-SALARIES.** Amounts paid to both permanent and temporary LEA employees, including personnel substituting for those in permanent positions. This includes gross salary for personal services rendered while on the payroll of the LEA.
- 200 PERSONNEL SERVICES- EMPLOYEE BENEFITS.** Amounts paid by the LEA on behalf of employees. These amounts are not included in the gross salary, but are in addition to that amount. Such payments are fringe benefit payments, and while not paid directly to employees, nevertheless are part of the cost of personal service.
- 300 CONTRACTED SERVICES.** Amounts paid for professional and technical services rendered by personnel who are not on the payroll of the LEA, and other services, which LEA may purchase. These are services, which by their nature can be performed only by persons or firms with specialized skills and knowledge. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided. Included are the services of architects, engineers, auditors, dentists, medical doctors, lawyers, consultants, teachers, accountants, etc.
- 400 PURCHASED PROPERTY SERVICE.** Service purchased to operate, repair, maintain, and rent property owned or used by the LEA. These services are performed by persons other than LEA employees. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided.
- 500 OTHER PURCHASED SERVICES.** Amounts paid for services rendered by organizations or personnel not on the payroll of the LEA (separate from professional and technical services or property services). While a product may or may not result from the transaction, the primary reason for the purchase is the service provided.
- 600 SUPPLIES.** Amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated by use; or items that lose their identity through fabrication or incorporation into different or more complex units or substance.
- 700 PROPERTY.** Expenditures for the acquisition of fixed assets or additions to fixed assets. They are expenditures for land or existing buildings; improvements of grounds; construction of buildings; additions to buildings; remodeling of buildings; initial equipment; and replacement of equipment.
- 800 OTHER OBJECTS.** Amounts paid for goods and services not otherwise classified above.

900 OTHER USES OF FUNDS. This series of codes is used to classify transactions, which are not properly recorded as expenditures to the LEA, but require budgetary or accounting control. These include redemption of principal and interest on long-term debt, housing authority obligations and fund transfers.

**MAJOR EXPENDITURES
OKLAHOMA COST ACCOUNTING SYSTEM (OCAS)**

Expenditures by Project:

- 000** **NONCATEGORICAL EXPENDITURES.** Used for expenditures for the LEA has no need or desire to classify as below.
- 001-298** **CATEGORICAL/SPECIAL BUDGET SERIES.** District expenditures that need to be tracked. Project name and number to be assigned by LEA.
- 299** **CATEGORICAL-GIFTS/ENDOWMENTS** (district expenditure).
- 301-399** **STATE PROGRAMS.** Expenditures that require specialized reporting for state categorical funds or competitive grants.
- 401-499** **VOCATIONAL PROGRAMS-MULTISOURCE-DISTRICT, STATE AND/OR FEDERAL.** Expenditures from restricted funds allocated to the comprehensive high school and the area vocational schools from district, state and/or federal sources.
- 501-799** **FEDERAL PROGRAMS.** Expenditures for all federal projects funded through grants or allocations from the federal government either directly or indirectly through the State Department of Education.
- 801-998** **SCHOOL ACTIVITY SUBACCOUNTS (FUND 60 SERIES ONLY).**
District sub account expenditures that need to be tracked within the school activity fund. Name of sub account and code number to be assigned by LEA.

GENERAL FUND Fund #11

Budget Revenue

Total projected SY 2024-2025 revenue for the General Fund is \$26,063,322.22, which does not include the Fund Balance Amount of \$7,070,678.17 but does include appropriations for federal revenue. For SY 2024-2025, the actual working budget amount of \$28,113,465.93 is below the estimate of needs amount of \$33,134,000.39 allowed by the independent auditor. The auditor does include the prior year fund balance in the projections, but does limit the actual projected revenues to the 90% level in many categories of funding. Since the estimate of needs is \$5,020,534.46 over the anticipated working budget total, there should be no reason for a supplemental request this school year.

The FY 2024-2025 budget revenue is based on the following:

1. **Ad-valorem property tax collections** - Oklahoma school districts levy millage rates, which are constitutionally authorized and restricted to a maximum levy. One mill is the equivalent of \$1.00 per \$1,000 of assessed value.
 - a) School districts cannot vote additional mills for any appropriated fund, except for bond funds.
 - b) For Ada City Schools, the millage rate for the General Fund is approximately 35 mills. Counties that have voted to reduce the Household Property Tax from Personal Property are authorized by the constitution to increase the millage rate above the constitutional rate of 35 mills to make the adjustment revenue neutral.
 - c) The 35 mills are authorized as follows: Local boards of education authorize 15 mills for tax levies. The county apportions 5 mills. The millage rates are multiplied times the net assessed valuation to determine tax collections for the fiscal year. Ad-valorem collections are projected at a 100% collection level this year for the District budget while the legal appropriation (Estimate of Needs) level is set at 90% by law for ad-valorem collections, county sources, and state dedicated revenue.
 - d) The 2023-2024 net assessed property valuation \$134,430,498 increased 6.65% from the 2022-2023 valuation which was \$126,044,382.

2. **State Aid** - In Oklahoma, school districts receive state funding through an equalized funding formula. The formula requires the District to levy all of the allowable mills to receive the optimum formula monies for the District. Other state dedicated revenues (preceding year collections) are considered as income along with the property tax collections (current year collections) and are "charged" or subtracted from the amount a school district is eligible to receive.

State Aid is allocated on the basis of weighted students using average daily membership, special child count categories, and teacher experience and degree index. The weighted ADM is 4,798.14 for SY 2023-2024 which is up from the SY 2022-2023 weighted ADM of 4,757.33 This School Year, Ada City Schools' State Aid will based on the 2023-2024 weighted average daily membership (WADM) or SY 2024-2025's 1st Quarter WADM, whichever is higher.

