Financial Statements

Norman Independent School District No. 29

June 30, 2025

Norman Independent School District No. 29
Cleveland County, Oklahoma
Table of Contents
June 30, 2025

Independent Auditor's Report 1

Management's Discussion and Analysis (Unaudited) 5

Basic Financial Statements

- Statement of Net Position 13
- Statement of Activities 14
- Fund Financial Statements
  - Balance Sheet – Governmental Funds 15
  - Reconciliation of the Balance Sheet of Governmental Funds to Statement of Net Position 16
  - Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 17
  - Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 18
- Notes to Financial Statements 19

Required Supplementary Information

- Budgetary Comparison Schedule – General Fund (Unaudited) 47
- Notes to Budgetary Comparison Schedule – General Fund 48
- Schedule of District's Proportionate Share of the Net Pension Liability for Oklahoma Teachers Retirement System – Pension 49
- Schedule of District's Pension Contributions to Oklahoma Teachers Retirement System 50
- Schedule of District's Proportionate Share of the Net OPEB Liability (Asset) for Oklahoma Teachers Retirement System – OPEB 51
- Schedule of District's OPEB Contributions to Oklahoma Teachers Retirement System 52

Other Supplementary Information

- Combining Non-Major Fund Financial Statements
  - Combining Balance Sheet – Other Governmental Funds 53
  - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Governmental Funds 54
  - Combining Balance Sheet – Capital Project Funds 55
  - Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Capital Project Funds 56
- Budgetary Comparison Schedule – Building Fund (Unaudited) 57
- Budgetary Comparison Schedule – Child Nutrition (Unaudited) 58
- Combining Schedule of Changes in Assets and Liabilities – All Activity Funds 59
- Schedule of Statutory, Fidelity, and Honesty Bonds (Unaudited) 65

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 66

- Schedule of Findings and Response 68

Schedule of Accountant's Professional Liability Insurance Affidavit 70

Independent Auditor's Report

To the Board of Education
Norman Independent School District No. 29
Norman, Oklahoma

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Norman Independent School District No. 29 (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Norman Independent School District No. 29, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Norman Independent School District No. 29 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Correction of Error

As discussed in Note 14 to the financial statements, a certain error resulting in an understatement of amounts previously reported for accounts payable and expenses as of June 30, 2024, was discovered by management of the District during the current year. Accordingly, a restatement has been made to the lease revenue bond fund balance and governmental activities net position as of July 1, 2024, to correct the error. Our opinions are not modified with respect to that matter.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the District has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* for the year ended June 30, 2025. Our opinions are not modified with respect to this matter.

eidebailly.com
621 N. Robinson Ave., Ste. 200 • Oklahoma City, OK 73102-6232 • T 405.594.2000 • F 405.594.2053 • EOE

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Norman Independent School District No. 29's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Norman Independent School District No. 29's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Norman Independent School District No. 29's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America requires that the management's discussion and analysis, the budgetary comparison schedule – General Fund, the schedule of the District's proportionate share of the net pension liability, schedule of the District's contributions – pension, the schedule of the District's proportionate share of the net OPEB liability (asset), and the schedule of the District's contributions – OPEB as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Norman Independent School District No. 29's basic financial statements. The combining non-major fund financial statements and the combining schedule of changes in assets and liabilities – all activity funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining non-major fund financial statements and the combining schedule of changes in assets and liabilities – all activity funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedule – Building Fund; the budgetary comparison schedule – Child Nutrition Fund; the schedule of statutory, fidelity and honesty bonds; and schedule of accountant's professional liability insurance affidavit but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2025 on our consideration of the Norman Independent School District No. 29's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Norman Independent School District No. 29's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Norman Independent School District No. 29's internal control over financial reporting and compliance.



Oklahoma City, Oklahoma
November 10, 2025

This section of Norman Independent School District's (NISD or the District) annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the District's financial statements, which immediately follow this section.

These statements reflect the implementation of GASB statements 68 and 71 all addressing the accounting and presentation of pension plans which impacts the district-wide financial statements but not the fund financial statements for both years presented. For the District, this includes the District's portion of the unfunded liability of the Oklahoma Teachers Retirement System (OTRS) to the district-wide financial statements. While the implementation of these standards have had a significant impact on the statements by decreasing net position, management does not believe that it indicates a true negative impact on the financial condition of the institution.

FINANCIAL HIGHLIGHTS

- The District's financial status increased by approximately $12.7 million from last year (including the restatement to FY2024's net position)**.** Total net position increased approximately 7 percent over the course of the year.

  - Overall revenues were $227.5 million and overall expenses were $214.8 million in FY2025. This is compared to FY2024 revenues of $242.9 million and expenses of $206.3 million (including the consideration of the restatement).

  - The District's portion of the net pension liability decreased by $16.7 million to $106.1 million due to actuarial factors related to the calculation of the net pension liability of the Oklahoma Teachers Retirement System for the District.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts -- management's discussion and analysis (this section), the basic financial statements, and supplementary information (required and other). The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.

- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operation in more detail than the district-wide statements.

- The *governmental funds* statements tell how *basic* services like regular and special education were financed in the *short term* as well as what remains for future spending.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of supplementary information (required and other) that further explains and supports the financial statements with a comparison of the District's budget for the year.

Figure A-1
Major Features of District-Wide and Fund Financial Statements

	District-wide Statements	Fund Financial Statements Governmental Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance
Required financial statements	1) Statement of net position 2) Statement of activities	1) Balance sheet 2) Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Figure A-1 summarizes the major features of the District's financial statements. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District's assets and liabilities. It also includes deferred inflows and deferred outflows related to the District. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. As stated above, the district-wide statements were significantly impacted by the implementation of new standards related to recording the District's portion of the net pension liability.

The two district-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district-wide financial statements, the District's activities are categorized as governmental activities.

- *Governmental activities* – The District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid formula finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds,* focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.

- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debts) or to show that it is properly using certain revenues.

The District's basic services are included in *governmental funds*, which generally focus on 1) how cash and other financial assets that can readily be converted to cash flow in and out and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, we provide additional information with the governmental funds statements that explain the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table A-1
Norman Public School's Net Position
(in millions of dollars)

	FY2025	Restated FY2024 *
Assets		
Current and other assets	$ 194.9	$ 205.3
Capital assets	350.8	330.6
Total assets	545.7	535.9
Deferred outflows of resources	27.4	37.6
Liabilities		
Current and other liabilities	23.5	18.7
Long term debt, including current maturities	236.3	240.9
Net pension liability	106.1	122.8
Total liabilities	365.9	382.4
Deferred inflows of resources	16.9	13.5
Net position		
Net investment in capital assets	117.7	91.5
Restricted	160.1	173.5
Unrestricted	(87.5)	(87.4)
	$ 190.3	$ 177.6

* Restatement due to the correction of an accrual as of June 30, 2024 that was previously not recorded. See Note 14.

Net Position

As a result of the pension standards reflected in both fiscal years presented, the District's unrestricted net position is in a deficit position, decreasing the deficit by $5.1 million in FY2025 (See Table A-1). Again, management does not believe that this indicates a true negative impact on the financial condition of the institution.

The District's change in financial position is the product of many factors. A growth during the year in Federal and state grants, taxes, and state aid had a favorable impact on net position.

Table A-2
Changes in Norman Public School's Net Position
(in millions of dollars)

	FY2025	Restated FY2024 *
Revenues		
Program revenues		
Charges for services	$ 11.2	$ 28.4
Federal and state grants	26.3	32.3
General revenues		
Property taxes	93.1	87.0
Other taxes	15.6	14.9
State entitlement	72.7	71.8
Other	8.6	8.5
Total revenues	227.5	242.9
Expenses		
Program expenses		
Instruction	106.1	101.9
Support services	74.0	73.4
Non-instruction	11.2	11.6
Interest on long-term debt	6.5	2.8
Depreciation - unallocated	17.0	16.6
Total expenses	214.8	206.3
Increase in net position	$ 12.7	$ 36.6

* Restatement due to the correction of an expenditure within FY2024 that was previously not recorded. See Note 14.

Changes in Net Position

The District's total revenues decreased $15.4 million to $227.5 million (See Table A-2). Property taxes and state entitlement funds accounted for most of the District's revenue, with these contributing about 73 cents of every dollar raised. Another 12 percent came from state and federal aid for specific programs, and the remainder from fees charged for services and miscellaneous sources. Total revenues surpassed expenses, increasing net position by $12.7 million.

The total cost of all programs and services increased by $9.4 million or 4.6% between the two years. The District's expenses are predominantly related to educating and caring for students (80-90 percent).

The most significant contributors to the fluctuation in net position were the funds used to purchase or build capital assets, and also the funds necessary for repayment of principal on long-term debt issues. Repayments on long-term debt this year were more than debt issued in FY2025. The net pension liability and the related deferred inflows and outflows of resources also created significant fluctuations largely due to actuarial factors related to the liability.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported *combined* fund balances of $161.5 million, compared to last year's ending fund balances of $178.4 million (as restated). In comparison to FY2024's net increase in fund balance of $32.7 million (as restated), this year's decrease was largely due to the timing of debt service payments and the issuance of new debt.

General Fund Budgetary Highlights

At the beginning of the 2025 fiscal year, the District's State Entitlement funds (the State Aid Formula funds) were decreased by approximately $632,000 from the previous fiscal year. This was due to flat state funding and a slight increase in statewide WADM. This initial allocation in State Aid was increased by approximately $598,000 in December, when the mid-term adjustments were made by the State Department of Education. Our district experienced 5.6% local growth in assessed valuation. Due to increased enrollment in 2024-25, our District's midterm State Aid funding was calculated using our 1st nine weeks higher enrollment.

- Actual revenues were higher than expected at mid-year, due largely to a high collection rate of property tax revenues. Also, county 4-mill, school land earnings and motor vehicle collections revenue increased.

- The actual expenditures were below budget, due primarily to continued reductions in non-salary administrative budget areas, and by expenditure budgets that remained unspent at June 30, 2025.

OTHER FUNDS

Debt service fund activity remained consistent from FY2024 with revenues of $37.6 million in FY2025 and $35.1 million in FY2024. Expenditures were $26.6 million in FY2025 and $31.6 million in FY2024.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2025, the District had invested in a broad range of capital assets, including site renovations/ improvements, furniture and equipment, and vehicles.

The District anticipates spending approximately $23 million for capital projects in 2026 with some of the major projects as follows:

- $3 million for various school site improvements
- $20 million the building of an aviation academy

See additional information regarding Capital Assets in Note 3 to the Notes to the Financial Statements.

Long-term Debt

At year-end, the District had $236.3 million in total long-term debt outstanding (including compensated absences and liabilities for leases and subscription-based arrangements). This is a decrease from last year's amount of $240.9 million. Of this total amount, $89.7 million consists of sublease agreements with the Cleveland County Education Facilities Authority. Under these agreements, the Authority has advanced funds through the issuance of education facilities lease revenue bonds.

Each advance of lease revenue bonds is supported by a sublease agreement, under which the District agrees to make lease purchase acquisition payments to the Authority. The funds from these bonds are held with a trustee bank, and the District submits payment requests to the trustee for the acquisition and construction of buildings, improvements, and purchases of furniture and fixtures.

This financing arrangement enables the District to fund capital improvements while managing its financial obligations through structured lease payments.

In February of 2023, the District patrons voted on and approved a ten-year bond issue. This issue, for $338.5 million, is funded with lease revenue bonds. General obligation bonds will be sold for ten years, to make the annual lease revenue payments required. The bond election called for a targeted sinking fund millage rate of 30 mills, and this was communicated to the district patrons prior to the vote. The bonds will be issued in a timely manner over ten years to meet the projected millage rates to assure citizens will not face any additional taxes.

FY2025 activity included:

- The District continued to pay down its debt, retiring $53.3 million of outstanding bonds and lease payable.

- $43.6 million in new bond debt was issued during the year.

See additional information regarding Long-term Debt in Note 4 to the Notes to the Financial Statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was aware of the following existing circumstances that could significantly affect its financial health in the future:

- The Federal government financial aid provided to school districts to assist with expenditures related to preventing, preparing for, and responding to COVID-19 ended during the current year. Norman Public Schools' share from these federal CARES, ESSER, and ARP relief funds was over $29 million.

