

This Preliminary Official Statement and the information contained herein is subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MAY 6, 2026

NEW ISSUE – Book-Entry-Only

Ratings: S&P _____
Oklahoma #1

*It is anticipated that prior to delivery of the Bonds, Bond Counsel will render an opinion which states, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2026 Combined Purpose Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the 2026 Combined Purpose Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code. **Interest on the 2026 Building Bonds is included in gross income for Federal income tax purposes.** In the opinion of Bond Counsel, interest on the 2026 Combined Purpose Bonds and the 2026 Building Bonds is exempt from State of Oklahoma income tax under existing law. See "TAX MATTERS RESPECTING THE 2026 COMBINED PURPOSE BONDS" and "TAX MATTERS RESPECTING THE 2026 BUILDING BONDS" herein.*

THE 2026 COMBINED PURPOSE BONDS WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

**INDEPENDENT SCHOOL DISTRICT NUMBER 2
TULSA COUNTY, OKLAHOMA
(Sand Springs School District)**

\$5,115,000

General Obligation

Combined Purpose Bonds, Series 2026

\$2,650,000

General Obligation

Building Bonds, Federally Taxable Series 2026

Dated: June 1, 2026

Due: June 1, As Shown Below

Interest on the \$5,115,000 Independent School District Number 2, Tulsa County, Oklahoma, General Obligation Combined Purpose Bonds, Series 2026 (the "2026 Combined Purpose Bonds") and its \$2,650,000 General Obligation Building Bonds, Federally Taxable Series 2026, (the "2026 Building Bonds") (collectively, the "Bonds" or "2026 Bonds") will accrue from June 1, 2026, (the "Dated Date") and will be payable June 1 and December 1 of each year commencing June 1, 2027, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "The Bonds – Book Entry System" herein. The Paying Agent/Registrar is UMB Bank, n.a. (the "Paying Agent/Registrar").

The 2026 Bonds constitute direct and general obligations of Independent School District No. 2 of Tulsa County, Oklahoma, payable from ad valorem taxes levied against all taxable property located therein, excepting homestead exemptions, without limitation as to rate or amount. The 2026 Bonds are being issued in accordance with the provisions contained in the Oklahoma Constitution, and laws of the State of Oklahoma supplementary and amendatory thereto.

\$5,115,000

General Obligation

Combined Purpose Bonds, Series 2026

Base CUSIP: 899542

\$2,650,000

General Obligation

Building Bonds, Federally Taxable Series 2026

Base CUSIP: 899542

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>
6-1-2028	\$1,275,000			6-1-2028	\$660,000		
6-1-2029	\$1,275,000			6-1-2029	\$660,000		
6-1-2030	\$1,275,000			6-1-2030	\$660,000		
6-1-2031	\$1,290,000			6-1-2031	\$670,000		

The 2026 Bonds are offered subject to the approval of legality by the Attorney General of the State of Oklahoma and _____, Bond Counsel. It is anticipated that the 2026 Bonds in definitive form will be available for delivery on or about June 26, 2026.

Financial Advisor



Official Statement Dated May __, 2026

REGARDING USE OF THE OFFICIAL STATEMENT

This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy within any jurisdiction to any person to whom it is unlawful to make such offer or solicitation within such jurisdiction. In connection with the offering of the 2026 Bonds, no dealer, salesman or any other person has been authorized to give any information or to make any representation other than contained herein. If given or made, such information or representation must not be relied upon.

The information contained in this Official Statement, including the cover page and exhibits hereto, has been obtained from public officials, official records and from other sources which are deemed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information and nothing contained in this Official Statement is or shall be relied upon as a promise or representation by the Financial Advisor. The delivery of this Official Statement does not at any time imply that information contained herein is correct as of any time subsequent to its date.

Any statements, contained in this Official Statement involving matters of opinion, estimations or projections, whether or not expressly so stated, are intended as such and not as representations of facts. This Official Statement shall not be construed as a contract or agreement between the Board of Education of Independent School District No. 2 of Tulsa County, Oklahoma, and the purchasers or holders of any of the 2026 Bonds.

FOR PURPOSES OF COMPLIANCE WITH RULE 15C2-12(B)(1) OF THE SECURITIES AND EXCHANGE COMMISSION, THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED FINAL (EXCEPT FOR PERMITTED OMISSIONS) AS OF THE DATE HEREOF; HOWEVER, IT IS SUBJECT TO REVISION, AMENDMENT AND COMPLETION AS A FINAL OFFICIAL STATEMENT.

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OFFICIAL STATEMENT

INDEPENDENT SCHOOL DISTRICT NO. 2 TULSA COUNTY, OKLAHOMA (Sand Springs School District)

\$5,115,000 General Obligation Combined Purpose Bonds, Series 2026 and \$2,650,000 General Obligation Building Bonds, Federally Taxable Series 2026

INTRODUCTION

Independent School District No. 2 of Tulsa County, Oklahoma, also known as the Sand Springs School District (the "School District") is issuing its \$5,115,000 General Obligation Combined Purpose Bonds, Series 2026 (the "2026 Combined Purpose Bonds") and its \$2,650,000 General Obligation Building Bonds, Federally Taxable Series 2026 (the "2026 Building Bonds") (collectively, the "Bonds" or "2026 Bonds") to provide funds for the purpose of making capital improvements and purchasing equipment within and for the benefit of the School District. The 2026 Bonds are being issued in accordance with the provisions of the Oklahoma Constitution and laws of the State of Oklahoma supplementary and amendatory thereto. The 2026 Bonds constitute direct and general obligations of the School District payable from ad valorem taxes levied against all taxable property, excepting homestead exemptions, located therein without limitation as to rate or amount.

The School District is located in northeastern Oklahoma, in Tulsa County, approximately 10 miles west of the City of Tulsa, Oklahoma. The School District, encompassing approximately 77 square miles, serves a portion of the City of Sand Springs (estimated 2024 population: 20,330) and the surrounding rural area in Tulsa and Osage Counties. According to the U.S. Census Bureau, the estimated population of the School District as of 2024 was 26,214 people. The School District employs approximately 290 certified teachers, has an enrollment of approximately 4,924, and operates approximately 25 regular bus routes transporting approximately 31% of the student body to and from school daily. The School District is fully accredited by the Oklahoma State Department of Education.

The School District has included herein, as Exhibit A, a copy of its Financial Statements as of June 30, 2025, together with Auditor's Report. Exhibit A should be read in its entirety.

THE BONDS

Description

The 2026 Bonds shall bear interest at the rates and mature on the dates as shown on the cover of this Official Statement. Interest on the Bonds will accrue from June 1, 2026, and will be payable June 1 and December 1 of each year commencing June 1, 2027, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "The Bonds – Book Entry System" herein.

Redemption Prior to Maturity

The 2026 Bonds are not subject to redemption prior to maturity.

Registration

The Bonds will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). DTC will act as securities depository for the Bonds. Individual purchases may be made in book entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. See “Book-Entry Only System” below.

The Bonds are transferable by their registered owner(s) in person or by their attorney(-ies) duly authorized in writing at the principal office of the Registrar but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of the Bond(s). Upon such transfer a new Bond or Bonds of the same maturity or maturities, interest rate or rates and of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange therefor. The School District and the Registrar may deem and treat the registered owner(s) as the absolute owner(s) (whether or not the Bond(s) shall be overdue) for the purpose of receiving payment thereof and for all other purposes and neither School District nor Registrar shall be affected by any notice to the contrary.

Book-Entry Only System

The information in this section concerning The Depository Trust Company (“DTC”) and DTC’s Book-Entry Only system has been obtained from DTC, and the School District and the Underwriters take no responsibility for the accuracy thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC at the office of the Paying Agent on behalf of DTC utilizing the DTC FAST system of registration.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’

records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC (or the Paying Agent on behalf of DTC utilizing the DTC FAST system of registration) are registered in the name of DTC's partnership nominee, Cede & Co or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC (or the Paying Agent on behalf of DTC utilizing the DTC FAST system of registration) and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School District or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the School District or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series Bond certificates are required to be printed and delivered.

The School District may decide to discontinue use of the system of Book-Entry Only transfers through DTC (or a successor securities depository). In that event, Series Bond certificates will be printed and delivered to DTC.