State Aid will be recalculated as follows:

- a) State Aid will be **re-calculated in January** to update to current year ad-valorem collections and to update to current year, nine week attendance, special child count category numbers and teacher index numbers.
- b) Prior year state dedicated revenue collections (for chargeable income) will be used.

3. **Federal Monies** - Federal programs are primarily reimbursement programs. The District expends and is then reimbursed as claims are filed, on a monthly basis for Ada City Schools. Most federal programs allow carryover monies. The carryover monies become a part of the next year's budget, available for expenditure.

The District budget for revenue represents a combination of staff projections and Estimate of Needs revenue projections.

Budget Expenditures by Function

According to the Estimate of Needs, the total General Fund District budget is \$33,134,000.39 (including a carryover of \$7,070,678.17). We will approve the EON budget, but will operate off the working budget of \$28,113,465.93

1. Employer Teacher Retirement Tax, for Current Year is statutorily set at 9.5% (Title 70-17-108.1)
2. The expenditure budget increased to include the additional monies for salaries and the flexible benefit allowance (FBA) funded by the state to assist employees with health insurance costs. The amounts are as follows for the employee groups:
 - a) Support Personnel (6 hours or more employees)=\$189.69 per month cash in lieu (CIL) or \$ 615.82 per month if taking the State Health Insurance.
 - b) Other Personnel (Certified) = \$69.71 per month (CIL) or \$ 615.82 per month if taking the State Health Insurance.
4. Salary increases are due to the following factors:
 - a) Certified and Support Staff Raises
 - b) Step increases and extra duty increases.
 - c) Flexible benefit allowance increases
 - d) Unemployment compensation increases due to step increase.
 - e) Teacher Retirement contribution increase due to step increases.
5. The District budget for total expenditures represents the Estimate of Needs (legal appropriation). However, expenditures will be based upon a working budget with the goal of maintaining a fund balance of 14-17%.

Summary 2024-2025 State & Federal Programs

311 Professional Development
 312 National Board Certified Teachers
 318 RedBud School Grant
 319 Adult Education Matching
 331 Education Flexible Benefit – All
 332 Flex Benefit Allowance – Support
 333 State Textbook
 334 Education Flexible Allowance – Certified
 335 Education Flexible Allowance – Support
 360 Special Programs (i.e. AVID)
 361 ACE Technology
 362 ACE Remediation - “Remediation Programs for Grades 7-9”
 363 Robotics Grant
 367 Reading Sufficiency Act - “Reading Programs for Grades 1-3”
 369 Advanced Placement Incentive
 385 Child Nutrition Program
 386 Reading Proficiency Act
 388 Alternative Education - “Alternative Education for Grades 7-12”
 411 Comprehensive Secondary Programs
 412 Vocational Programs - “Secondary Vocational Incentive Programs”
 421 Carl Perkins - “Secondary Career/Technical Education Programs”
 424 Carl Perkins - “Supplemental Grant”
 456 Job Training Department of Rehabilitation & DHS
 469 Lottery Grants
 511 Title I Part A - “Improving the Academic Achievement of the Disadvantaged”
 515 School Improvement Grants
 541 Title II Part A - “Improving Teacher and Principal Quality”
 552 Title IV, Part A - “Student Support & Academic”
 561 Title VI Part A - “Indian Education”
 563 JOM - “Indian Education”
 572 Title III, Part A-English Learners
 587 Title V Part B - “Rural and Low-Income School Programs”
 591 Title VIII - “Impact Aid”
 592 Title VIII - “Impact Aid Special Services”
 613 Special Education Staff Development
 615 Special Education Engage/Develop Monitoring Mini Grant
 617 COVID Assistance
 621 IDEA Flow Through – Special Education
 628 IDEA Flow Through - ARP
 641 Pre-School, Ages 3-5, IDEA-B – Special Education
 643 Pre-School, Ages 3-5, IDEA-B - ARP
 723 CDC - Covid-19 Prevention Grant
 725 Student Teacher Stipend Payment
 731 Adult Education and Literacy
 759 USDA-Supply Chain Assistance
 760 P-EBT Local Admin Funds

762 CNP - Emergency Funding
763 Child Nutrition – Lunch
764 Child Nutrition – Breakfasts
775 Oklahoma Gear Up
776 Chickasaw Nation Covid
782 AWARE Grant
788 CARES Act
791 Child Nutrition Fund Equipment Assistance
793 ESSER II/CARES Act
795 ARP/ESSER III
797 ARP/ESSER III Homeless II
799 Prior Years' Reimbursement - Federal Programs

SINKING FUND LEVY

Each school district in Oklahoma is authorized to borrow money up to an amount that does not exceed 10 percent of its total assessed valuation. Money is borrowed through the issuance of bonds after the bond issue has been approved by the voters. **The issue does not carry unless 60 percent of those voting in the election vote "yes".**

A Sinking Fund levy is determined following the approval of the bond issue to yield enough money to pay the principal and the interest on the bond issue. In other words, the number of mills levied will vary from district to district in terms of the size of the bond issue, the term of the bonds (how long until they are paid off), and the interest rate. Many districts have no Sinking Fund levy, and others have levies exceeding 30 mills. Additionally, Sinking Fund levies may be ordered by the court to fund debts of the school district when the district has unlawfully expended beyond its appropriation.

The following pages reflect the history of the Ada City School District's property valuation, summary of Sinking Fund requirements and tax levies.