- The District is being mindful of the impact on the budget as these one-time funds expire. Since the learning loss of students will extend beyond 2025, the District will need to maintain big investments in learning recovery and social-emotional-health supports for years to come.

- We must continue the good work. We need to always remind legislators and decision makers that the future of Oklahoma depends on the choices we make today for public school students.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designated to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer's Office, Norman Public School District, 131 South Flood, Norman, OK 73069.

Norman Independent School District No. 29
Cleveland County, Oklahoma
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash and cash equivalents	$ 173,111,769
Due from trust	1,901,032
Property taxes receivable	7,648,094
Due from other governments	6,895,205
Other receivables	1,587,005
Inventories	183,952
Net OPEB asset	1,888,117
Capital assets	
Nondepreciated capital assets	28,006,222
Depreciated capital assets, net of depreciation	322,809,181
Right to use assets and subscription agreements, net of amortization	1,668,360
Total Assets	545,698,937
Deferred Outflows of Resources	
Deferred outflows related to OPEB	246,955
Deferred outflows related to pensions	27,140,796
Total Deferred Outflows of Resources	27,387,751
Liabilities	
Accounts payable and other current liabilities	23,117,485
Unearned revenue	356,343
Long-term obligations	
Due within one year - other than pensions	43,376,517
Due beyond one year - other than pensions	192,963,572
Due beyond one year - net pension liability	106,146,853
Total Liabilities	365,960,770
Deferred Inflows of Resources	
Deferred inflows related to leases	267,026
Deferred inflows related to OPEB	903,715
Deferred inflows related to pensions	15,697,483
Total Deferred Inflows of Resources	16,868,224
Net Position (Deficit)	
Net investment in capital assets	117,677,203
Restricted for:	
Debt service	41,044,293
School organizations	2,764,832
Child nutrition	2,916,744
Construction	76,663,955
Buildings	8,286,999
OPEB	1,231,357
Other	27,187,941
Unrestricted (deficit)	(87,515,630)
Total Net Position	$ 190,257,694

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Changes in Net Position: Total Governmental Activities
Governmental Activities:				
Instruction	$ 106,069,149	$ 1,577,233	$ 19,909,517	$ (84,582,399)
Support services	74,039,040	3,925,986	1,857,054	(68,256,000)
Non-instruction services	11,181,543	5,679,676	4,516,562	(985,305)
Interest on long-term debt	6,511,591	-	-	(6,511,591)
Depreciation and amortization - unallocated	16,966,066	-	-	(16,966,066)
Total school district	$ 214,767,389	$ 11,182,895	$ 26,283,133	$ (177,301,361)

General Revenues:	
Taxes	
Property taxes, levied for general purposes	49,740,503
Property taxes, levied for building purposes	7,098,323
Property taxes, levied for debt service	36,239,803
General taxes	15,558,806
State aid - formula grants	72,731,456
Investment earnings	8,580,794
Total General Revenues	189,949,685
Change in net position	12,648,324
Net position - beginning, as originally reported	178,069,054
Restatement adjustment (Note 14)	(459,684)
Net position - beginning, as restated	177,609,370
Net position - ending	$ 190,257,694

Norman Independent School District No. 29
Cleveland County, Oklahoma
Balance Sheet – Governmental Funds
June 30, 2025

	General Fund	Debt Service Fund	2025 Bond Fund	Casualty/Flood Insurance Recovery Fund	Lease Revenue Bonds	Other Governmental Funds	Total Governmental Funds
Assets							
Pooled Cash and Investments	$ 20,646,733	$ 37,493,048	$ 12,693,121	$ 20,437,287	$ 53,532,046	$ 28,309,534	$ 173,111,769
Property Taxes Receivable	3,609,047	3,531,721	-	-	-	507,326	7,648,094
Due from Other Governments	6,405,032	-	-	-	-	490,173	6,895,205
Other Receivables	956,709	19,524	-	-	-	610,772	1,587,005
Due from Trust	-	-	-	-	1,901,032	-	1,901,032
Inventories - Supplies, Materials	183,952	-	-	-	-	-	183,952
Total Assets	$ 31,801,473	$ 41,044,293	$ 12,693,121	$ 20,437,287	$ 55,433,078	$ 29,917,805	$ 191,327,057
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts Payable and Accrued Liabilities	13,225,283	-	160,127	121,733	3,904,874	2,879,118	20,291,135
Unearned Revenue	356,343	-	-	-	-	-	356,343
Total Liabilities	13,581,626	-	160,127	121,733	3,904,874	2,879,118	20,647,478
Deferred Inflows of Resources							
Leases	267,026	-	-	-	-	-	267,026
Unavailable revenue - taxes	3,661,126	3,550,052	-	-	-	511,296	7,722,474
Unavailable revenue - other	6,285	-	-	-	-	1,159,887	1,166,172
Total Deferred Inflows of Resources	3,934,437	3,550,052	-	-	-	1,671,183	9,155,672
Fund Balances							
Nonspendable	183,952	-	-	-	-	-	183,952
Restricted	6,405,032	37,494,241	12,532,994	20,315,554	51,528,204	25,367,504	153,643,529
Committed	904,444	-	-	-	-	-	904,444
Unassigned	6,791,982	-	-	-	-	-	6,791,982
Fund Balances, End of Year	14,285,410	37,494,241	12,532,994	20,315,554	51,528,204	25,367,504	161,523,907
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 31,801,473	$ 41,044,293	$ 12,693,121	$ 20,437,287	$ 55,433,078	$ 29,917,805	$ 191,327,057

Fund Balances, end of year		$ 161,523,907
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is $545,063,758 and the accumulated depreciation is $194,248,355.		350,815,403
Property taxes receivable will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are not reported in the funds.		7,722,474
Lunch revenues that will be collected next year, but are not available soon enough to pay for the current period's expenditures, and therefore are not reported in the funds.		1,166,172
Right to use assets and subscription based agreements are recorded as assets and liabilities in the governmental activities but not in reported in the governmental funds.		
Right to use assets and subscription agreements	$ 1,668,360	
Lease and subscription liabilities	(1,894,968)	(226,608)
Deferred outflows/inflows of resources related to the net pension liability and other postemployment benefit (OPEB) asset are not are not current financial resources and are not recorded in the fund financial statements but are recorded in the governmental activities.		
Deferred outflows of resources	$ 27,387,751	
Deferred inflows of resources	(16,601,198)	10,786,553
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds Payable (including premiums)	$ 140,419,685	
Long-term Revenue Lease Payable	89,665,557	
Net Pension Liability	106,146,853	
Net OPEB Asset	(1,888,117)	
Accrued Interest on Bonds	2,826,350	
Compensated Absences	4,359,879	(341,530,207)
Total Net Position - Governmental Activities		$ 190,257,694

Norman Independent School District No. 29

Cleveland County, Oklahoma

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2025

	General Fund	Debt Service Fund	2025 Bond Fund	Casualty/Flood Insurance Recovery Fund	Lease Revenue Bonds	Other Governmental Funds	Total Governmental Funds
Revenues							
Property Taxes	$ 49,528,815	$ 36,003,614	$ -	$ -	$ -	$ 7,063,090	$ 92,595,519
Interest	1,025,086	1,628,435	449,005	1,010,033	3,115,255	1,352,862	8,580,676
County Revenue	5,235,093	-	-	-	-	-	5,235,093
State Revenue	84,316,279	-	-	-	-	1,361,936	85,678,215
Federal Revenue	13,286,987	-	-	-	-	4,463,373	17,750,360
Other	3,275,204	-	-	98,199	9,000	4,422,020	7,804,423
Total Revenues	156,667,464	37,632,049	449,005	1,108,232	3,124,255	18,663,281	217,644,286
Expenditures							
Instruction	99,682,195	-	6,747	-	954,880	2,440,066	103,083,888
Support services	55,196,392	-	412,038	309,546	605,701	20,315,572	76,839,249
Non-instruction services	221,993	-	-	-	11,691	6,255,575	6,489,259
Capital Outlays	2,976,959	-	302,226	3,147,840	25,928,546	4,012,321	36,367,892
Other Outlays	-	-	-	-	144,662	158,521	303,183
Debt Service							
Principal	128,159	22,850,000	-	-	28,935,224	393,457	52,306,840
Interest	17,775	3,709,550	-	-	1,886,244	16,877	5,630,446
Total Expenditures	158,223,473	26,559,550	721,011	3,457,386	58,466,948	33,592,389	281,020,757
Excess (Deficiency) of Revenues over (under) Expenditures	(1,556,009)	11,072,499	(272,006)	(2,349,154)	(55,342,693)	(14,929,108)	(63,376,471)
Other Financing Sources (Uses)							
Transfers In	-	-	871	-	30,815,000	1,691,782	32,507,653
Transfers Out	(34,016)	(1,628,435)	(30,815,871)	-	-	(29,331)	(32,507,653)
Premium on Bonds	-	1,223,197	-	-	-	-	1,223,197
Proceeds from Bonds	-	-	43,620,000	-	-	-	43,620,000
Other Sources	-	-	-	-	-	1,669,704	1,669,704
Total Other Financing Sources (Uses)	(34,016)	(405,238)	12,805,000	-	30,815,000	3,332,155	46,512,901
Net Change in Fund Balances	(1,590,025)	10,667,261	12,532,994	(2,349,154)	(24,527,693)	(11,596,953)	(16,863,570)
Beginning Fund Balances, as originally reported	15,875,435	26,826,980	-	22,664,708	76,515,581	36,964,457	178,847,161
Restatement adjustment (Note 14)	-	-	-	-	(459,684)	-	(459,684)
Beginning Fund Balances, as restated	15,875,435	26,826,980	-	22,664,708	76,055,897	36,964,457	178,387,477
Ending Fund Balances	$ 14,285,410	$ 37,494,241	$ 12,532,994	$ 20,315,554	$ 51,528,204	$ 25,367,504	$ 161,523,907

See Accompanying Notes to Financial Statements

Total net changes in fund balances - governmental funds			$ (16,863,570)
The change in net position reported in the statement of activities is different because:			
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation during the period.			
	Capital asset additions	$ 35,459,107	
	Depreciation	(16,332,444)	19,126,663
In the Statement of Activities, capital assets are reported at their actual cost at the time of acquisition. However, in the governmental fund statements, the cost of the asset was recorded at fair market value, as the property was acquired at a discount. Because of this difference in measurement basis, the change in net position in the government-wide statements differs from the change in fund balance in the governmental funds by the cost of the assets acquired.			1,113,000
Because some property taxes and other revenues will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead counted as unavailable revenues. They are, however, recorded as revenues in the statement of activities.			1,250,024
In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts actually paid). This year, vacation and sick leave used exceeded amounts earned.			(2,078,858)
Long term debt, such as bond proceeds, are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.			
	Bond proceeds	$ (43,620,000)	
	Lease and subscription liability additions	(1,669,704)	
	Lease and subscription liability payments	631,240	
	Principal repayments	51,784,756	7,126,292
Changes in net pension liabilities and related deferrals are not recorded in the fund financial statements but is recorded in the statement of activities.			3,987,853
Changes in net OPEB asset and related deferrals are not recorded in the fund financial statements but is recorded in the statement of activities.			133,316
For governmental activities, leased assets and subscription-based information technology arrangements costs are allocated over their estimated useful lives as annual amortization expenses in the statement of activities. This represents the increases in such accounts offset by the amortization expense.			1,036,075
In the statement of activities, the loss on termination of leases is reported, where as in the governmental funds the loss is not recorded. The change in net position differs from the change in fund balance by the cost of the right-of-use assets disposed, net of related amortization.			(78,127)
Bond premiums are shown as a liability on the statement of net position and as revenue in the governmental fund. The bond premium is amortized against interest expense using the effective interest method.			(524,802)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources when paid. In the statement of activities, however, interest expense is recognized as the interest accrued, regardless of when it is due.			(1,579,542)
Change in net position of governmental activities			$ 12,648,324

Note 1 - Summary of Significant Accounting Policies

The Norman Independent School District No. 29 (the District) is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the State of Oklahoma for support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70 of the Oklahoma Statutes.