The School District, Bond Counsel, the Paying Agent and the Underwriters cannot and do not give any assurances that the DTC Participants will distribute to the Beneficial Owners of the Bonds: (i) payments of principal of or interest on the Bonds; (ii) certificates representing an ownership interest or other confirmation of Beneficial Ownership interests in the Bonds; or (iii) redemption or other notices sent to DTC or its nominee, as the Registered Owners of the Bonds; or that they will do so on a timely basis or that DTC or its participants will serve and act in the manner described in this official statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

None of the School District, Bond Counsel, the Paying Agent or the Underwriters will have any responsibility or obligation to such DTC Participants (Direct or Indirect) or the persons for whom they act as nominees with respect to: (i) the Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by any DTC Participant of any amount due to any Beneficial Owner in respect of the principal amount of or interest on the Bonds; (iv) the delivery by any DTC Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Bond Indenture to be given to Registered Owners; (v) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC as Registered Owner.

In reading this Official Statement, it should be understood that while the Bonds are in the Book-Entry Only System, references in other sections of this Official Statement to Registered Owner should be read to include the Beneficial Owners of the Bonds, but: (i) all rights of ownership must be exercised through DTC and the Book-Entry Only System; and (ii) notices that are to be given to Registered Owners by the School District or the Paying Agent will be given only to DTC.

Security for the Bonds

The Bonds are payable from ad valorem taxes levied annually on all taxable property, **without limitation as to rate or amount**, within the School District including real, personal and public service property, and any other monies available for such purpose. Pursuant to Oklahoma statutes, the Assessor is required to reassess the property within the County at least once each five years. The School District is required to pay a portion of the cost of such reassessment. The current assessment ratios for Tulsa County and Osage County are shown below:

	<u>Tulsa County</u>	<u>Osage County</u>
Real Estate	11.00%	12.00%
Personal	10.00%	12.00%
Public Service Property*	22.85%	22.85%

* Exceptions: the assessment ratio for Airlines and Railroads is 11.84%, and the assessment ratio for Video Services Providers is 12.00%.

The Sinking Fund ad valorem tax rates are set by determining the actual dollars of revenues required for payment of principal and interest payments on indebtedness and judicial judgments. Such total amount may be reduced by any surplus from the prior fiscal year and any contribution made into the Sinking Fund. To the resulting net requirements, a reserve for delinquent taxes, in an amount of not less than 5% nor more than 20% of the net required tax collection, shall be added to the required collections. Such final total requirements shall then be divided by the total net assessed valuation of all real, personal and public service property in order to determine the appropriate tax rate for each property owner.

Authority for Issuance and Purpose of Bonds

The Bonds are issued pursuant to the provisions of and in full compliance with the Constitution and Laws of the State of Oklahoma, particularly Article X, Section 26 of the Constitution of the State of Oklahoma and Title 70, Article XV of the Oklahoma Statutes 2011, and laws supplementary and amendatory thereto, and resolutions of the Board of Education to be adopted on May 13, 2026.

Under state law, school districts cannot become indebted beyond one year for an amount in excess of the income and revenue provided in such year without the approval of three-fifths (60 percent) of the voters within the district at an election held for such purpose.

2019 Authorization

The School District had a successful election on March 5, 2019. The special election authorized the issuance of, in separate series, by the School District a total of \$32,850,000. Pursuant to such authorization, the School District has previously issued \$26,085,000 of bonds authorized at this election.

The 2026 Combined Purpose Bonds include \$4,115,000 of bonds and the 2026 Building Bonds include \$2,650,000 of bonds authorized at this election.

2024 Authorization

The School District had a successful election on February 13, 2024. The special election authorized the issuance of, in separate series, by the School District a total of \$114,500,000. Pursuant to such authorization, the School District has previously issued \$620,000 of bonds authorized at this election. The 2026 Combined Purpose Bonds include \$1,000,000 of bonds authorized at this election. The remaining authorized bonds from this election are expected to be issued in varying amounts and in separate series annually from 2027 to 2040.

Tax Levy and Collection Procedures

Oklahoma statutes require that the School District each year make an ad valorem tax levy for a Sinking Fund which shall, with cash and investments in the fund, be sufficient to pay all the bonded indebtedness, interest and one-third of all outstanding judgments coming due in the following year.

After review and approval by the Board of Education of the School District, copies of the Sinking Fund Estimates are submitted to the County Excise Board to determine the ad valorem tax levy appropriations. This submission is required to be made by September 1st of each year. The estimates are for the purposes of determining ad valorem taxes required to fund the Sinking Fund. The amounts contained in the estimate of needs are verified by the County Excise Board and, upon verification, the levies contained therein are ordered to be certified to the County Assessor in order that the County Assessor may extend said levies upon the tax rolls for the year for which the estimate of needs is being submitted. The County Excise Board further certifies that the appropriations contained in the estimate of needs and the mill rate levies are within the limitations provided by law.

The County Assessor is required to file a tax roll report on or before October 1st each year with the County Treasurer indicating the net assessed valuation for each municipality within the County. This report includes the assessed valuation for all real, personal and public service property (public service property assessed valuations are determined by the Oklahoma Tax Commission). The County Treasurer must begin collecting taxes by July 1. The first half of taxes is due and payable on or before January 1. The second half becomes due and payable on or before April 1. If the first half is not paid by January 1, it all becomes due and payable on January 2.

Ad valorem taxes not paid on or before April 1 are considered delinquent. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The purchaser is issued a tax lien; however, the original owner of the property has two (2) years in which to redeem the property by paying

the taxes and penalties owed. If at the end of two years he has not done so, the purchaser may then apply for a deed to the property. If there is no purchaser, then the County acquires the same lien and the property is auctioned after approximately two and one-half (2 1/2) years.

Record Date

The record date ("Record Date") for the interest payable on the Bonds on any interest payment date means the close of business on the 15th day preceding any interest payment date.

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THE SAND SPRINGS SCHOOL DISTRICT

The School District is located in northeastern Oklahoma, in Tulsa County, approximately 10 miles west of the City of Tulsa, Oklahoma. The School District, encompassing approximately 77 square miles, serves a portion of the City of Sand Springs (estimated 2024 population: 20,330) and the surrounding rural area in Tulsa and Osage Counties. According to the U.S. Census Bureau, the estimated population of the School District as of 2024 was 26,214 people. The School District employs approximately 290 certified teachers, has an enrollment of approximately 4,924, and operates approximately 25 regular bus routes transporting approximately 31% of the student body to and from school daily. The School District is fully accredited by the Oklahoma State Department of Education.

The School District has included herein, as Exhibit A, a copy of its Financial Statements as of June 30, 2025, together with Auditor's Report. Exhibit A should be read in its entirety.

Residents of the School District are employed at businesses throughout the Tulsa Metropolitan Area. No separate employment figures are available for the School District; however, as of January 2026 the unemployment rates for the counties included in the School District are as follows:

	<u>Unemployment Rate</u>
Tulsa County	4.2%*
Osage County	4.8%*
State of Oklahoma	3.9%
United States	4.2%

County data not seasonally adjusted. State and federal data seasonally adjusted.

* Preliminary.

Source: U.S. Bureau of Labor Statistics and Oklahoma Employment Security Commission

Board of Education and School Administration

The School District is governed by an elected five-member Board of Education. Members of the Board of Education are as follows.

Board of Education

Whitney Wagers	President and Member
Mike Mullins	Vice-President and Member
Tracy Hanlon	Member
Bo Naugle	Member
Alesha Spoon	Member

School Administration

Sherry Durkee	Superintendent of Schools
Cassidy Wion	Chief Financial Officer

FINANCIAL INFORMATION

Compliance with Constitutional Debt Limitation

2025-26 Estimated Market Value	\$2,172,455,066
2025-26 Assessed Valuation, including Homestead & Other Exemptions	\$246,718,510
2025-26 Assessed Valuation, excluding Homestead & Other Exemptions	\$237,044,971

The county indicated below has held an election under Oklahoma Constitution Article X, Section 6(B) approving an exemption of certain household and personal property from ad valorem taxation. Accordingly, said county has calculated the “millage adjustment factor” to be applied to debt percentage limits under Article 10, Section 26(b), resulting in an adjusted debt limit. The adjusted debt limit is as follows:

<u>County</u>	Net Assessed Valuation	District Unadjusted Legal Debt Limit (1)	Millage Adjustment Factor	District Adjusted Legal Debt Limit (2)
Tulsa County	\$223,593,404	\$22,359,340	1.0300000	\$23,030,121
Osage County	\$13,451,567	\$1,345,157	1.0579450	\$1,423,102
TOTAL ADJUSTED LEGAL DEBT LIMIT (BONDING CAPACITY)				\$24,453,222

- (1) Net Assessed Valuation times 10%.
 (2) District Unadjusted Legal Debt Limit times Millage Adjustment Factor.