The District's financial statements are prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB).

The Reporting Entity - The governing body of the District is the Board of Education composed of elected members. The appointed superintendent is the executive officer of the District. There are no component units included within the reporting entity.

Basic Financial Statements – Government-Wide Statements - The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type activities. Governmental Activities include programs primarily supported by taxes, State aid, grants and other intergovernmental revenue.

In the government-wide Statement of Net Position, the District's governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. These statements also recognize deferred outflows of resources and deferred inflows of resources. The District's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's programs and functions. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Direct expenses are those that are clearly identifiable with a specific function. Program revenues must be directly associated with the function. Charges for services include charges and fees to students, or customers who purchase, use or directly benefit from the goods, services, or privileges provided by a given function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

All interfund transactions are eliminated in the district-wide statements.

The net costs are normally covered by general revenue (property taxes, State and Federal aid, other taxes etc.).

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Major individual governmental funds are reported in separate columns in the fund financial statements.

Basic Financial Statements – Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, deferred inflows of resources, and fund balances are included on the balance sheet. The fund financial statements provide reports on the financial condition and results of operations of governmental fund categories.

The District reports the following major governmental funds:

- **General Fund** is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

- **Debt Service Fund** is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

- **Casualty/Flood Insurance Recovery Fund** is used to account for insurance proceeds from damages to the District property based on previous weather events.

- **2025 Bond Fund** is used to account for the financial resources to be used for the acquisition or construction of major capital facilities as approved by the voters for the 2025 bond issue.

- **Lease Revenue Bond** is used to account for the financial resources to be used for the acquisition or construction of major capital facilities as part of the sublease agreements with Cleveland County Education Facilities Authority.

Additionally, the District reports the following fund types included in the Other Governmental Funds column:

Governmental Funds:

1. Special Revenue Funds – The District accounts for resources restricted for specific purposes by the District or a grantor in a special revenue fund.
2. Capital Project Funds – The proceeds from long-term financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

Basis of Accounting - Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual: The government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Modified Accrual: The funds' financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Inventories - Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories are accounted for using the consumption method where materials and supplies are recorded as an expenditure when used rather than when purchased.

On the government-wide financial statements, United States Department of Agriculture (USDA) food commodities are recorded as revenue at fair value at the date of receipt and as an expense when used. USDA food commodities are not reported in the governmental funds.

Capital Assets and Right to Use Assets - Capital assets purchased with an original cost of $5,000 or more are reported at historical cost or acquisition value on the date of donation if acquired by gift. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

School Buildings	50 years
Site Improvements	20 years
Portable Classrooms	25 years
Kitchen Equipment	15 years
Business Machines and Computers	5 years
Licensed Vehicles	8 years
Audio Visual Equipment, Musical Instruments	10 years

Right to use leased assets are recognized at the lease commencement date and represent the District's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 4 to 20 years.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the District's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 4 years.

Compensated Absences - The District recognizes a liability as incurred for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences includes salary-related benefits, where applicable. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. Certified District employees earn sick leave starting the first day of the school year, as defined for each individual. Support personnel are eligible for paid sick leave benefits on their start date. Sick leave is accrued at different rates depending on number of contract days worked. Unused sick leave is cumulative up to 185 days. Upon termination, resignation, retirement or death, unused sick leave is reimbursable up to a maximum of 120 days at rates varying from $5 per day for the first 30 days to $25 per day for the last 20 days. Vacation days accrue by month only after the completion of the full month. The rate of accrual is based on the number of contract days an employee works. Vacation may be accumulated and reimbursed for up to 80 days for employees hired before August 1, 2019. Those hired on or after August 1, 2019, may accumulate up to 80 days, but only be reimbursed for up to 20 days. Unused vacation days beyond the 20 maximum will be applied toward the 120 days available under the reimbursement provisions for unused sick leave. Reimbursement for unused vacation is paid at 100% of the employee's current rate of pay.

Deferred Outflows/Inflows of Resources - Deferred outflows represent a consumption of net position that applies to a future period(s) and so they will not be recognized as an outflow of resources (expense) until then. The District's deferred outflows of resources were comprised of statutorily required pension contributions, changes in actuarial assumptions, differences between expected and actual experience, difference between projected differences in pension contributions during the measurement period, and actual earnings on pension plan investments, and changes in proportion that are applicable to future reporting periods. Also reported in deferred outflows are OPEB related changes in proportion, projected differences in OPEB contributions during the measurement period, statutorily required OPEB contributions.

Deferred inflows are the acquisition of net position by the District that is applicable to a future reporting period. The District's deferred inflows of resources were comprised of amounts recognized as receivables but not revenues in the governmental funds because the revenue recognition criteria (availability) has not been met such as leases receivable; and at the government-wide level, changes in net pension obligation related to differences between expected and actual experience for pensions, changes of pension assumptions, difference between projected differences in pension contributions during the measurement period, and changes in proportion for pensions that are applicable to future reporting periods. Also reported in deferred inflows at the government-wide level are OPEB related differences between expected and actual experience, actual earnings on OPEB plan investments, changes in proportion, and projected differences in OPEB contributions during the measurement period.

Budgets and Budgetary Accounting - The District is required by state law to prepare an annual budget. The District by resolution of the Board of Education has adopted the School District Budget Act. This act requires that within the thirty-day period preceding the beginning of each fiscal year, a budget shall be approved by the governing body. The original budget is to be amended after the June financial activity has been recorded, the annual allocations have been released, and the property tax valuations have been certified for all affected counties within the district.

A budget is legally adopted by the Board of Education for the General Fund and Special Revenue Funds that includes revenues and expenditures.

Deposits - The District considers all cash on hand, demand deposits, money market checking and certificates of deposit, held at an individual bank which are subject to early withdrawal penalties no matter what the maturity period, to be cash. All short-term cash surpluses are maintained in a cash pool, the earnings from which are allocated to each fund based on month-end deposit balances. State statues require collateral for deposits in excess of insured amounts. The collateral's market value must exceed the insured deposit.

Property Tax Revenues - The District is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes are due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 1. Second half taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property.

Property taxes receivable by the District include uncollected taxes assessed in prior years. Delinquent property tax receivable is recognized as revenue in the government-wide financial statements. Only the portion of the property taxes receivable that meets the revenue recognition criteria is reported as revenue in the fund financial statements. No provision has been made for uncollectible amounts because uncollectible amounts are considered insignificant.

State Revenues - Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the districts.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally, such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made.

The District receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the programs for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Education requires that categorical educational program revenues be accounted for in the general fund.

Interfund Transfers - During the course of normal operations, the District has transactions between funds including expenditures and transfers of resources to provide services, purchase assets and service debt. Transactions that are normal and recurring between funds are recorded as transfers.

Bond Premium - Bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

Lease Receivable - The District, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured as the value of the lease receivables in addition to any payments received at or before the commencement of the lease term that relate to future periods.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Teachers Retirement System (OTRS) and additions to/deductions from OTRS's fiduciary net position have been determined on the same basis as they are reported by OTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

OPEB - For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oklahoma Teachers Retirement System (OTRS) and additions to/deductions from OTRS's fiduciary net position have been determined on the same basis as they are reported by OTRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

Long-Term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the District.

Subscription liabilities represent the District's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription payments are discounted based on a borrowing rate determined by the District.

Net Position and Fund Balance - District-Wide Financial Statements - When the District incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used.

Net position on the Statement of Net Position includes the following:

Net investment in Capital Assets - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, which is directly attributable to the acquisition, construction or improvement of these capital assets.

Restricted for Debt Service - The component of net position that reports the amount of funds restricted for payment of principal and interest on debt. This amount is restricted by enabling legislation and debt covenants.

Restricted for Construction - The component of net position that reports the unspent bond proceeds from bond issuances in order to perform specified construction for the District. This amount is restricted by the underlying bonds.

Restricted for Buildings - The component of net position that reports the excess of property taxes and other revenue collected in excess of expenses for operation of the District's buildings. This amount is restricted by enabling legislation.

Restricted for School Organizations - The component of net position that reports the assets restricted for use by student organizations and extracurricular activities. This amount is restricted by regulations of the Oklahoma State Department of Education.

Restricted for Child Nutrition - The component of net position that reports the assets restricted for use by Child Nutrition program.

Restricted for Other - The component of net position that reports the assets restricted for General Fund grants, gifts from donors, and insurance purposes.

Restricted for OPEB - The component of net position that reports the net OPEB asset restricted for other post-employment benefits, and deferred outflows of resources netted against its related deferred inflows of resources.

Unrestricted - The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources that is not reported as restricted for any particular purpose.

Governmental Fund Reporting - The District follows Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Types,* which defines how fund balances of the governmental funds are presented in the financial statements. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventory as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified school construction and building maintenance expenditures as being restricted because their use is restricted by state statute or legislation regarding use of expenditures. Debt service resources are to be used for future servicing of the debt and are restricted through debt covenants. Food service resources are to be used for the District's child nutrition program and are restricted through federal and state regulations. The District has classified school program activities, miscellaneous site grants and grant carryover as being restricted because their use is imposed by the Oklahoma State Department of Education or other authority regarding use of expenditures. Other purposes are restricted for insurance purposes and scholarship purposes from contributors.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to management through the budgetary process. The District has no assigned funds as of June 30, 2025.

Unassigned: This classification includes the residual fund balance for the General Fund. The unassigned classification would also include any negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts. The District has not established a formal stabilization arrangement regarding minimum funding requirements. The Board of Education, however, has made it a goal to achieve and maintain a minimum fund balance of 5% in the general fund of the current year total revenue collections as well as a minimum fund balance in the building fund of 35% of the current year total revenue collections.

As of June 30, 2025, fund balances are comprised of the following:

	General Fund	Debt Service Fund	2025 Bond Fund	Casualty/Flood Insurance Recovery Fund	Lease Revenue Bonds	Other Governmental Funds	Total Governmental Funds
Fund balances:							
Nonspendable							
Inventory	$ 183,952	$ -	$ -	$ -	$ -	$ -	$ 183,952
Restricted for:							
School construction	-	-	12,532,994	-	51,528,204	12,602,757	76,663,955
Building maintenance	-	-	-	-	-	7,775,703	7,775,703
Debt service reserve	-	37,494,241	-	-	-	-	37,494,241
School programs	-	-	-	-	-	2,764,832	2,764,832
Food services	-	-	-	-	-	1,756,857	1,756,857
Insurance purposes	-	-	-	20,315,554	-	45,434	20,360,988
Gifts from donors	-	-	-	-	-	421,921	421,921
Miscellaneous site grants and federal and state grants carryover	6,405,032	-	-	-	-	-	6,405,032
Total restricted	6,405,032	37,494,241	12,532,994	20,315,554	51,528,204	25,367,504	153,643,529
Committed to:							
Miscellaneous site	904,444	-	-	-	-	-	904,444
Total committed	904,444	-	-	-	-	-	904,444
Unassigned	6,791,982	-	-	-		-	6,791,982
Total fund balances	$ 14,285,410	$ 37,494,241	$ 12,532,994	$ 20,315,554	$ 51,528,204	$ 25,367,504	$ 161,523,907

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Adoption of New Standards

As of July 1, 2024, the District adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. There was not a significant effect on the District's financial statements as a result of the implementation of this standard.

As of July 1, 2024, the District adopted GASB Statement No. 102, *Certain Risk Disclosures*, which requires management to evaluate whether there are risks related to a government's vulnerabilities due to certain concentrations or constraints that require disclosure. There was not a significant effect on the District's financial statements as a result of the implementation of this standard.

Note 2 - Cash and Investments

Deposits - At June 30, 2025, the bank balance of deposits and cash pools was $182,460,159. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require collateral for amounts in excess of federally insured amounts. The deposit policy for custodial credit risk requires compliance with the provisions of state law. The bank balance was completely covered by federal depository insurance and by collateral held by the District's third-party agent in the District's name.

Interest Rate Risk - The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Note 3 - Capital Assets

Capital asset activity for the year ended June 30, 2025, is as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Capital Assets not being depreciated:					
Land	$ 6,007,982	$ -	$ -	$ -	$ 6,007,982
Construction in Progress	21,932,949	32,811,019	-	(32,745,728)	21,998,240
Total capital assets not being depreciated	27,940,931	32,811,019	-	(32,745,728)	28,006,222
Capital Assets being depreciated:					
Buildings	133,318,299	1,113,000	-	-	134,431,299
Improvements	319,144,948	-	-	32,745,728	351,890,676
Furniture and Equipment	6,485,356	1,601,479	-	-	8,086,835
Musical Instruments	335,398	-	-	-	335,398
Computers	9,263,389	14,027	-	-	9,277,416
Vehicles	12,019,817	1,032,582	16,487	-	13,035,912
Total capital assets being depreciated	480,567,207	3,761,088	16,487	32,745,728	517,057,536
Less accumulated depreciation for:					
Buildings	76,967,270	2,570,737	-	-	79,538,007
Improvements	79,345,235	12,091,166	-	-	91,436,401
Furniture and Equipment	3,571,560	461,062	-	-	4,032,622
Musical Instruments	838,237	9,542	-	-	847,779
Computers	8,854,727	327,082	-	-	9,181,809
Vehicles	8,355,369	872,855	16,487	-	9,211,737
Less total accumulated depreciation	177,932,398	16,332,444	16,487	-	194,248,355
Total capital assets being depreciated, net	302,634,809	(12,571,356)	-	32,745,728	322,809,181
Right to use assets being amortized					
Leased Assets	897,042	1,546,175	156,273	-	2,286,944
Subscription-Based IT Assets	530,502	123,522	-	-	654,024
Total right to use assets	1,427,544	1,669,697	156,273	-	2,940,968
Less accumulated amortization					
Leased Assets	409,880	424,898	78,146	-	756,632
Subscription-Based IT Assets	307,252	208,724	-	-	515,976
Total accumulated amortization	717,132	633,622	78,146	-	1,272,608
Total right to use assets, net	710,412	1,036,075	78,127	-	1,668,360
Governmental activity capital assets, net	$ 331,286,152	$ 21,275,738	$ 78,127	$ -	$ 352,483,763

Depreciation is not allocated by function in the statement of activities.

Note 4 - Long-term Liabilities

The long-term liability balances and activity for the year are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within 1 Year
General obligation bonds					
Bonds Payable	$ 116,020,000	$ 43,620,000	$ (22,850,000)	$ 136,790,000	$ 33,285,000
Bond Premium	3,104,883	1,223,197	(698,395)	3,629,685	906,977
Compensated Absences	2,281,021	2,882,796	(803,938)	4,359,879	4,359,879
Sublease agreements					
2019 Lease Revenue Payable	25,632,622	-	(25,632,622)	-	-
May 2023 Lease Revenue Payable	64,487,154	-	(3,302,134)	61,185,020	3,591,293
December 2023 Lease Revenue Payable	28,480,537	-	-	28,480,537	798,956
Lease Liabilities	629,791	1,546,176	(421,067)	1,754,900	337,165
Subscription-based Liabilities	226,713	123,528	(210,173)	140,068	97,247
Total governmental activity long-term liabilities	$ 240,862,721	$ 49,395,697	$ (53,918,329)	$ 236,340,089	$ 43,376,517

General Obligation Bonds

Bonds payable at June 30, 2025 are composed of the following individual general obligation bond issues:

Original Issue Amount	Annual Installment	Issue Date	Final Maturity Date	Interest Rate	Outstanding Amount at June 30, 2025
$ 26,540,000	$ 6,635,000	3/1/2021	3/1/2026	1.25%	$ 6,635,000
2,400,000	600,000	3/1/2021	3/1/2026	0.625%	600,000
30,100,000	7,525,000	3/1/2022	3/1/2027	2%	15,050,000
1,900,000	475,000	3/1/2022	3/1/2027	2%	950,000
5,580,000	1,395,000	3/1/2023	3/1/2028	4%	4,185,000
3,480,000	870,000	3/1/2023	3/1/2028	5%	2,610,000
58,500,000	14,625,000	3/1/2024	3/1/2029	4%	58,500,000
4,640,000	1,160,000	3/1/2024	3/1/2029	4.4-4.85%	4,640,000
40,845,000	10,210,000	3/1/2025	3/1/2030	4%	40,845,000
2,775,000	690,000	3/1/2025	3/1/2030	4.5-5%	2,775,000
					$ 136,790,000

Payments on bonds are made by the debt service fund with property taxes.

The annual requirements to amortize all bond debt outstanding as of June 30, 2025 including interest payments are as follows:

Year Ending June 30	Principal	Interest	Total Debt Service
2026	$ 33,285,000	$ 5,025,115	$ 38,310,115
2027	36,950,000	4,037,868	40,987,868
2028	28,950,000	2,694,408	31,644,408
2029	26,685,000	1,516,168	28,201,168
2030	10,920,000	440,678	11,360,678
	$ 136,790,000	$ 13,714,237	$ 150,504,237

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years from the date of issue. General obligation bonded debt of the District is limited by state law to 10% of the assessed valuation of the District. The legal debt limit for general obligation bonds at June 30, 2025 is approximately $138.7 million.

Proceeds of general obligation bond issues are recorded in the capital project funds and at least 85% of the proceeds are restricted to the use for which they were approved in the bond elections.

Sublease Agreements and Lease Revenue Bonds - See discussion of lease revenue payables in Note 5.

Note 5 - Lease Revenue Bonds and Sublease Agreements

As discussed in Note 4, the District has entered into several sublease agreements with the Cleveland County Education Facilities Authority (CCEFA or the Authority) in which the Authority advanced larger amounts in educational facilities lease revenue bonds (lease revenue bonds), to the District for the acquisition and construction of buildings, improvements, and furniture and equipment. For each lease revenue bond issuance, the District and the Authority enter into a sublease agreement for the District to pay lease purchase acquisition payments to the Authority. The trustee bank holds the cash and makes payments after authorization from the District. Upon payment of the lease purchased acquisition payments, legal title will go to the District for all construction, acquisition and renovations completed with the funds received from the Authority.

These lease revenue bonds and related sublease agreements with the Authority are as follows:

	CCEFA Lease Revenue Bonds				Sublease Agreement
Issue Date	Series	Original Amount	Interest Rate	Final Maturity	Outstanding at June 30, 2025
May 2023	2023A	$ 58,570,000	5.00%	6/1/2033	$ 61,185,020
December 2023	2023C	26,040,000	5.00%	6/1/2033	28,480,537
					$ 89,665,557

The original issue dates and final maturity dates of the Authority's lease revenue bonds coincide with those dates listed in the District's sublease agreements.

The annual requirements to amortize the May 2023 Sublease Agreement as of June 30, 2025 including interest payments are as follows:

Year Ending June 30	Principal	Interest	Total Sublease Payment
2026	$ 3,591,293	$ 1,466,707	$ 5,058,000
2027	2,007,383	1,380,617	3,388,000
2028	11,425,504	1,332,496	12,758,000
2029	2,084,396	1,058,604	3,143,000
2030	3,899,363	1,008,637	4,908,000
2031 - 2033	38,177,081	2,066,919	40,244,000
	$ 61,185,020	$ 8,313,980	$ 69,499,000

The annual requirements to amortize the December 2023 Sublease Agreement as of June 30, 2025 including interest payments are as follows:

Year Ending June 30	Principal	Interest	Total Sublease Payment
2026	$ 798,956	$ 1,579,044	$ 2,378,000
2027	2,010,677	572,323	2,583,000
2028	6,312,249	530,751	6,843,000
2029	2,427,760	400,240	2,828,000
2030	2,517,956	350,044	2,868,000
2031 - 2033	14,412,939	656,061	15,069,000
	$ 28,480,537	$ 4,088,463	$ 32,569,000

At origination of each sublease agreement, the District pledges amounts in future issuances of general obligation bonds to repay these amounts, including interest. The general obligation bonds will be issued prior to the payment due of the acquisition payments.

This sublease agreement debt is not included in the consideration of the legal debt limit for general obligation bonds.

Note 6 - Leases

Lessor

The District functions as a landlord in a ground lease agreement which meets the classification requirements of long-term leases under GASB Statement No. 87, *Leases.* As a result, the District recognizes a lease receivable and a deferred inflow of resources. The discount rate used for the present value calculations for the leases is 1.63% with a defined annual payment of $7,350 ending November 18, 2049 with options to renew expected to occur. The amounts recorded as of June 30, 2025 for lease receivable was $267,026 and the related deferred inflow of resources is $267,026.

Lessee

During the year ended June 30, 2025, the District entered into agreements to lease building improvements and copier equipment. Such agreements have start dates ranging from July 1, 2024 to June 20, 2025. In prior years, the District entered into agreements to lease twenty-three vehicles and copier equipment. Such agreements have start dates ranging from November 1, 2022 to April 1, 2024. The vehicles have lease terms of four years, the copier equipment has a term of five years, and the building improvements have lease terms of ten and twenty years.

At June 30, 2025, the District has recognized a right to use asset of $1,530,312 and a lease liability of $1,754,900 related to these agreements. The District used discount rates ranging from 2.28% to 4.36%.

The schedule of leased assets and related amortization for the year ended June 30, 2025, is as follows:

Copier	$ 554,635
Vehicles	740,769
Building Improvements	991,540
	2,286,944
Amortization	(756,632)
	$ 1,530,312

The schedule of future payments included in the measurement of the lease liability is as follows:

Year Ending June 30	Principal	Interest	Total Debt Service
2026	$ 337,165	$ 56,043	$ 393,208
2027	276,647	46,871	323,518
2028	187,541	40,360	227,901
2029	166,850	35,143	201,993
2030	63,142	31,252	94,394
Thereafter	723,555	226,886	950,441
	$ 1,754,900	$ 436,555	$ 2,191,455

Note 7 - Employee Retirement System

Plan Description - The District contributes to the state-administered Oklahoma Teachers' Retirement System ("the System" or “OTRS”), a cost-sharing, multiple-employer public employee retirement plan (the Plan). The System is administered by a board of trustees. OTRS provides retirement, disability and death benefits to plan members and beneficiaries. Oklahoma State Statute 70, Article 17 assigns the authority to establish and amend benefit provisions to the OTRS Board of Trustees. Detailed information about the pension plan’s fiduciary net position is available in the separately issued financial report of the System; which can be located at www.ok.gov/OTRS.

Policy - Under the System, contributions are made by the District, the State of Oklahoma, and the participating employees. Participation is required for all teachers and other certified employees and is optional for all other regular employees of public educational institutions who work at least 20 hours per week.

Contributions - The contribution rates for the District and its employees, which are not actuarially determined, are established by statute and applied to the employee's earnings, plus employer-paid fringe benefits. The District was required by statute to contribute 9.5% of applicable compensation for the year ended June 30, 2025. Plan members are required to contribute 7% of their annual covered salary. The District pays full-time employees’ contribution as allowed by statute. Contributions to the pension plan from the District were $10,274,755. The State of Oklahoma also made on-behalf contributions to OTRS, of which $7,408,410 was recognized by the District; these on-behalf payments did not meet the criteria of a special funding situation.

Benefits - Benefit provisions include:

- Members become 100% vested in retirement benefits earned to date after five or seven years (depending on hire date) of credited Oklahoma service. Members who joined the System on June 30, 1992 or prior are eligible to retire at maximum benefits when age and years of creditable service total 80. Members joining the System after June 30, 1992 are eligible for maximum benefits when their age and years of creditable service total 90. Members whose age and service do not equal the eligible limit may receive reduced benefits as early as age 55, and at age 62 receive unreduced benefits based on their years of service. The maximum retirement benefit is equal to 2% of final compensation for each year of credited service.

- Final compensation for members who joined the System prior to July 1, 1992 is defined as the average salary for the three highest years of compensation. Final compensation for members joining the System after June 30, 1992 is defined as the average of the highest five consecutive years of annual compensation in which contributions have been made. The final average compensation is limited for service credit accumulated prior to July 1, 1995 to $40,000 or $25,000, depending on the member's election. Monthly benefits are 1/12 of this amount. Service credits accumulated after June 30, 1995 are calculated based on each member's final average compensation, except for certain employees of the two comprehensive universities.