General Obligation Bonds Outstanding*	\$29,400,000
Less: <u>Estimated</u> Sinking Fund Balance (April 22, 2026)	10,264,434
Net General Obligation Combined Purpose Bonds Outstanding	\$19,135,566
Remaining Legal Debt Margin	\$5,317,656
Ratio of Net G.O. Indebtedness to NAV	8.07%
Ratio of Net G.O. Indebtedness to Estimated Full Market Value	0.88%

* This figure is as of April 22, 2026, and includes the 2026 Bonds.

Source: School District.

Authorized but Unissued Bonds

2019 Authorization

The School District had a successful election on March 5, 2019. The special election authorized the issuance of, in separate series, by the School District a total of \$32,850,000. Pursuant to such authorization, the School District has previously issued \$26,085,000 of bonds authorized at this election. The 2026 Combined Purpose Bonds include \$4,115,000 of bonds and the 2026 Building Bonds include \$2,650,000 of bonds authorized at this election.

2024 Authorization

The School District had a successful election on February 13, 2024. The special election authorized the issuance of, in separate series, by the School District a total of \$114,500,000. Pursuant to such authorization, the School District has previously issued \$620,000 of bonds authorized at this election. The 2026 Combined Purpose Bonds include \$1,000,000 of bonds authorized at this election. The

remaining authorized bonds from this election are expected to be issued in varying amounts and in separate series annually from 2027 to 2040.

Composition and Growth of the Net Assessed Valuation

The composition of the Net Assessed Valuation of the School District for the Fiscal Year 2025-26 is as follows:

<u>Property</u>	<u>Tulsa County</u>	<u>Osage County</u>	<u>Total</u>	<u>Percentage</u>
Real	179,255,349	10,855,252	190,110,601	80.20%
Personal	27,802,246	760,146	28,562,392	12.05%
Public Service	16,535,809	1,836,169	18,371,978	7.75%
Total	223,593,404	13,451,567	237,044,971	100.00%
% of Total	94.33%	5.67%	100.00%	

The growth of the Net Assessed Valuation of the District for the past ten years has been as follows:

<u>Fiscal Year</u>	<u>Net Assessed Valuation</u>	<u>% Change</u>
2025-2026	\$237,044,971	4.89%
2024-2025	\$225,989,600	3.47%
2023-2024	\$218,416,945	7.29%
2022-2023	\$203,573,688	7.81%
2021-2022	\$188,818,298	2.54%
2020-2021	\$184,142,365	4.37%
2019-2020	\$176,434,502	3.50%
2018-2019	\$170,471,819	2.23%
2017-2018	\$166,758,742	0.57%
2016-2017	\$165,819,144	

During this period, the Net Assessed Valuation of the District increased \$71,225,827 or 42.95%.

General Obligation Bonded Debt Outstanding*

<u>Date of Issuance</u>	<u>Original Principal Amount</u>	<u>Remaining Maturities</u>	<u>Maturity Dates</u>	<u>Total Outstanding</u>
5/1/2021	\$6,145,000	\$1,540,000	5/1/26	\$1,540,000
5/1/2022	\$4,925,000	\$1,230,000	5/1/26	
		\$1,235,000	5/1/27	\$2,465,000
6/1/2023	\$8,500,000	\$2,125,000	6/1/25-28	\$6,375,000
6/1/2024	\$3,510,000	\$875,000	6/1/26-28	
		\$885,000	6/1/29	\$3,510,000
6/1/2024	\$2,745,000	\$685,000	6/1/26-28	
		\$690,000	6/1/29	\$2,745,000
6/1/2025	\$4,160,000	\$1,040,000	6/1/27-30	\$4,160,000
6/1/2025	\$840,000	\$210,000	6/1/27-30	\$840,000
6/1/2026	\$5,115,000	\$1,275,000	6/1/28-30	\$5,115,000
		\$1,290,000	6/1/31	
6/1/2026	\$2,650,000	\$660,000	6/1/28-30	\$2,650,000
		\$670,000	6/1/31	
			TOTAL	\$29,400,000

*The table above is as of April 20, 2026, and includes the 2026 Bonds.

Annual Debt Service Requirements of General Obligation Bonded Debt Outstanding

Fiscal Year	Outstanding Bonds		2026 CP Bonds ¹		2026 BLDG Bonds ²		Total New Debt Service Requirement
	Principal	Interest	Principal	Interest	Principal	Interest	
2025-2026	\$6,455,000.00	\$526,722.50					\$6,981,722.50
2026-2027	6,170,000.00	635,005.00		\$179,025.00		\$132,500.00	7,116,530.00
2027-2028	4,935,000.00	391,095.00	\$1,275,000.00	179,025.00	\$660,000.00	132,500.00	7,572,620.00
2028-2029	2,825,000.00	172,750.00	1,275,000.00	134,400.00	660,000.00	99,500.00	5,166,650.00
2029-2030	1,250,000.00	50,840.00	1,275,000.00	89,775.00	660,000.00	66,500.00	3,392,115.00
2030-2031			1,290,000.00	45,150.00	670,000.00	33,500.00	2,038,650.00
TOTAL	\$21,635,000.00	\$1,776,412.50	\$5,115,000.00	\$627,375.00	\$2,650,000.00	\$464,500.00	\$32,268,287.50

¹ The average interest rate on the 2026 Combined Purpose Bonds is estimated to be 3.50%.

² The average interest rate on the 2026 Building Bonds is estimated to be 5.00%.

Net Direct, Overlapping and Underlying General Obligation Bonded Indebtedness

Municipality	Net Indebtedness	Amount Applying to the District	Ratio to Assessed Value of the District	Est. Per Capita Debt
School District	\$19,135,566	\$19,135,566	8.47%	\$729.98
City of Sand Springs	\$28,326,816	\$26,574,540	11.76%	\$1,013.75
Tulsa County	\$0	\$0	0.00%	\$0.00
Osage County	\$0	\$0	0.00%	\$0.00
TOTAL	\$47,462,382	\$45,710,106	20.23%	\$1,743.73

Debt figures for the School District are as of April 22, 2026, and include the 2026 Bonds.

Debt figures for all other entities are as of June 30, 2025.

Estimated per capita debt based on 2024 estimated population for the School District per U.S. Census Bureau.

Sinking Fund Tax Collections

Fiscal Year	Net Levy	Gross Levy	Current Collections	Total Collections
2025-2026	\$6,356,191	\$6,674,001	In process of collection	
2024-2025	\$6,356,191	\$6,674,001	\$6,479,522	\$6,653,128
2023-2024	\$6,187,049	\$6,496,402	\$6,278,345	\$6,435,726
2022-2023	\$5,227,619	\$5,489,000	\$5,285,538	\$5,489,445
2021-2022	\$5,148,924	\$5,406,370	\$5,202,514	\$5,395,922
2020-2021	\$5,316,000	\$5,581,800	\$5,375,442	\$5,618,747
2019-2020	\$5,349,720	\$5,617,206	\$5,360,777	\$5,584,672
2018-2019	\$5,048,258	\$5,300,671	\$5,056,812	\$5,200,299
2017-2018	\$4,849,657	\$5,092,140	\$4,893,023	\$5,030,151

* Collection percentage is determined utilizing total collections. Five percent (5%) is added to the net levy to compensate for expected delinquencies during the collection process.

Source: School District Administration and Budgets.

Percentage of Taxes Collected

The ratio of Current and Total Sinking Fund Tax Collections to the Net Sinking Fund Levy (the levy prior to addition of the reserve for uncollected taxes) is as follows:

Fiscal Year	Ratio of Current Tax Collections to <u>Net Levy</u>	Ratio of Total Tax Collections to <u>Net Levy</u>
2024-2025	101.94%	104.67%
2023-2024	101.48%	104.02%
2022-2023	101.11%	105.01%
2021-2022	101.04%	104.80%
2020-2021	101.12%	105.70%
2019-2020	100.21%	104.39%
2018-2019	100.17%	103.01%
2017-2018	100.89%	103.72%

The ratio of Current and Total Sinking Fund Tax Collections to the Gross Sinking Fund Levy (the levy after addition of the reserve for uncollected taxes) is as follows:

Fiscal Year	Ratio of Current Tax Collections to <u>Gross Levy</u>	Ratio of Total Tax Collections to <u>Gross Levy</u>
2024-2025	97.09%	99.69%
2023-2024	96.64%	99.07%
2022-2023	96.29%	100.01%
2021-2022	96.23%	99.81%
2020-2021	96.30%	100.66%
2019-2020	95.43%	99.42%
2018-2019	95.40%	98.11%
2017-2018	96.09%	98.78%

Source: School District Administration and Budgets.

Trend of Tax Rates: Major Taxing Units*

Fiscal Year	School District	City of Sand Springs	Tulsa County	Tulsa Community College	Tulsa Technology Center	Total Levy
2025-2026	70.09	14.90	22.20	7.21	13.33	127.73
2024-2025	70.73	14.14	22.20	7.21	13.33	127.61
2023-2024	70.94	12.13	22.60	7.21	13.33	126.21
2022-2023	68.16	11.51	23.16	7.21	13.33	123.37
2021-2022	69.83	11.81	23.26	7.21	13.33	125.44
2020-2021	71.51	14.59	23.25	7.21	13.33	129.89
2019-2020	73.04	10.00	22.66	7.21	13.33	126.24
2018-2019	72.29	7.38	22.74	7.21	13.33	122.95
2017-2018	71.74	5.99	22.24	7.21	13.33	120.51
2016-2017	71.51	8.70	22.24	7.21	13.33	122.99

*Dollars per \$1,000 of Net Assessed Valuation.

Source: Tulsa County Assessor.

School District General Fund Revenues and Expenditures

FY Ending June 30,	Beginning General Fund Balance	Total Revenue	Total Expenditures	Adjustments to Prior Year Encumbrances	Ending General Fund Balance
2019	\$5,929,711	\$35,474,308	\$35,086,535	\$1,214	\$6,318,698
2020	\$6,318,698	\$36,974,328	\$36,516,962	\$53,095	\$6,829,159
2021	\$6,829,159	\$34,736,444	\$35,939,903	\$521,199	\$6,146,899
2022	\$6,146,899	\$39,654,411	\$40,277,832	\$108,309	\$5,631,787
2023	\$5,631,787	\$44,345,765	\$43,450,531	\$124,388	\$6,651,409
2024	\$6,651,409	\$48,020,607	\$44,852,022	\$176,577	\$9,996,571
2025	\$9,996,571	\$46,859,694	\$46,882,046	\$20,466	\$9,994,685

Detail of School District General Fund Revenues

FY Ending June 30,	Local Sources*	County Sources	State Sources	Federal Sources	Total Revenues
2019	\$6,815,779	\$1,376,558	\$24,707,442	\$2,574,529	\$35,474,308
2020	\$6,944,795	\$1,470,692	\$25,894,166	\$2,664,675	\$36,974,328
2021	\$7,115,242	\$1,598,744	\$22,897,103	\$3,125,355	\$34,736,444
2022	\$7,545,947	\$1,839,225	\$25,056,263	\$5,212,976	\$39,654,411
2023	\$8,110,288	\$1,863,414	\$26,923,754	\$7,448,309	\$44,345,765
2024	\$9,500,896	\$1,880,730	\$31,388,905	\$5,250,076	\$48,020,607
2025	\$9,808,057	\$1,899,618	\$31,452,832	\$3,699,187	\$46,859,694

*Local Sources includes Interest Earnings and Non-Revenue Receipts as shown in the audited financial statements.

School Enrollment Trend

Fiscal Year	Total Enrollment	% Change
2025-2026	4,924	-1.18%
2024-2025	4,983	-2.37%
2023-2024	5,104	-1.12%
2022-2023	5,162	3.95%
2021-2022	4,966	1.78%
2020-2021	4,879	-3.65%
2019-2020	5,064	0.06%
2018-2019	5,061	-1.21%
2017-2018	5,123	0.04%
2016-2017	5,121	

School Enrollment Projection

School Year	Total Enrollment	% Change
2026-2027	4,930	0.12%
2027-2028	4,979	0.99%
2028-2029	5,028	0.98%
2029-2030	5,078	0.99%
2030-2031	5,128	0.98%

Source: School District.

ECONOMIC INDICES

Unemployment Rate (Twelve Month Moving Average)

	<u>Jan. 2026</u>	<u>Dec. 2025</u>	<u>Jan. 2025</u>
United States	4.3%	4.4%	4.0%
State of Oklahoma	3.9%	3.7%	3.1%
Tulsa County	4.2%	3.7%	3.2%
Osage County	4.8%	4.2%	3.9%

Source: Oklahoma Employment Security Commission and Bureau of Labor Statistics.

Sales Tax Collections – City of Sand Springs

FY Ending <u>June 30</u>	Sales Tax Collections
2025	\$16,883,469
2024	\$17,108,496
2023	\$16,659,079
2022	\$15,860,253
2021	\$15,125,871
2020	\$13,971,142
2019	\$13,374,470
2018	\$12,905,769
2017	\$11,412,847
2016	\$10,774,898

Source: Oklahoma Tax Commission.

Retail Sales – City of Sand Springs

FY Ending <u>June 30</u>	Retail Sales
2025	\$416,875,778
2024	\$422,432,010
2023	\$411,335,284
2022	\$391,611,193
2021	\$373,478,299
2020	\$344,966,464
2019	\$330,233,826
2018	\$318,660,962
2017	\$302,619,863
2016	\$307,854,225

Source: Oklahoma Tax Commission.

Largest Taxpayers (Tulsa County only)

<u>Name of Taxpayer</u>	<u>Type of Business</u>	<u>Net Assessed Valuation</u>
Webco Industries Inc/Southwest Tube	Tube Manufacturing	\$11,661,850
Public Service Co of Okla	Electrical Utility	\$11,058,080
Yellowhouse Machinery	Construction Equipment	\$2,483,089
Wal Mart Stores	Retail	\$2,313,543
Sterling Specialty Chemicals LLC	Chemical/Artek Resources LLC	\$2,295,440
Sand Springs Home	Real Estate	\$2,170,713
Sand Springs Railway Co	Railway/Real Estate	\$1,515,879
Highland Crossing LP	Apartments	\$1,504,647
Oklahoma Natural Gas Co	Gas Utility/ONEOK	\$1,499,497
Cust-O-Fab/B P Enterprises	Fabricating Machine Shop	\$1,235,660
Total Net Assessed Valuation of Top Ten Taxpayers:		\$37,738,398
Percentage of School District's Net Assessed Valuation:		15.92%

Source: Tulsa County Assessor.

ABSENCE OF MATERIAL LITIGATION

No litigation is pending (a) seeking to restrain or enjoin the issuance or delivery of the 2026 Bonds, (b) contesting or affecting any authority for or the validity of the 2026 Bonds, (c) contesting the power of the School District to issue the 2026 Bonds or the power of the School District to offer and sell them, (d) affecting the power of the School District to levy and collect taxes to pay the 2026 Bonds, or (e) contesting the corporate existence or boundaries of the School District.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the 2026 Bonds are subject to the approving opinion of _____, Bond Counsel, and the Attorney General of the State of Oklahoma.

CONTINUING DISCLOSURE

The School District has covenanted for the benefit of Bondholders to provide certain financial and operating information for the School District not later than ten months following the end of the fiscal year in which the bonds are issued (as of the date of this document, June 30 is the end of the fiscal year), or later as such information becomes publicly available, and each fiscal year thereafter, and to provide notice of the occurrence of certain events. The specific nature of the financial information and operating data to be provided and the events for which notice must be provided is described in the Continuing Disclosure Agreement (the "Disclosure Agreement"), the form of which is attached hereto as Exhibit B. These covenants have been made in order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission ("Rule 15c2-12").

The financial information and event notices will be filed by the School District or its dissemination agent with the Municipal Securities Rulemaking Board (the "MSRB") through the MSRB's Electronic Municipal Market Access system ("EMMA"). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, Listed Event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the School District or the Bonds is incorporated by reference in this Official Statement.

A failure by the School District to comply with the Continuing Disclosure Agreement will not constitute an event of default with respect to the Bonds, although any holder will have any available remedy at law or in

equity, including seeking specific performance by court order, to cause the School District to comply with its obligations under the Continuing Disclosure Agreement. Any such failure must be reported in accordance with Rule 15c2-12 and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Rule 15c2-12 requires that an issuer or other obligated person disclose in an official statement any instances in the previous five years in which such issuer or other obligated person failed to comply, in all material respects, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12. In connection with certain bonds previously issued by or for the benefit of the School District, the School District agreed to provide certain annual financial information and notice of certain events pursuant to continuing disclosure undertakings similar to the Disclosure Agreement (the "Prior Undertakings"). During the last five years, the School District has failed to comply with certain provisions of the Prior Undertakings. Specifically, in connection with the Tulsa County Industrial Authority Educational Facilities Lease Revenue Bonds, Series 2010A (Sand Springs Public Schools Project), the annual financial information and operating data for the fiscal year ended June 30, 2019, was filed one day late.