- Upon the death of a member who has not yet retired, the designated beneficiary shall receive the member's total contributions plus 100% of interest earned through the end of the fiscal year, with interest rates varying based on time of service. A surviving spouse of a qualified member may elect to receive, in lieu of the aforementioned benefits, the retirement benefit the member was entitled to at the time of death as provided under the Joint Survivor Benefit Option.

- Upon the death of a retired member, the System will pay $5,000 to the designated beneficiary, in addition to the benefits provided for the retirement option selected by the member.

- A member is eligible for disability benefits after ten years of credited Oklahoma service. The disability benefit is equal to 2% of final average compensation for the applicable years of credited service.

- Upon separation from OTRS, members' contributions are refundable with interest based on certain restrictions provided in the plan, or by the IRC.

- Members may elect to make additional contributions to a tax-sheltered annuity program up to the exclusion allowance provided under the IRC under Code Section 403(b).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the District reported a liability of $106,146,853 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The District's proportion of the net pension liability was based on the District's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2024. Based upon this information, the District's proportion was 1.6114%, an increase from 1.5930% at June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of $3,420,557 in compensation and benefits expense. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,505,290	$ 1,640,162
Changes of assumptions	1,164,212	4,553,462
Net difference between projected and actual earnings on pension plan investments	-	3,628,914
Changes in proportion	7,776,506	5,764,889
Differences between District contributions and proportionate share of contributions	420,033	110,056
District contributions subsequent to the measurement date	10,274,755	-
	$ 27,140,796	$ 15,697,483

The $10,274,755 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

The average expected remaining life of the Plan is determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the plan are estimated at 5.34 years at June 30, 2024 and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan. Deferred outflows resulting from the difference between projected and actual investment earnings, will be recognized in pension expense over a period of five years.

Other than contributions provided subsequent to the measurement date, deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2026	$ (4,185,074)
2027	8,065,732
2028	(1,472,346)
2029	(1,508,824)
2030	269,070
	$ 1,168,558

Actuarial Assumptions - The total pension liability as of June 30, 2025, was determined based on an actuarial valuation prepared as of June 30, 2024 using the following actuarial assumptions:

- Actuarial Cost Method – Entry Age Normal
- Inflation – 2.25%
- Future Ad Hoc Cost-of-living Increases – None
- Salary Increases – Composed of 2.25 percent wage inflation, plus .75% productivity increase rate, plus step-rate promotional increase for members with less than 25 years of service.
- Investment Rate of Return – 7.00%
- Retirement Age – Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019.
- Mortality Rates for retired member – Males: 2020 GRS Southwest Region Teacher Mortality Table Generational mortality improvements in accordance with the Ultimate MP scales are projected for the year 2020. Females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.
- Mortality Rates for active members – Pub-2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the ultimate MP scales are projected from the year 2010.

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the five year period ending June 30, 2019.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2024 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38.3%	4.5%
International Equity	16.7%	4.5%
Domestic Fixed Income	22.0%	2.4%
Real Estate**	10.0%	4.4%
Private Equity	8.0%	6.9%
Private Debt	5.0%	5.6%
Total	100.0%	

** The Real Estate total expected return is a combination of Core Real Estate (25% leverage) and Non-Core Real Estate (100% leverage).

Discount Rate - A single discount rate of 7.0% was used to measure the total pension liability as of June 30, 2024. Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the State's contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the employers calculated using the discount rate of 7.0%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease 6.0%	Current Discount 7.0%	1% Increase 8.0%
Net pension liability	$ 162,120,232	$ 106,146,853	$ 59,519,689

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the OTRS; which can be located at www.ok.gov/OTRS.

Note 8 - Other Post-Employment Benefits (OPEB)

Plan Description - The District as the employer, participates in the Supplemental Health Insurance Program—a cost-sharing multiple-employer defined benefit OPEB plan administered by the Oklahoma Teachers Retirement System (OTRS). Title 74 O. S. Sec. 1316.3 defines the health insurance benefits. The authority to establish and amend benefit provisions rests with the State Legislature. OTRS issues a publicly available financial report that can be obtained at www.ok.gov/OTRS.

Benefits Provided - OTRS pays a medical insurance supplement to eligible members who elect to continue their employer provided health insurance. The supplement payment is between $100 and $105 per month, remitted to the Oklahoma Management Enterprise Services Employees Group Insurance Division, provided the member has ten (10) years of Oklahoma service prior to retirement.

Contributions - Employer and employee contributions are made based upon the TRS Plan provisions contained in Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. Based on the contribution requirements of Title 70 employers and employees contribute a single amount based on a single contribution rate as described in Note 7; from this amount OTRS allocates a portion of the contributions to the supplemental health insurance program. The cost of the supplemental health insurance program averages 1.5% of normal cost as determined by an actuarial valuation. Contributions allocated to the OPEB plan from the District were $32,873.

OPEB Liabilities (Assets), OPEB Expense (Benefit), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At June 30, 2025, the District reported an asset of $1,888,117 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of June 30, 2024. The District's proportion of the net OPEB asset was based on the District's contributions received by the OPEB plan relative to the total contributions received by the OPEB plan for all participating employers as of June 30, 2024. Based upon this information, the District's proportion was 1.6114%, an increase from 1.5930% at June 30, 2023.

For the year ended June 30, 2025, the District recognized OPEB expense (benefit) of $(133,316). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 272,041
Changes of assumptions	79,708	506,346
Net difference between projected and actual earnings on plan investments	-	74,072
Changes in proportion	23,957	21,338
Differences between District contributions and proportionate share of contributions	110,417	29,918
District contributions subsequent to the measurement date	32,873	-
	$ 246,955	$ 903,715

The $32,873 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended June 30, 2026.

The average expected remaining life of the Plan is determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the plan are estimated at 6.3 years at June 30, 2024 and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan. Deferred outflows resulting from the difference between projected and actual investment earnings, will be recognized in OPEB expense over a period of six years.

Other than contributions provided subsequent to the measurement date, deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2026	$ (243,593)
2027	84,471
2028	(188,003)
2029	(183,997)
2030	(121,925)
Thereafter	(36,586)
	$ (689,633)

Actuarial Assumptions - The total OPEB liability (asset) as of June 30, 2025, was determined based on an actuarial valuation prepared as of June 30, 2024 using the following actuarial assumptions:

- Actuarial Cost Method – Entry Age Normal
- Inflation – 2.25%
- Future Ad Hoc Cost-of-living Increases – None
- Salary Increases – Inflation rate of 2.25% plus productivity increase rate of 0.75% plus step-rate/promotional adjustments with less than 25 years of service.
- Investment Rate of Return – 7.00%
- Retirement Age – Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019.
- Mortality Rates for retired members – Males: 2020 GRS Southwest Region Teacher Mortality Table Generational mortality improvements in accordance with the Ultimate MP scales are projected for the year 2020. Females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.
- Mortality Rates for active members – Pub-2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2010.

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the five year period ending June 30, 2019.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2024 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38.3%	4.5%
International Equity	16.7%	4.5%
Domestic Fixed Income	22.0%	2.4%
Real Estate**	10.0%	4.4%
Private Equity	8.0%	6.9%
Private Debt	5.0%	5.6%
Total	100.0%	

** The Real Estate total expected return is a combination of Core Real Estate (25% leverage) and Non-Core Real Estate (100% leverage).

Discount Rate - A single discount rate of 7.00% was used to measure the total OPRB liability (asset) as of June 30, 2024. This single discount rate was based solely on the expected rate of return on OPEB plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the OPEB plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset). The projection of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payrolls. The projection of cash flows also assumed that the State's contribution plus the matching contributions will remain a constant percent of projected member payroll based on the past five years of actual contributions.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate - The following presents the net OPEB liability (asset) of the employer calculated using the discount rate of 7.0%, as well as what the Plan's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease 6.0%	Current Discount 7.0%	1% Increase 8.0%
Net OPEB (asset) liability	$ (1,270,831)	$ (1,888,117)	$ (2,412,545)

OPEB Plan Fiduciary Net Position - Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report of the OTRS; which can be located at www.ok.gov/OTRS.

Note 9 - Risk Management

The District is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

Note 10 - Disaggregation of Payable Balances

Governmental Activities:	Vendors	Salaries and Benefits	Accrued Interest	Total Payables
General and other governmental funds	$ 10,389,666	$ 9,901,469	$ -	$ 20,291,135
Reconciliation of balances in fund financials to government-wide statements	-	-	2,826,350	2,826,350
Total governmental activities	$ 10,389,666	$ 9,901,469	$ 2,826,350	$ 23,117,485

Note 11 - Subscription Based Information Technology Arrangements

As of June 30, 2025, the District has entered into four subscription-based information technology arrangements (SBITAs). Such agreements have start dates ranging from September 1, 2021 to July 1, 2024. The SBITAs have terms ranging from three to four years.

At June 30, 2025, the District has recognized a right to use subscription asset of $138,048 and a subscription liability of $140,068 related to these agreements. The District used discount rates ranging from 2.1% to 2.58%.

The schedule of subscription assets and related amortization for the year ended June 30, 2025, is as follows:

Assets	$ 654,024
Amortization	(515,976)
	$ 138,048

The schedule of future payments included in the measurement of the subscription liability is as follows:

Year Ending June 30	Principal	Interest	Total Debt Service
2026	$ 97,247	$ 3,404	$ 100,651
2027	42,821	997	43,818
	$ 140,068	$ 4,401	$ 144,469

Note 12 - Schedule of Transfers

The transfers for the year ended June 30, 2025 are as follows:

Transfer From	Transfer To	Amount	Nature of Transfer
Debt Service Fund	Building Fund	$ 1,628,435	Intrafund Transfer
2025 Bond Fund	Lease Revenue Bond Fund	30,815,000	Intrafund Transfer for debt service
General Fund	Child Nutrition Fund	34,016	Intrafund Transfer
Nonmajor Bond Funds	2025 Bond Fund	871	Intrafund Transfer
Nonmajor Bond Funds	Nonmajor Bond Funds	29,331	Intrafund Transfer
	Total Transfers between Funds	$ 32,507,653	

Transfers are used for (1) reimbursement of funds collected by one fund that are accounted for in another fund and (2) return of funds in excess of budgetary requirements.

Note 13 - Contingencies and Commitments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, the District believes the resolution of these matters will not have a material adverse effect on the financial condition of the District. Should a judgment be awarded against the District, it would be levied through the District's sinking fund over a three-year period pursuant to state law.

The District has outstanding construction commitments of approximately $54.0 million as of June 30, 2025.

During the year ended June 30, 2025, the District did not reduce insurance coverage from coverage levels in place as of June 30, 2024. No settlements have exceeded coverage levels in place during 2025.

Note 14 - Correction of Error

During the current year, management determined that certain accounting treatment related to accounts payable within the lease revenue bond fund were incorrectly recorded as of June 30, 2025.

As a result, the beginning net position of the government-wide statement of activities was restated as of July 1, 2024 as follows:

	Governmental Activities
Beginning net position, as previously reported	$ 178,069,054
Correction of beginning balances for accounts payable	(459,684)
Beginning net position, as restated	$ 177,609,370

As a result, the beginning fund balances were restated as of July 1, 2024 as follows:

	Lease Revenue Bonds Fund	Total Governmental Funds
Beginning fund balance, as previously reported	$ 76,515,581	$ 178,847,161
Correction of beginning balances for accounts payable	(459,684)	(459,684)
Beginning fund balance, as restated	$ 76,055,897	$ 178,387,477

Had the entry been properly recorded for the year ended June 30, 20224, the change in net position would have changed from $37,066,308 to $36,606,624, the change in fund balance for lease revenue bonds fund would have changed from $(2,404,915) to $(2,864,599), and the change in fund balance for total governmental funds would have changed from $33,217,204 to $32,757,520.