TAX MATTERS RESPECTING THE 2026 COMBINED PURPOSE BONDS

Opinion of Bond Counsel

In the opinion of Bond Counsel, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2026 Combined Purpose Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the 2026 Combined Purpose Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code; however, it should be noted that with respect to certain corporations (as defined for federal income tax purposes), for taxable years beginning before January 1, 2018, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. No federal alternative minimum tax applies to corporations for taxable years beginning after December 31, 2017. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the School District in connection with the 2026 Combined Purpose Bonds, and Bond Counsel has assumed compliance by the School District with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2026 Combined Purpose Bonds from gross income under Section 103 of the Code.

The Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, (other than certain "qualified" obligations). **The 2026 Combined Purpose Bonds are "qualified" obligations for this purpose.**

In addition, under existing statutes interest on the 2026 Combined Purpose Bonds shall be exempt from Oklahoma income taxation pursuant to Section 2358.5 of Title 68, Oklahoma Statutes, 2011.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the 2026 Combined Purpose Bonds in order that interest on the 2026 Combined Purpose Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the 2026 Combined Purpose Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the 2026 Combined Purpose Bonds to become included in gross income for federal income tax purposes retroactive to their issue date,

irrespective of the date on which such noncompliance occurs or is discovered. The School District has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the 2026 Combined Purpose Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the 2026 Combined Purpose Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a 2026 Combined Purpose Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the 2026 Combined Purpose Bonds.

Prospective owners of the 2026 Combined Purpose Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the 2026 Combined Purpose Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a 2026 Combined Purpose Bond (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the 2026 Combined Purpose Bonds. In general, the issue price for each maturity of 2026 Combined Purpose Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any 2026 Combined Purpose Bonds having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the 2026 Combined Purpose Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner’s adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such 2026 Combined Purpose Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

Bond Premium

In general, if an owner acquires a 2026 Combined Purpose Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the 2026 Combined Purpose Bond after the acquisition date (excluding certain “qualified stated interest” that

is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that 2026 Combined Purpose Bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the 2026 Combined Purpose Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a 2026 Combined Purpose Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the 2026 Combined Purpose Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the 2026 Combined Purpose Bonds under federal or state law or otherwise prevent beneficial owners of the 2026 Combined Purpose Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the 2026 Combined Purpose Bonds.

No Other Opinion

Bond Counsel expresses no opinion regarding any other federal or state tax consequences with respect to the 2026 Combined Purpose Bonds. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action hereafter taken or not taken, or any facts or circumstances that may hereafter come to its attention, or changes in law or in interpretations thereof that may hereafter occur, or for any other reason. Bond Counsel expresses no opinion on the effect of any action hereafter taken or not taken

in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the 2026 Combined Purpose Bonds, or under state and local tax law.

Prospective purchasers of the 2026 Combined Purpose Bonds should consult their own tax advisors as to the consequences of their acquisition, holding, or disposition of the 2026 Combined Purpose Bonds.

TAX MATTERS RESPECTING THE 2026 BUILDING BONDS

Opinion of Bond Counsel

In the opinion of bond counsel, interest on the 2026 Building Bonds is included in gross income for federal income tax purposes.

In the opinion of bond counsel, under existing statutes interest on the 2026 Building Bonds shall be exempt from Oklahoma income taxation pursuant to Section 2358.5 of Title 68, Oklahoma Statutes, 2011.

Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the 2026 Building Bonds under the laws of the State or any other state or jurisdiction.

General Matters

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the 2026 Building Bonds under the Code and the Regulations, and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. The summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. Potential purchasers of the 2026 Building Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the 2026 Building Bonds.

In general, interest paid on the 2026 Building Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the 2026 Building Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

Bond Premium

An investor which acquires a 2026 Building Bond for a cost greater than its remaining stated redemption price at maturity and holds such 2026 Building Bond as a capital asset will be considered to have purchased such 2026 Building Bond at a premium and, subject to prior election permitted by Section 171(c) of the Code, may generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable 2026 Building Bond premium that reduces interest payments under Section 171 of the Code. 2026 Building Bond premium is generally amortized over the 2026 Building Bond's term using constant yield principles, based on the purchaser's yield to maturity. Investors of any 2026 Building Bond purchased with a 2026 Building Bond premium should consult their own tax advisors as to the effect of such 2026 Building Bond premium with respect to their own tax situation and as to the treatment of 2026 Building Bond premium for state tax purposes.

Market Discount

An investor that acquires a 2026 Building Bond for a price less than the adjusted issue price of such 2026 Building Bond (or an investor who purchases a 2026 Building Bond in the initial offering at a price less than the issue price) may be subject to the market discount rules of Sections 1276 through 1278 of the

Code. Under these sections and the principles applied by the Regulations, “market discount” means (a) in the case of a 2026 Building Bond originally issued at a discount, the amount by which the issue price of such 2026 Building Bond, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest, and (b) in the case of a 2026 Building Bond not originally issued at a discount, the amount by which the stated redemption price of such 2026 Building Bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a 2026 Building Bond will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and, upon sale or other disposition of the 2026 Building Bond, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such a 2026 Building Bond or (ii) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a 2026 Building Bond with original issue discount, in proportion to the accrual of original issue discount.

An owner of a 2026 Building Bond that acquired such 2026 Building Bond at a market discount also may be required to defer, until the maturity date of such 2026 Building Bond or its earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry such 2026 Building Bond in excess of the aggregate amount of interest (including original issue discount) includable in such owner’s gross income for the taxable year with respect to such 2026 Building Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the 2026 Building Bond for the days during the taxable year on which the owner held such 2026 Building Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the 2026 Building Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the owner elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such owner in that taxable year or thereafter.

Attention is called to the fact that Treasury regulations implementing the market discount rules have not yet been issued. Therefore, investors should consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto.

Sales or Other Dispositions

If an owner of a 2026 Building Bond sells the 2026 Building Bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner’s basis in such 2026 Building Bond. Ordinarily, such gain or loss will be treated as a capital gain or loss. At the present time, the maximum capital gains rate for certain assets held for more than 12 months is 15%. However, if a 2026 Building Bond was, at its initial issuance, sold at a discount, a portion of such gain will be recharacterized as interest and therefore ordinary income. Neither the School District nor Bond Counsel can predict whether the President or Congress will propose legislation effecting the long-term capital gains rate.

If the terms of a 2026 Building Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications that may be treated as material are those that relate to redemption provisions

and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of a 2026 Building Bond should consult its own tax advisor concerning the circumstances in which such 2026 Building Bond would be deemed reissued and the likely effects, if any, of such reissuance.

Defeasance

The legal defeasance of the 2026 Building Bonds may result in a deemed sale or exchange of such 2026 Building Bond under certain circumstances. Owners of such 2026 Building Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding

An owner of a 2026 Building Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the 2026 Building Bonds, if such owner, upon issuance of the 2026 Building Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Foreign Investors

An owner of a 2026 Building Bond that is not a "United States person" (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a 2026 Building Bond will generally not be subject to United States income or withholding tax in respect of a payment on a 2026 Building Bond, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term "United States person" means a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States of America is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a 30% United States withholding tax will apply to interest paid and original issue discount accruing on 2026 Building Bonds owned by foreign investors. In those instances in which payments of interest on the 2026 Building Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of 2026 Building Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a 2026 Building Bond.

Tax-Exempt Investors

In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of a 2026 Building Bond incurs acquisition indebtedness with respect to such 2026 Building Bond, interest paid or accrued with respect to such owner may be excluded by such tax-exempt owner from the calculation of unrelated

business taxable income. Each potential tax-exempt holder of a 2026 Building Bond is urged to consult its own tax advisor regarding the application of these provisions.

ERISA Considerations

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), imposes certain requirements on “employee benefit plans” (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, “ERISA Plans”) and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA’s general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan’s investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the 2026 Building Bonds must be determined by the responsible fiduciary of the ERISA Plan by taking into account the ERISA Plan’s particular circumstances and all of the facts and circumstances of the investment. Government and non-electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code and persons who, with respect to that plan, are fiduciaries or other “parties in interest” within the meaning of ERISA or “disqualified persons” within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of the 2026 Building Bonds could be viewed as violating those prohibitions. In addition, Section 4975 of the Code prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons. Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the School District or any dealer of the 2026 Building Bonds might be considered or might become a “party in interest” within the meaning of ERISA or a “disqualified person” within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Sections 4975 or 503 of the Code. Prohibited transactions within the meaning of ERISA and the Code may arise if the 2026 Building Bonds are acquired by such plans or arrangements with respect to which the School District or any dealer is a party in interest or disqualified person.