Required Supplementary Information
June 30, 2025

Norman Independent School District No. 29

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final	Actual Amounts GAAP Basis	Original to Final	Final to Actual
Budgetary Fund Balance, July 1	$ 13,132,797	$ 15,859,962	$ 15,875,435	$ 2,727,165	$ 15,473
Resources (inflows)					
Property Taxes	48,877,042	49,246,693	49,528,815	369,651	282,122
Interest	690,313	750,332	1,025,086	60,019	274,754
County Revenue	5,042,000	5,164,858	5,235,093	122,858	70,235
State Revenue	81,650,539	81,977,938	84,316,279	327,399	2,338,341
Federal Revenue	12,363,544	33,949,519	13,286,987	21,585,975	(20,662,532)
Other	2,148,624	2,949,906	3,275,204	801,282	325,298
Amounts Available for Appropriation	163,904,859	189,899,208	172,542,899	25,994,349	(17,356,309)
Charges to Appropriations (outflows)					
Instruction	95,772,012	99,145,697	99,682,195	(3,373,685)	(536,498)
Support Services	54,201,394	57,076,996	55,196,392	(2,875,602)	1,880,604
Non-instruction Services	3,906	59,443	221,993	(55,537)	(162,550)
Capital Outlays	30,662	20,027,741	2,976,959	(19,997,079)	17,050,782
Other Outlays	182,007	235,495	145,934	(53,488)	89,561
Transfers Out	-	-	34,016	-	(34,016)
Total Charges to Appropriations	150,189,981	176,545,372	158,257,489	(26,355,391)	18,287,883
Budgetary Fund Balance, June 30	$ 13,714,878	$ 13,353,836	$ 14,285,410	$ (361,042)	$ 931,574

Budgeting - Oklahoma statutes required that the District Board of Education approve a budget within thirty days of the beginning of each fiscal year. The school district's budget is to contain a budget summary accompanied by a minimum of the following for each fund in tabular form:

1. Actual revenues and expenditures for the immediate prior fiscal year.
2. Revenues and expenditures for the current fiscal year as shown by the budget as amended.
3. Estimated revenues and expenditures for the budget year.

A public hearing on the proposed budget must be held within forty-five days preceding the beginning of the budgetary year.

The District shall amend the original budget after June 30 of each year after the June financial activity has been recorded, the annual Foundation and Salary Incentive Aid allocation has been released, and the property tax valuations have been certified for all affected counties with the District.

Norman Independent School District No. 29

Cleveland County, Oklahoma

Schedule of District's Proportionate Share of the Net Pension Liability for Oklahoma Teachers Retirement System – Pension

Year Ended June 30, 2025

	2025	2024	2023	2022	2021
District's proportion of the net pension liability	1.6114%	1.5930%	1.4511%	1.6330%	1.6576%
District's proportionate share of the net pension liability	$ 106,146,853	$ 122,766,602	$ 119,128,446	$ 83,427,520	$ 157,313,491
District's covered payroll	$ 103,790,022	$ 99,799,310	$ 88,938,463	$ 86,977,748	$ 82,314,554
District's proportionate share of the net pension liability as a percentage of its covered payroll	102%	123%	134%	96%	191%
Plan fiduciary net position as a percentage of the total pension liability	77.33%	72.57%	70.05%	80.80%	63.37%

	2020	2019	2018	2017	2016
District's proportion of the net pension liability	1.4502%	1.9455%	1.6095%	1.5677%	1.5504%
District's proportionate share of the net pension liability	$ 95,976,887	$ 117,585,659	$ 106,571,969	$ 130,833,885	$ 94,153,782
District's covered payroll	$ 80,395,676	$ 70,488,085	$ 66,718,456	$ 64,343,044	$ 64,127,709
District's proportionate share of the net pension liability as a percentage of its covered payroll	119%	167%	160%	203%	147%
Plan fiduciary net position as a percentage of the total pension liability	71.58%	72.74%	69.32%	62.24%	70.31%

Notes to Schedule:

In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

The Plan's net position liability increased between 2015 and 2016 and again between 2018 and 2021 due to changes in assumptions adopted by the System's Board.
The most notable changes during fiscal year 2021 were:

- The decrease of the inflation rate from 2.5% to 2.25%
- The decrease of the estimated investment rate of return from 7.5% to 7.0%
- Changes to retirement age tables based on the five year experience study for the period ending June 30, 2019.
- Mortality rate tables were updated to the 2020 GRS Southwest Region Teacher Mortality Table for males and females.

Norman Independent School District No. 29
Cleveland County, Oklahoma
Schedule of District's Pension Contributions to Oklahoma Teachers Retirement System
Year Ended June 30, 2025

	2025	2024	2023	2022	2021
Contractually required contribution	$ 10,305,052	$ 9,989,563	$ 8,845,029	$ 8,648,679	$ 8,138,330
Contributions in relation to the contractually required contribution	10,305,052	9,989,563	8,845,029	8,648,679	8,138,330
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 103,790,022	$ 99,799,310	$ 88,938,463	$ 86,977,748	$ 82,314,554
Contributions as a percentage of covered payroll	9.93%	10.01%	9.95%	9.94%	9.89%

	2020	2019	2018	*2017	2016
Contractually required contribution	$ 7,962,064	$ 7,944,342	$ 6,586,047	$ 6,586,047	$ 6,660,331
Contributions in relation to the contractually required contribution	7,962,064	7,944,342	6,586,047	6,586,047	6,660,331
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 80,395,676	$ 70,488,085	$ 66,718,456	$ 64,343,044	$ 64,127,709
Contributions as a percentage of covered payroll	9.90%	11.27%	9.87%	10.24%	10.39%

Notes to Schedule:

*Amount of contributions reduced by $74,284 due to implementation of GASB Statement No. 75. Amounts prior to 2017 have not been determined.

Norman Independent School District No. 29

Cleveland County, Oklahoma

Schedule of District's Proportionate Share of the Net OPEB Liability (Asset) for Oklahoma Teachers Retirement System – OPEB

Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability (asset)	1.6114%	1.5930%	1.6330%	1.6330%	1.6576%	1.4502%	1.9455%	1.6095%
District's proportionate share of the net OPEB liability (asset)	$ (1,888,117)	$ (802,381)	$ (714,303)	$ (2,079,973)	$ (164,217)	$ (896,746)	$ (1,257,268)	$ (717,757)
District's covered payroll	$ 103,790,022	$ 99,799,310	$ 88,938,463	$ 86,977,748	$ 86,977,748	$ 82,314,554	$ 80,395,676	$ 70,488,085
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-1.82%	-0.80%	-0.80%	-2.39%	-0.19%	-1.09%	-1.56%	-1.02%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	131.23%	112.01%	110.31%	129.91%	102.30%	115.07%	115.41%	110.40%

Notes to Schedule:

In accordance with GASB Statement No. 75, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

10-year data is not yet available.

Norman Independent School District No. 29
Cleveland County, Oklahoma
Schedule of District's OPEB Contributions to Oklahoma Teachers Retirement System
Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 33,873	$ 48,749	$ 98,091	$ 105,600	$ 15,300	$ 14,969	$ 53,227	$ 109,299	$ 104,574
Contributions in relation to the contractually required contribution	33,873	48,749	98,091	105,600	15,300	14,969	53,227	109,299	104,574
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 103,790,022	$ 99,799,310	$ 88,938,463	$ 86,977,748	$ 86,977,748	$ 82,314,554	$ 80,395,676	$ 70,488,085	$ 66,718,456
Contributions as a percentage of covered payroll	0.03%	0.05%	0.11%	0.12%	0.02%	0.02%	0.07%	0.16%	0.16%

Information to present a 10-year schedule is not yet available.

Financial Statements
Other Supplementary Information
June 30, 2025

Norman Independent School District No. 29

Norman Independent School District No. 29
Cleveland County, Oklahoma
Combining Balance Sheet – Other Governmental Funds
June 30, 2025

	Building	Child Nutrition	Gifts	Student Activity	Workers' Compensation	Total Capital Project Funds	Total Other Governmental Funds
Assets							
Pooled Cash and Investments	$ 8,828,856	$ 2,440,111	$ 421,948	$ 2,848,694	$ 45,434	$ 13,724,491	$ 28,309,534
Property Taxes Receivable	507,326	-	-	-	-	-	507,326
Due from Other Governments	-	490,173	-	-	-	-	490,173
Other Receivables	1,759	608,335	-	678	-	-	610,772
Total Assets	$ 9,337,941	$ 3,538,619	$ 421,948	$ 2,849,372	$ 45,434	$ 13,724,491	$ 29,917,805
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts Payable and Accrued Liabilities	$ 1,050,942	$ 621,875	$ 27	$ 84,540	$ -	$ 1,121,734	$ 2,879,118
Total Liabilities	1,050,942	621,875	27	84,540	-	1,121,734	2,879,118
Deferred Inflows of Resources							
Unavailable revenue - taxes	511,296	-	-	-	-	-	511,296
Unavailable revenue - other	-	1,159,887	-	-	-	-	1,159,887
Total Deferred Inflow of Resources	511,296	1,159,887	-	-	-	-	1,671,183
Fund Balances							
Restricted	7,775,703	1,756,857	421,921	2,764,832	45,434	12,602,757	25,367,504
Fund Balances, End of Year	7,775,703	1,756,857	421,921	2,764,832	45,434	12,602,757	25,367,504
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 9,337,941	$ 3,538,619	$ 421,948	$ 2,849,372	$ 45,434	$ 13,724,491	$ 29,917,805

Norman Independent School District No. 29

Cleveland County, Oklahoma

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Governmental Funds

Year Ended June 30, 2025

	Building	Child Nutrition	Gifts	Student Activity	Workers' Compensation	Total Capital Project Funds	Total Other Governmental Funds
Revenues							
Property Taxes	$ 7,063,090	$ -	$ -	$ -	$ -	$ -	$ 7,063,090
Interest	293,414	107,262	19,902	139,404	2,138	790,742	1,352,862
State Revenue	1,309,385	52,551	-	-	-	-	1,361,936
Federal Revenue	-	4,463,373	-	-	-	-	4,463,373
Other	-	583,543	31,164	3,807,313	-	-	4,422,020
Total Revenues	8,665,889	5,206,729	51,066	3,946,717	2,138	790,742	18,663,281
Expenditures							
Instruction	-	-	2,500	788,546	-	1,649,020	2,440,066
Support Services	13,231,575	173,994	18,196	3,857,512	-	3,034,295	20,315,572
Non-Instruction Services	-	5,613,924	-	641,651	-	-	6,255,575
Capital Outlays	12,000	234,941	-	7,492	-	3,757,888	4,012,321
Other Outlays	-	-	-	-	-	158,521	158,521
Debt Service							
Principal	-	-	-	-	-	393,457	393,457
Interest	-	-	-	-	-	16,877	16,877
Total Expenditures	13,243,575	6,022,859	20,696	5,295,201	-	9,010,058	33,592,389
Excess (Deficiency) of Revenues over Expenditures	(4,577,686)	(816,130)	30,370	(1,348,484)	2,138	(8,219,316)	(14,929,108)
Other Financing Sources (Uses)							
Transfers In	1,628,435	34,016	-	-	-	29,331	1,691,782
Transfers Out	-	-	-	-	-	(29,331)	(29,331)
Other Financing Sources	-	-	-	1,546,176	-	123,528	1,669,704
Total Other Financing Sources (Uses)	1,628,435	34,016	-	1,546,176	-	123,528	3,332,155
Net Change in Fund Balances	(2,949,251)	(782,114)	30,370	197,692	2,138	(8,095,788)	(11,596,953)
Beginning Fund Balances	10,724,954	2,538,971	391,551	2,567,140	43,296	20,698,545	36,964,457
Ending Fund Balances	$ 7,775,703	$ 1,756,857	$ 421,921	$ 2,764,832	$ 45,434	$ 12,602,757	$ 25,367,504

Norman Independent School District No. 29
Cleveland County, Oklahoma
Combining Balance Sheet – Capital Project Funds
June 30, 2025