In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above sections of the Code, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the 2026 Building Bonds. The sale of the 2026 Building Bonds to a plan is in no respect a representation by the School District that such an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. Any plan proposing to invest in the 2026 Building Bonds should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.

Health Care and Education Reconciliation Act of 2010

Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of “modified adjusted gross income” of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return and a surviving spouse). Holders of the 2026 Building Bonds should consult with their tax advisor concerning this additional tax as it may apply to interest earned on the 2026 Building Bonds as well as gain on the sale of a 2026 Building Bond.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the 2026 Building Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to indebtedness issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2026 Building Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2026 Building Bonds or the market value thereof would be impacted thereby. Purchasers of the 2026 Building Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the 2026 Building Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

GLOBAL RISKS

Certain external events, such as pandemics, natural disasters, severe weather, riots, acts of war or terrorism, technological emergencies, or other circumstances, could potentially disrupt the operations and effectiveness of municipal governments, such as the School District.

CREDIT RATINGS

The 2026 Bonds have been rated “___” by S&P Global Ratings (“S&P”) and the School District is currently rated Oklahoma #1 by the Municipal Rating Committee of Oklahoma. The ratings assigned by S&P and the Municipal Rating Committee of Oklahoma express only the view of each respective rating agency. The explanation of the significance of each rating may be obtained from S&P and the Municipal Rating Committee of Oklahoma, respectively. There is no assurance that any rating will continue for any period of time or that it will not be revised or withdrawn. Except as set forth in EXHIBIT B – FORM OF CONTINUING DISCLOSURE AGREEMENT, none of the School District, the Financial Advisor, the Paying Agent/Registrar or the Underwriters has undertaken any responsibility either to bring to the attention of the owners of the 2026 Bonds any proposed revision or withdrawal of the rating of the 2026 Bonds or to oppose any such proposed revision or withdrawal. Any revision or withdrawal of ratings may have an effect on the market price of the 2026 Bonds.

UNDERWRITING

The 2026 Combined Purpose Bonds are being purchased at competitive sale by _____, (the "Underwriter"). The Underwriter of the 2026 Combined Purpose Bonds has agreed to purchase the 2026 Combined Purpose Bonds at a price equal to \$_____ plus accrued interest from June 1, 2026.

The 2026 Building Bonds are being purchased at competitive sale by _____. The Underwriter of the 2026 Building Bonds has agreed to purchase the 2026 Building Bonds at a price equal to \$_____ plus accrued interest from June 1, 2026.

FINANCIAL ADVISOR

BOK Financial Securities, Inc. is employed as Financial Advisor to the District in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the bonds. In the normal course of business, the Financial Advisor may also from time to time sell investment securities to the District for the investment of debt proceeds or other funds of the District, upon the request of the District.

BOK Financial Securities, Inc., in its capacity of Financial Advisor, has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the District has provided the following sentence for inclusion in the Official Statement. The Financial Advisor has reviewed the information in the Official Statement in accordance with, and as part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy of such information.

MISCELLANEOUS

All quotations from and summaries and explanations of law herein do not purport to be complete and reference is made to said laws for full and complete statements of their provisions.

The Official Statement is not to be construed as a contract or agreement between the School District and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion are intended merely as opinion and not as representation of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the School District, or its agencies and authorities, since the date hereof.

INDEPENDENT SCHOOL DISTRICT NO. 2
OF TULSA COUNTY, OKLAHOMA

BY: _____
President, Board of Education

EXHIBIT A

**FINANCIAL STATEMENTS WITH AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2025**

**FINANCIAL STATEMENTS – REGULATORY BASIS
AND REPORTS OF INDEPENDENT AUDITOR**

**SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 1-2,
TULSA COUNTY, OKLAHOMA**

JUNE 30, 2025

Audited by

**BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP**

BROKEN ARROW, OK

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
SCHOOL DISTRICT OFFICIALS
JUNE 30, 2025

BOARD OF EDUCATION

President

Whitney Wagers

Vice-President

Mike Mullins

Clerk

Tracy Hanlon

Members

Bo Naugle

Alesha Spoon

SUPERINTENDENT OF SCHOOLS

Sherry Durkee

CFO / TREASURER

Cassidy Wion

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
JUNE 30, 2025

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SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Education
Sand Springs Independent School District No. 2
Sand Springs, Tulsa County, Oklahoma

Report on the Audit of the Financial Statements

We have audited the accompanying combined fund type and account group financial statements-regulatory basis of the Sand Springs Independent School District No. 2, Sand Springs, Tulsa County, Oklahoma (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.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter discussed in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" section of our report, the combined financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances arising from regulatory basis transactions of each fund type and account group of the District, as of June 30, 2025, and the revenues it received and expenditures it paid and encumbered for the year then ended, in accordance with the financial reporting provisions of the Oklahoma State Department of Education as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of June 30, 2025, or the revenues, expenses, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit 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. 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 the District 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 adverse and qualified audit opinions.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 1, the financial statements referred to above do not include the General Fixed Asset Account Group, which is a departure from the regulatory basis of accounting prescribed or permitted by the Oklahoma State Department of Education. The amount that should be recorded in the General Fixed Asset Account Group is not known.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 to the financial statements, to meet the financial reporting requirements of the Oklahoma State Department of Education, the financial statements are prepared by the District, on the basis of the financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education as described in Note 1, to meet the financial reporting requirements of the State of Oklahoma; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 District'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 generally accepted auditing standards 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 generally accepted auditing standards 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 the District'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 the Districts' 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the fund type and account group financial statements-regulatory basis that collectively comprise the District's basic financial statements. The accompanying combining financial statements-regulatory basis and other supplementary information and schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements-regulatory basis. The information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements within the combined financial statements-regulatory basis 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, except for the financial statements being prepared in compliance with the regulatory basis as prescribed by the Oklahoma State Department of Education as discussed in Note 1, the combining financial statements-regulatory basis and other supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the combined financial statements-regulatory basis as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of the District'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 the District'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 the District's internal control over financial reporting and compliance.

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

December 1, 2025



BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA
Jeffrey D. Hewett, CPA
Christopher P. Gullekson, CPA

P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3831 • FAX (918) 449-9779

**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**

The Honorable Board of Education
Sand Springs Independent School District No. 2
Sand Springs, Tulsa County, 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, the fund type and account group financial statements – regulatory basis of the Sand Springs Independent School District No. 2, Sand Springs, Tulsa County, Oklahoma (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 December 1, 2025, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States because the presentation followed the regulatory basis of accounting for Oklahoma school districts as provided by the Oklahoma State Department of Education. However, our report was qualified because the omission of the general fixed asset account group results in an incomplete presentation with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Board of Education.

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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

December 1, 2025



BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

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P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3831 • FAX (918) 449-9779

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Board of Education
Sand Springs Independent School District No. 2
Sand Springs, Tulsa County, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Sand Springs Independent School District No. 2, Sand Springs, Tulsa County, Oklahoma's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

December 1, 2025

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
DISPOSITION OF PRIOR YEAR'S SIGNIFICANT DEFICIENCIES AND
MATERIAL INSTANCES OF NONCOMPLIANCE
JUNE 30, 2025

There were no prior year significant deficiencies or material instances of noncompliance.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
SCHEDULE OF AUDIT RESULTS, FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

Section 1 - Summary of Auditor's Results:

1. An adverse opinion was issued on the combined financial statements in conformity with the generally accepted accounting principles and a qualified opinion was issued for the omission of the general fixed asset account group on the combined financial statements in conformity with the regulatory basis of accounting prescribed by the Oklahoma State Department of Education.
2. The audit did not identify any material weaknesses and did not report any significant deficiencies not considered to be material weaknesses in the internal controls over financial reporting.
3. The audit disclosed no instances of noncompliance which are material to the financial statements.
4. The audit did not identify any material weaknesses and did not report any significant deficiencies not considered to be material weaknesses in the internal controls over major programs.
5. An unmodified report was issued on compliance for major programs in conformity with the regulatory basis of accounting.
6. The audit disclosed no audit findings which are required to be reported under the Uniform Guidance, 2 CFR 200.51(a).
7. Programs determined to be major were the Title I Programs (84.010), which were not clustered in determination, and the Child Nutrition Programs (10.553, 10.555, 10.559), which were clustered in determination.
8. The dollar threshold used to determine between Type A and Type B programs was \$750,000.
9. The District was determined not to be a low-risk auditee.

Section 2 – Findings relating to the financial statements required to be reported in accordance with GAGAS:

NONE

Section 3 – Findings and questioned costs for federal awards:

NONE

COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
 ALL FUND TYPES AND ACCOUNT GROUPS - REGULATORY BASIS
 JUNE 30, 2025

	GOVERNMENTAL FUND TYPES			FIDUCIARY FUND TYPES	ACCOUNT GROUP	TOTALS (MEMORANDUM ONLY)			
	GENERAL	SPECIAL	DEBT				EXPENDABLE TRUSTS AND AGENCY FUNDS	GENERAL	LONG-TERM DEBT
		REVENUE	SERVICE						
ASSETS									
Cash	\$ 11,319,543	4,613,432	1,875,837	3,135,972		23,963,883			
Investments	6,370,756	2,050,773	2,000,000	75,000		10,496,529			
Amounts available in debt service Amount to be provided for retirement of long-term debt					3,875,837	3,875,837			
Total Assets	\$ 17,690,299	6,664,205	3,875,837	3,210,972	70,524,799	70,524,799			
					74,400,636	108,861,048			
LIABILITIES AND FUND BALANCE									
Liabilities:									
Warrants/checks payable	\$ 6,040,338	290,422		5,425		6,346,351			
Encumbrances	1,655,275	32,819		687,515		3,000,051			
Funds held for school organizations				1,561,357		1,561,357			
Long-term debt:									
Bonds payable					21,635,000	21,635,000			
Capital leases					52,765,636	52,765,636			
Total liabilities	7,695,613	323,241	0	2,254,297	74,400,636	85,308,395			
Fund Balance:									
Restricted		6,340,964	3,875,837	956,675		13,557,967			
Unrestricted	9,994,686					9,994,686			
Total fund balance	9,994,686	6,340,964	3,875,837	956,675	0	23,552,653			
Total Liabilities and Fund Balance	\$ 17,690,299	6,664,205	3,875,837	3,210,972	74,400,636	108,861,048			

The notes to the combined financial statements are an integral part of this statement

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES IN CASH FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUSTS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	GOVERNMENTAL FUND TYPES				FIDUCIARY	TOTALS (MEMORANDUM ONLY)
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST FUNDS	
Revenues Collected:						
Local sources	\$ 8,777,124	2,698,536	6,633,129		173,536	18,282,325
Intermediate sources	1,899,618					1,899,618
State sources	31,452,832	1,967,006	857			33,420,695
Federal sources	3,699,187	2,214,165				5,913,352
Interest earnings	700,529	283,455	207,698		3,522	1,195,204
Non-revenue receipts	330,404	72,936		2,999		406,339
Total revenues collected	<u>46,859,694</u>	<u>7,236,098</u>	<u>6,841,684</u>	<u>2,999</u>	<u>177,058</u>	<u>61,117,533</u>
Expenditures:						
Instruction	27,477,630	160,485		79,600	700	27,718,415
Support services	18,997,495	441,976		2,497,087	697,308	22,633,866
Operation of noninstructional services	322,839	3,241,366			4,225	3,568,430
Facilities acquisition and const. svcs.		3,213,825		3,616,236		6,830,061
Other outlays:						
Reimbursement	76,619	4,353			11,000	91,972
Correcting Entry		854				854
Debt service			6,810,625	1,000		6,811,625
Total expenditures	<u>46,882,046</u>	<u>7,062,859</u>	<u>6,810,625</u>	<u>6,193,923</u>	<u>713,233</u>	<u>67,662,686</u>
Excess of revenues collected over (under) expenditures before other financing sources (uses)	(22,352)	173,239	31,059	(6,190,924)	(536,175)	(6,545,153)
Other financing sources (uses):						
Bond proceeds				100,000		100,000
Adjustments to prior year encumbrances	20,466	15,093		302,425		337,984
Total other financing sources (uses)	<u>20,466</u>	<u>15,093</u>	<u>0</u>	<u>402,425</u>	<u>0</u>	<u>337,984</u>
Excess of revenues collected over (under) expenditures	(1,886)	188,332	31,059	(5,788,499)	(536,175)	(6,207,169)
Cash fund balances, beginning of year	<u>9,996,572</u>	<u>6,152,632</u>	<u>3,844,778</u>	<u>8,172,990</u>	<u>1,492,850</u>	<u>29,659,822</u>
Cash fund balances, end of year	<u>\$ 9,994,686</u>	<u>6,340,964</u>	<u>3,875,837</u>	<u>2,384,491</u>	<u>956,675</u>	<u>23,552,653</u>

The notes to the combined financial statements are an integral part of this statement

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND
 CHANGES IN CASH FUND BALANCES - BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	GENERAL FUND			Prior Year (Memorandum Only)
	Original Budget	Final Budget	Actual	
Revenues Collected:				
Local sources	\$ 8,070,627	8,634,000	8,777,124	8,617,049
Intermediate sources	1,862,000	1,902,000	1,899,618	1,880,730
State sources	31,383,307	31,143,200	31,452,832	31,388,905
Federal sources	3,908,479	3,331,625	3,699,187	5,250,076
Interest earnings	400,000	500,000	700,529	609,940
Non-revenue receipts	100,000	200,000	330,404	273,907
Total revenues collected	<u>45,724,413</u>	<u>45,710,825</u>	<u>46,859,694</u>	<u>48,020,607</u>
Expenditures:				
Instruction	27,507,600	29,250,000	27,477,630	26,479,520
Support services	18,661,900	19,220,500	18,997,495	18,125,141
Operation of noninstructional services	254,000	259,000	322,839	242,046
Other outlays:				
Reimbursement			76,619	
Correcting entry	20,000	10,000	7,463	5,315
Total expenditures	<u>46,443,500</u>	<u>48,739,500</u>	<u>46,882,046</u>	<u>44,852,022</u>
Excess of revenue collected over (under) expenditures before other financing sources (uses)	(719,087)	(3,028,675)	(22,352)	3,168,585
Other financing sources (uses):				
Adjustments to prior year encumbrances	<u>0</u>	<u>0</u>	<u>20,466</u>	<u>176,577</u>
Excess of revenues collected over (under) expenditures	(719,087)	(3,028,675)	(1,886)	3,345,162
Cash fund balance, beginning of year	<u>9,996,572</u>	<u>9,996,572</u>	<u>9,996,572</u>	<u>6,651,410</u>
Cash fund balance, end of year	<u>\$ 9,277,485</u>	<u>6,967,897</u>	<u>9,994,686</u>	<u>9,996,572</u>

The notes to the combined financial statements are an integral part of this statement

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND
 CHANGES IN CASH FUND BALANCES - BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	SPECIAL REVENUE FUNDS			Prior Year (Memorandum Only)
	Original Budget	Final Budget	Actual	
Revenues Collected:				
Local sources	\$ 4,170,100	4,223,802	2,698,536	2,898,865
State sources	591,000	517,362	1,967,006	1,927,441
Federal sources	1,403,233	1,993,906	2,214,165	1,995,056
Interest earnings	3,400	10,400	283,455	54,155
Non-revenue receipts		1,300	72,936	1,305
Total revenues collected	<u>6,167,733</u>	<u>6,746,770</u>	<u>7,236,098</u>	<u>6,876,822</u>
Expenditures:				
Instruction	258,000	200,000	160,485	187,532
Support services	1,957,000	2,125,000	441,976	1,613,867
Operation of noninstructional services	3,297,000	3,486,000	3,241,366	2,851,596
Facilities acquisition and const. svcs.	3,425,000	3,325,000	3,213,825	442,814
Other outlays:				
Reimbursement			4,353	1,180
Correcting Entry	15,000	5,000	854	125
Other uses / Unbudgeted	10,000	10,000		
Total expenditures	<u>8,962,000</u>	<u>9,151,000</u>	<u>7,062,859</u>	<u>5,097,114</u>
Excess of revenue collected over (under) expenditures before other financing sources (uses)	(2,794,267)	(2,404,230)	173,239	1,779,708
Other financing sources (uses):				
Adjustments to prior year encumbrances	<u>0</u>	<u>0</u>	<u>15,093</u>	<u>649,880</u>
Excess of revenues collected over (under) expenditures	(2,794,267)	(2,404,230)	188,332	2,429,588
Cash fund balances, beginning of year	<u>6,152,632</u>	<u>6,152,632</u>	<u>6,152,632</u>	<u>3,723,044</u>
Cash fund balances, end of year	<u>\$ 3,358,365</u>	<u>3,748,402</u>	<u>6,340,964</u>	<u>6,152,632</u>