	2016 Bond Fund	2017 Bond Fund	2018 Bond Fund	2019 Bond Fund	2020 Bond Fund	2021 Bond Fund	2022 Bond Fund	2023 Bond Fund	2024 Bond Fund	Total Capital Project Funds
Assets										
Pooled Cash and Investments	$ 38	$ 94	$ 277	$ 1,121,672	$ 149,472	$ 2,556,560	$ 648,436	$ 3,163,926	$ 6,084,016	$ 13,724,491
Total Assets	$ 38	$ 94	$ 277	$ 1,121,672	$ 149,472	$ 2,556,560	$ 648,436	$ 3,163,926	$ 6,084,016	$ 13,724,491
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Accounts Payable	$ -	$ -	$ -	$ 99,182	$ 3,578	$ 30,336	$ 78,701	$ 82,150	$ 827,787	$ 1,121,734
Total Liabilities	-	-	-	99,182	3,578	30,336	78,701	82,150	827,787	1,121,734
Fund Balances										
Restricted	38	94	277	1,022,490	145,894	2,526,224	569,735	3,081,776	5,256,229	12,602,757
Fund Balances, End of Year	38	94	277	1,022,490	145,894	2,526,224	569,735	3,081,776	5,256,229	12,602,757
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 38	$ 94	$ 277	$ 1,121,672	$ 149,472	$ 2,556,560	$ 648,436	$ 3,163,926	$ 6,084,016	$ 13,724,491

Norman Independent School District No. 29

Cleveland County, Oklahoma

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Capital Project Funds

Year Ended June 30, 2025

	2015 Bond Fund	2016 Bond Fund	2017 Bond Fund	2018 Bond Fund	2019 Bond Fund	2020 Bond Fund	2021 Bond Fund	2022 Bond Fund	2023 Bond Fund	2024 Bond Fund	Total Capital Project Funds
Revenues											
Interest	$ -	$ 38	$ 94	$ 277	$ 59,919	$ 14,608	$ 144,815	$ 35,801	$ 155,218	$ 379,972	$ 790,742
Total Revenues	-	38	94	277	59,919	14,608	144,815	35,801	155,218	379,972	790,742
Expenditures											
Instruction	-	-	-	-	7,793	-	611,309	113,155	-	916,763	1,649,020
Support Services	-	-	-	-	56,958	38,573	56,481	546,326	19,584	2,316,373	3,034,295
Capital Outlays	-	-	-	-	235,855	15,753	218,128	3,933	346,140	2,938,079	3,757,888
Other Outlays	-	-	-	-	-	158,521	-	-	-	-	158,521
Debt Service	-										-
Principal	-	-	-	-	-	-	-	-	-	393,457	393,457
Interest	-	-	-	-	-	-	-	-	-	16,877	16,877
Total Expenditures	-	-	-	-	300,606	212,847	885,918	663,414	365,724	6,581,549	9,010,058
Excess (Deficiency) of Revenues over Expenditures	-	38	94	277	(240,687)	(198,239)	(741,103)	(627,613)	(210,506)	(6,201,577)	(8,219,316)
Other Financing Sources (Uses)											
Transfers In	-	-	-	-	29,331	-	-	-	-	-	29,331
Transfers Out	(871)	(2,659)	(6,546)	(19,255)	-	-	-	-	-	-	(29,331)
Other Financing Sources	-	-	-	-	-	-	-	-	-	123,528	123,528
Total Other Financing Sources (Uses)	(871)	(2,659)	(6,546)	(19,255)	29,331	-	-	-	-	123,528	123,528
Net Change in Fund Balances	(871)	(2,621)	(6,452)	(18,978)	(211,356)	(198,239)	(741,103)	(627,613)	(210,506)	(6,078,049)	(8,095,788)
Beginning Fund Balances	871	2,659	6,546	19,255	1,233,846	344,133	3,267,327	1,197,348	3,292,282	11,334,278	20,698,545
Ending Fund Balances	$ -	$ 38	$ 94	$ 277	$ 1,022,490	$ 145,894	$ 2,526,224	$ 569,735	$ 3,081,776	$ 5,256,229	$ 12,602,757

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final	Actual Amounts GAAP Basis	Original to Final	Final to Actual
Budgetary Fund Balance, July 1	$ 10,067,641	$ 10,724,954	$ 10,724,954	$ 657,313	$ -
Resources (inflows)					
Property Taxes	6,967,867	7,025,356	7,063,090	57,489	37,734
Interest	348,017	288,071	293,414	(59,946)	5,343
State Revenue	1,557,930	1,309,385	1,309,385	(248,545)	-
Other	925,343	25,343	-	(900,000)	(25,343)
Transfers In	-	-	1,628,435	-	1,628,435
Amounts Available for Appropriation	19,866,798	19,373,109	21,019,278	(493,689)	1,646,169
Charges to Appropriations (outflows)					
Support Services	13,384,713	12,354,688	13,231,575	1,030,025	876,887
Capital Outlays	4,500	3,000	12,000	1,500	(9,000)
Total Charges to Appropriations	13,389,213	12,357,688	13,243,575	1,031,525	867,887
Budgetary Fund Balance, June 30	$ 6,477,585	$ 7,015,421	$ 7,775,703	$ 537,836	$ 778,282

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance with Final Budget Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Budgetary Fund Balance, July 1	$ 979,621	$ 3,024,169	$ 2,538,971	$ 2,044,548	$ (485,198)
Resources (inflows)					
Interest	122,809	125,000	107,262	2,191	(17,738)
Local Revenue	1,661,740	1,941,910	583,543	280,170	(1,358,367)
State Revenue	53,652	53,652	52,551	-	(1,101)
Federal Revenue	4,339,078	4,903,078	4,463,373	564,000	(439,705)
Transfers In	-	-	34,016	-	34,016
Amounts Available for Appropriation	7,156,900	10,047,809	7,779,716	2,890,909	(2,268,093)
Charges to Appropriations (outflows)					
Non-instruction services	6,862,093	6,031,352	5,613,924	830,741	417,428
Capital Outlays	26,970	410,368	234,941	(383,398)	175,427
Other Outlays	190,000	190,000	173,994	-	16,006
Total Charges to Appropriations	7,079,063	6,631,720	6,022,859	447,343	608,861
Budgetary Fund Balance, June 30	$ 77,837	$ 3,416,089	$ 1,756,857	$ 3,338,252	$ (1,659,232)

Norman Independent School District No. 29

Cleveland County, Oklahoma

Combining Schedule of Changes in Assets and Liabilities – All Activity Funds

Year Ended June 30, 2025

Activities	Ending Balance As of June 30, 2024	Total Receipts	Total Disbursements	Ending Balance As of June 30, 2025
Assets				
Football	$ 59,755	$ 83,499	$ 95,490	$ 47,764
Boys Basketball	10,758	45,887	50,089	6,556
Girls Basketball	1,303	22,811	22,984	1,130
Boys Swimming	2,653	-	-	2,653
Baseball	15	45,716	45,731	-
FastPitch Softball	3,774	16,927	18,616	2,085
Wrestling	490	21,722	21,772	440
Boys Tennis	26	6,059	6,085	-
Girls Tennis	115	4,367	4,367	115
Slowpitch Softball	1,087	8,932	9,692	327
Girls Cross Country	787	7,465	7,466	786
Boys Golf	1,015	28,019	27,812	1,222
Boys Cross Country	325	8,126	8,127	324
Boys Soccer	1,525	16,853	16,858	1,520
Volleyball	7,841	26,567	29,467	4,941
Boys Track	12,875	19,501	22,110	10,266
Girls Track	5,530	8,767	5,919	8,378
General Athletics	47,669	199,667	220,249	27,087
ASCE	20,959	38,369	40,298	19,030
Girls Golf	450	7,204	7,654	-
Girls Soccer	7,312	10,835	10,783	7,364
Girls Swimming	1,595	-	-	1,595
AP Tests	139,270	136,661	108,019	167,912
Art	20,838	3,818	10,428	14,228
Art in Education	234	-	-	234
Coke	54,223	(45)	10,996	43,182
Band	13,741	57,963	40,787	30,917
Asian Culture	1,047	538	623	962
Snack Shack	19,863	11,851	29,991	1,723
Bright Future Funds	-	22	-	22
Student Services PD	-	17,000	-	17,000
Multi Cultural	-	272	110	162
Cheerleaders	21,818	22,925	30,991	13,752
Business	115	(115)	-	-
Tiger Crew	765	4,918	4,930	753
Freshmen	3,043	2,550	3,336	2,257
Fine Arts Rental Income	-	18,997	-	18,997
Ag Ed (FFA)	60,611	102,327	99,334	63,604
Camp Turning Point	242	1,700	1,734	208
Clearing Account	720	-	-	720
Book Club	75	-	-	75
Book Fair	22,116	13,206	14,292	21,030
Drama Club	11,051	7,503	12,004	6,550
Drug Free/Chemical Depend	1,141	-	-	1,141
Black Stud Assoc/Stomp	2,093	406	109	2,390
Pack Shack/Link Crew	40,730	(1,206)	2,940	36,584
OK Youth & Government	185	(185)	-	-
English	319	2,546	1,045	1,820
Environmental Club	283	-	-	283

	Ending Balance As of June 30, 2024	Total Receipts	Total Disbursements	Ending Balance As of June 30, 2025
Transition Program	$ 1,026	$ -	$ 1,017	$ 9
Equip/Repair/Furn	229	-	-	229
Explo	482	(60)	-	422
Enrichment	104	1,875	1,381	598
Faculty Services	2,952	-	-	2,952
African Amer Assoc	2,284	1,406	759	2,931
Field Trips	37,813	61,403	63,108	36,108
Parking Decals	37,211	16,174	13,747	39,638
G.E.M.S.	1,048	1,200	1,404	844
Foreign Language-All	1,201	1,275	1,320	1,156
French	317	55	120	252
Principal	555,163	371,272	323,129	603,306
Gifted and Talented	2,316	8,869	6,348	4,837
Hispanic & Latino Students	277	1,481	1,016	742
Sophomore	1,013	-	-	1,013
5th Grade	3,037	21,708	18,619	6,126
Junior	3,428	-	-	3,428
6th Grade	1,766	9,265	7,077	3,954
7th Grade	3,056	9,703	7,396	5,363
8th Grade	2,151	2,603	2,815	1,939
Grants	2	-	-	2
FACS	5,474	2,909	5,044	3,339
Senior	2,444	2,705	2,775	2,374
Honor Society	9,290	7,880	5,958	11,212
DECA	35,557	142,441	124,667	53,331
Instrumental Music	21,838	16,556	29,700	8,694
Indigent Student Fund	3,704	-	-	3,704
Athletic Trainer	18,624	7,150	4,437	21,337
Independent Living	1,550	(1,550)	-	-
Spud-North	47,272	181,186	226,637	1,821
Leadership Council	7,800	3,165	1,584	9,381
Latin	5,299	635	743	5,191
Library/Media Center	50,543	85,476	72,861	63,158
Computer Science	114	300	200	214
FCCLA	1,420	1,937	1,566	1,791
Natl Art Honor Society	1,951	-	-	1,951
Modern Dance Club	11,673	876	2,931	9,618
Misc Transaction	1,498	-	-	1,498
Mu Alpha Theta	1,559	2,130	1,752	1,937
Music/Drumline	14,533	41,654	27,199	28,988
Newspaper/Journalism	1,333	-	800	533
Orchestra	67,038	52,674	45,576	74,136
Office	1,314	(863)	-	451
Memorial Fund	181	(181)	-	-
Poms	7	380	-	387
Physical Education	1,505	1,714	2,548	671
Prof Leave/Development	8,074	(1,000)	90	6,984
Partners-In-Ed	459	-	294	165
PTA-Student	21,145	51,651	54,882	17,914
Native American Club	6,141	559	-	6,700
Donations	30,400	6,578	13,458	23,520

Norman Independent School District No. 29

Cleveland County, Oklahoma

Combining Schedule of Changes in Assets and Liabilities – All Activity Funds

Year Ended June 30, 2025

	Ending Balance As of June 30, 2024	Total Receipts	Total Disbursements	Ending Balance As of June 30, 2025
Outdoor Classroom	$ 1,092	$ (1,092)	$ -	$ -
Service Learning	10,454	4,117	2,695	11,876
Principal	1,099	(1,099)	-	-
PSAT/Guidance Serv	1,523	40	-	1,563
Prom	52,419	44,378	29,233	67,564
School Climate	7,434	-	177	7,257
Recycling	228	-	-	228
Resource Center Material	(6,899)	8,717	8,241	(6,423)
Fundraiser	51,544	137,555	128,112	60,987
Orange Thumb	375	-	-	375
Sat School/Student Int	1,871	-	-	1,871
Special Olympics	(1,294)	2,868	2,898	(1,324)
Science	412	-	-	412
Social Studies	191	-	-	191
Gay/Straight Alliance	483	-	-	483
TAPP	(517)	-	-	(517)
Spanish	1,720	3,430	3,216	1,934
Speech	40,477	22,087	23,478	39,086
Special Ed/Spec Athletes	15,902	6,532	6,634	15,800
Fine Arts	26,171	65,099	49,886	41,384
Student Council/Congress	55,824	58,294	56,860	57,258
Store-School	4	-	-	4
Special Education	968	2,330	1,010	2,288
Musicals	8,113	6,601	6,644	8,070
Rotary Inter-ACT	2,818	5	-	2,823
Key Club	1,517	-	-	1,517
6th Grade Books	609	-	-	609
Theater Art	5,786	294	670	5,410
Technology	10,955	1,444	2,378	10,021
Vocal Music	34,147	305,648	303,077	36,718
Teen Volun/Parent Outreach	139	-	-	139
VRC-Video Resource Center	6,999	-	486	6,513
PR Fund	79	-	-	79
Yearbook	90,556	17,589	32,423	75,722
Elem Music/Art	3,145	1,476	377	4,244
Wildcat Memories	100	-	-	100
Life Skills	1,200	-	-	1,200
Costume Design	(100)	-	-	(100)
Young Democrats	1,161	(436)	-	725
Stand For Silence	4	-	-	4
Interior Design	100	-	-	100
Botball	11,562	7,600	11,622	7,540
First Grade	128	9,516	8,095	1,549
Student Assistance Fund	3,502	1,000	1,995	2,507
Administration	65,961	(10,000)	9,579	46,382
Second Grade	1,041	8,548	7,123	2,466
WOW	22,221	11,011	7,567	25,665
Anthology	5,772	1,268	1,141	5,899
Academic Teams	3,879	7,201	7,512	3,568
Republican Club	23	(2,918)	-	(2,895)
Third Grade	340	5,315	4,560	1,095

Norman Independent School District No. 29

Cleveland County, Oklahoma

Combining Schedule of Changes in Assets and Liabilities – All Activity Funds

Year Ended June 30, 2025

	Ending Balance As of June 30, 2024	Total Receipts	Total Disbursements	Ending Balance As of June 30, 2025
Transition Center	$ 497	$ 10,852	$ 4,409	$ 6,940
Pre Engineering	5,796	5,680	6,859	4,617
Chinese Club	105	-	-	105
Logo Royalties	5,755	1,715	534	6,936
FCCLA	1,156	757	1,238	675
NHS Instrument Fund	70	-	-	70
Art Club	80	-	-	80
Step Dance Team	1,142	-	-	1,142
Made	804	-	-	804
Ilearn Fluently	4	-	-	4
WAT	2,362	-	1,468	894
Pulling for Root	20	-	-	20
Lock In	102	-	-	102
Music Club	260	-	-	260
Future City/History Day	16	-	-	16
Hildebrand Scholarship	1,025	-	-	1,025
Big Brothers/Big Sisters	184	-	-	184
Autism	225	-	-	225
Tracks	72	-	-	72
Fundraiser	(184)	-	-	(184)
Autism	(186)	-	-	(186)
Timberwolf Pantry	673	-	-	673
Garden Club	90	(90)	-	-
German Club	1,612	(391)	-	1,221
Norman Arts Council	3,501	-	-	3,501
Triathlon Club	2,137	-	-	2,137
Sports Marketing	630	-	-	630
Literacy Magazine	50	-	-	50
6th Grade Lightning Thief	1,413	-	-	1,413
Watch Dogs	611	(600)	-	11
After School Detention	899	-	-	899
Counselor Donation	13	-	-	13
Joe Lawson Memorial	9,952	9,952	-	19,904
Irving Edition	354	-	-	354
Teacher Lounge	(358)	-	-	(358)
Fine Arts Sponsorships	558	-	-	558
Tigers Helping Tigers	3,544	-	647	2,897
Technology Student Assoc	9,460	7,214	8,973	7,701
NHS Rocketry	20	(20)	-	-
Women's Advocacy	1,145	-	-	1,145
Ritchey Revocable Trust	569	-	89	480
Teacher Support	600	-	-	600
Hatch Donations	1,056	(550)	463	43
Summer Band Camp	2,304	-	-	2,304
Wednesday Warriors	188	-	-	188
American Sign Language	141	-	-	141
Picture Commission	118,640	48,534	56,928	110,246
Solar Panels	13,565	1,461	14,980	46
PDC Donations	-	4,000	3,142	858
Girls Group	802	-	-	802
SRO Donation	724	-	-	724

Norman Independent School District No. 29
Cleveland County, Oklahoma
Combining Schedule of Changes in Assets and Liabilities – All Activity Funds
Year Ended June 30, 2025

	Ending Balance As of June 30, 2024	Total Receipts	Total Disbursements	Ending Balance As of June 30, 2025
Kindness Club	$ 308	$ -	$ -	$ 308
Running Club	-	30	30	-
Project Linus	217	200	34	383
Rho Kappa	564	399	379	584
Asian Amer Pac Island	1,312	390	820	882
Concessions	473	266,829	267,303	(1)
School Stores	4,628	166,799	152,214	19,213
Celebration of Excellence	-	78,735	78,735	-
Vending	6,507	64,660	31,590	39,577
Mathematica	11,068	189	6,892	4,365
Concessions-Athletics	44,284	53,300	25,001	72,583
Astronomy	-	1,550	1,201	349
Travel Club	1,128	-	-	1,128
Latine Heritage	498	1,048	640	906
Supt's Activity Fund	55,298	2,500	5,021	52,777
NN Courtyard	126	20	-	146
Concessions-District	41,352	28,177	-	69,529
Fourth Grade	250	3,378	1,758	1,870
Disc Golf	452	-	163	289
Living Classroom Zoo	-	-	-	-
E-Sports	15	1,014	-	1,029
Kindergarten	877	5,913	3,761	3,029
Team Terra	13	134	147	-
Site TOY Allocation	1,499	3,650	599	4,550
Energy Incentive	1,625	2,021	2,012	1,634
Holly M Food	1,162	-	-	1,162
A Light Sparks	3,804	4,800	7,195	1,409
Stu Serv Sponsorships	416	5,755	3,330	2,841
Club Funds	2,590	1,106	1,796	1,900
Walmart-Fine Arts	3,596	-	710	2,886
OAA Student Scholarship	6,650	24,319	-	30,969
Project Yawn	-	195	163	32
Athletic Gate Revenue	-	221,312	221,444	(132)
ID/Access Cards	-	2,030	-	2,030
Whittier PTO	-	46,194	183	46,011
Circle Circuit	-	356	-	356
Mindfulness Club	-	192	58	134
Unassigned	-	16	-	16
TEDx Youth	-	441	225	216
Rounding	(6)	(3)	6	(15)
Total assets	$ 2,567,140	$ 3,946,717	$ 3,749,025	$ 2,764,832
Liabilities				
Due to Student Groups	$ 2,567,140	$ 3,946,717	$ 3,749,025	$ 2,764,832
Total liabilities	$ 2,567,140	$ 3,946,717	$ 3,749,025	$ 2,764,832

Note 1 - Basis of Presentation

The above schedule and format is required by the Oklahoma State Department of Education and is not intended to represent a financial statement in accordance with generally accepted accounting principles.

NAME	TYPE	COMPANY	BOND #	AMOUNT	BEG DATE	END DATE
Dr. Nick Migliorino	Public Official Bond	Travelers Casualty and Surety Company	106784796	$100,000	7/1/2024	6/30/2025
Tyler Jones	Public Official Bond	RLI Insurance Company	LSM1854246	$100,000	7/1/2024	Until Cancelled
Janine Anne Warren	Public Official Bond	Hartford Fire Insurance Company	38BSBCJ1584	$100,000	11/16/2024	11/16/2025
Norman Public Schools	Commercial Crime Policy	St Paul Travelers	104343265	$100,000	7/1/2004	Until Cancelled

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Education
Norman Independent School District No. 29
Norman, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Norman Independent School District No. 29 (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 10, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described as 2025-001 in the accompanying schedule of findings and responses to be a material weakness.

eidebailly.com
621 N. Robinson Ave., Ste. 200 • Oklahoma City, OK 73102-6232 • T 405.594.2000 • F 405.594.2053 • EOE

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described as 2025-002 in the accompanying schedule of findings and responses to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2025-002.

Norman Independent School District No. 29's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ede Bailly LLP

Oklahoma City, Oklahoma
November 10, 2025

Material Weakness in Internal Controls over Financial Reporting:

2025-001 Material Adjustments, including a Restatement

Criteria: Controls over complete year-end financial reporting process should be in place. Controls should be in place to record all amounts in accordance with generally accepted accounting principles (GAAP).

Condition: The District does have procedures in place for the preparation of the fund financial statements and government wide financial statements and related disclosures as required by generally accepted accounting principles.

However, a material adjustment was noted subsequent to year-end for an expenditure that should have been accrued as a liability of June 30, 2024.

Also, there was an adjustment to increase cash and decrease expense in the amount of $778,077 in the Lease Revenue Bonds Fund. For government-wide purposes, this was removed from construction in progress. Further, there was an adjustment to increase accrued interest and interest expense in the amount of $970,030. For government-wide purposes, this was added to accrued interest.

Cause: A payment made in FY2025 was identified as an expenditure related to FY2024 that should have been accrued in order to properly state the financial statements in accordance with GAAP. Additionally, other adjustments were not made in accordance with GAAP related to the lease revenue bonds fund and interest expenses.

Effect: The District is at risk for material misstatements and incomplete or inaccurate financial statements.

Recommendation: Certain controls should be put in place to ensure that adjustments are made to properly state financials in accordance with GAAP.

Views of Responsible Officials:

- Management does have controls in place for recording financial transactions properly in the fund financial statements.
- Management understands the importance of ensuring that adjustments are made to properly state government-wide financial statements in accordance with generally accepted accounting principles.
- Management will put additional procedures in place to ensure all elements required to properly record adjustments are followed.

Significant Deficiency in Internal Controls over Financial Reporting; Compliance:

2025-002 Student Activity Funds

Condition:	Certain student activity receipts were not properly reconciled prior to the time of deposit to justify that amounts were deposited timely and accurately. Approximately 18% of deposits tested (8 in our sample of 40) contained an exception. Out of these exceptions, all 8 exceptions were not deposited timely.
Criteria:	Oklahoma Statutes Section 70-5-129 related to student activity funds states "deposits subject to the requirements of this section shall be made by the end of the next business day; however, if the deposit for a day totals less than $100, a school district may accumulate monies required to be deposited into the fund on a daily basis until the total accumulated balance of deposits equals or exceeds $100…shall deposit accumulated monies not less than one time per week".
Cause:	In some cases, there are some processes that are not in place to ensure that the teacher sponsor receipts were properly received and deposited within the prescribed timeframe determined by state statute.
Effect:	Failure to comply with State law indicating a failure to exercise control over funds received from student activities.
Recommendation:	Requirements for daily submission of student activity funds should be monitored for all sites by District administration.
Views of Responsible Officials:	The District administration has been communicating these receipt and deposit legal requirements to site staff. Financial secretary turnover and vacancies contributed to this finding. We will continue to work with Principals and financial secretaries, with an emphasis on the importance of proper reconciliation as well as timely depositing of following these legal requirements.

STATE OF OKLAHOMA)
) ss
County of Oklahoma)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit law" at the time of audit contract and during the entire audit engagement with Norman Independent School District No. 29 for the audit year 2024-2025.

EIDE BAILLY, LLP

Vanessa M. Dutton

Subscribed and sworn to before me on this 10 day of November, 2025.

Erika Ackley
Notary Public

ERIKA ACKLEY NOTARY # 23001356 EXP. 01/27/27 PUBLIC STATE OF OKLAHOMA

My commission expires 1/27/27