The notes to the combined financial statements are an integral part of this statement

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINED STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND
 CHANGES IN CASH FUND BALANCES - BUDGETED GOVERNMENTAL FUND TYPES - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	DEBT SERVICE FUND			
	Original Budget	Final Budget	Actual	Prior Year (Memorandum Only)
Revenues Collected:				
Local sources	\$ 6,866,316	6,673,473	6,633,129	6,435,726
State sources			857	810
Interest earnings	90,000	225,000	207,698	238,050
Non-revenue receipts	22,588			22,588
Total revenues collected	6,956,316	6,898,473	6,841,684	6,697,174
Requirements:				
Bonds	6,000,000	6,000,000	6,000,000	5,225,000
Coupons	810,625	867,000	810,625	625,670
Total expenditures	6,810,625	6,867,000	6,810,625	5,850,670
Excess of revenue collected over (under) expenditures	145,691	31,473	31,059	846,504
Cash fund balance, beginning of year	3,844,778	2,998,274	3,844,778	2,998,274
Cash fund balance, end of year	\$ 3,990,469	3,029,747	3,875,837	3,844,778

The notes to the combined financial statements are an integral part of this statement

NOTES TO COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Sand Springs Public Schools Independent District, No. 1-2 (the “District”), have been prepared in conformity with another comprehensive basis of accounting prescribed by the Oklahoma State Department of Education as authorized by Oklahoma Statutes. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with the accounting principles generally accepted in the United States of America. The District’s accounting policies are described in the following notes that are an integral part of the District’s financial statements.

A. Reporting Entity

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 State of Oklahoma support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The governing body of the District is the Board of Education composed of five elected members. The appointed superintendent is the executive officer of the District. The Board, constituting an on-going entity, is the level of government, which has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the local independent school district. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental “reporting entity” as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The basic – but not the only – criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

A. Reporting Entity – cont’d

whether the activity benefits the District and/or its citizens, or whether the activity is conducted within the geographic boundaries of the District and is generally available to its patrons. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no potential component units included in the District’s reporting entity.

B. Measurement Focus

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: Governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.”

Governmental Fund Types

Governmental funds are used to account for all or most of a government’s general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

General Fund – The general fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under the Foundation and Incentive Aid Program. Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt. The general fund includes federal and state restricted monies that must be expended for specific programs.

Special Revenue Funds – Special revenue funds account for revenue sources that are restricted to expenditures for specific purposes. The special revenue funds typically include the building, co-op and child nutrition funds.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

B. Measurement Focus – cont'd

Building Fund – The building fund consists mainly of monies derived from property taxes levied for the purpose of erecting, remodeling, repairing, or maintaining school buildings and for purchasing furniture, equipment and computer software to be used on or for school district property, for paying energy and utility costs, for purchasing telecommunications services, for paying fire and casualty insurance premiums for school facilities, for purchasing security systems, and for paying salaries of security personnel.

Co-op Fund – The co-op fund is established when the Boards of Education of two or more school districts enter into cooperative agreements and maintain joint programs. The revenues necessary to operate a cooperative program can come from federal, state, or local sources, including the individual contributions of participating school districts. The expenditures for this fund would consist of those necessary to operate and maintain the joint programs. The District operates the Alternative Education program through the co-op fund.

Child Nutrition Fund – The child nutrition fund consists of monies derived from federal and state financial assistance and food sales. This fund is used to account for the various nutrition programs provided to students.

Debt Service Fund – The debt service fund is the District's sinking fund and is used to account for the accumulation of financial resources for the payment of general long-term (including judgments) debt principal, interest and related costs. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

Capital Projects Fund – The capital projects fund is the District's bond fund and is used to account for the proceeds of bond sales to be used exclusively for acquiring school sites, constructing and equipping new school facilities, renovating existing facilities and acquiring transportation equipment.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

B. Measurement Focus – cont’d

Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. The terms “non-expendable” and “expendable” refer to whether or not the District is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operation.

Expendable Trust Funds – Expendable trust funds typically include the gifts and endowments fund and insurance recovery fund.

Gifts and Endowments Fund – The gifts and endowments fund receives its assets by way of philanthropic foundations, individuals, or private organizations for which no repayment or special service to the contributor is expected. This fund is used to promote the general welfare of the District.

Insurance Recovery Fund – The insurance recovery fund is a separate non-self-insured fund established to account for receipts and expenditures for all types of insurance coverage and major reimbursements and reserves for property.

Agency Fund – The agency fund is the school activities fund which is used to account for monies collected principally through the fundraising efforts of students and District-sponsored groups. The administration is responsible, under the authority of the Board, for collecting, disbursing and accounting for these activity funds.

Account Groups

An account group is not a fund and consists of a self-balancing set of accounts used only to establish accounting control over long-term debt and fixed assets.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d**

B. Measurement Focus – cont’d

General Long-Term Debt Account Group – This account group is established to account for all the long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal. It is also used to account for other liabilities (judgments and lease purchases) which are to be paid from funds provided in future years.

General Fixed Assets Account Group – This account group is used by governments to account for the property, plant and equipment of the school district. The District does not have the information necessary to include this group in its financial statements.

Memorandum Only - Total Column

The total column on the combined financial statements – regulatory basis is captioned “memorandum only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

C. Basis of Accounting and Presentation

The District prepares its financial statements in a presentation format that is prescribed by the Oklahoma State Department of Education. This format is essentially the generally accepted form of presentation used by state and local governments prior to the effective date of GASB Statement No. 34, *Basic Financial Statements – Management’s Discussion and Analysis for State and Local Governments* with certain modifications. This format differs significantly from that required by GASB 34.

The financial statements are essentially prepared on the basis of cash receipts and disbursements modified as required by the regulations of the Oklahoma State Department of Education as follows:

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies are recorded as expenditures when approved.
- Investments are recorded as assets when purchased.
- Inventories of school supplies are recorded as expenditures and not as inventory assets.
- Warrants/checks payable are recorded as liabilities when issued.
- Long-term debt is recorded in the General Long-Term Debt Account Group and not in the basic financial statements.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

C. Basis of Accounting and Presentation – cont’d

- Compensated absences are recorded as expenditures when paid and not recorded as a liability.
- Fixed assets are recorded in the General Fixed Asset Account Group and not in the basic financial statements. Fixed assets are not depreciated.

This regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable, or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred for governmental fund types; and, when revenues are earned.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental type funds are accounted for using the regulatory basis of accounting. Revenues are recognized when they are received rather than earned and expenditures are generally recognized when encumbered/reserved rather than at the time the related fund liability is incurred. These practices differ from accounting principles generally accepted in the United States.

D. Budgets and Budgetary Accounting

The District is required by state law to prepare an annual budget. If the preliminary budget requires an additional levy, the District must hold an election on the first Tuesday in February to approve the levy. If the preliminary budget does not require an additional levy, it becomes the legal budget. If an election is held and the taxes are approved, then the preliminary budget becomes the legal budget. If voters reject the additional taxes, the District must adopt a budget within the approved tax rate.

A budget is legally adopted by the Board of Education for all funds (with the exception of the trust and agency funds) that includes revenues and expenditures.

The District prepares its budget in accordance with the Oklahoma School District Budget Act. The District’s final amended budget for appropriated funds for the 2024-25 fiscal year was \$68,605,343.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund – is utilized in all governmental funds of the District. Unencumbered appropriations lapse at the end of each fiscal year. While the debt service fund is a governmental fund, a comparison of budget to actual schedule is presented in the financial statements, although the Board can exercise no control

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

D. Budgets and Budgetary Accounting – cont'd

of the revenue sources for this fund (except interest earnings), and no control over its expenditures.

E. Assets, Liabilities and Fund Equity

Cash and Cash Equivalents – The District considers all cash on hand, demand deposit accounts, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments – The District considers investments of direct obligations of the United States government and agencies, certificates of deposits, savings accounts or savings certificates with maturities of greater than three months. All investments are recorded at cost, which approximates market value.

Inventories – The value of consumable inventories at June 30, 2025, is not material to the combined financial statements.

Fixed Assets and Property, Plant and Equipment – The District has not maintained a record of general fixed assets, and, accordingly, a General Fixed Assets Account Group required by the regulatory basis of accounting prescribed by the Oklahoma State Department of Education is not included in the financial statements. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchase.

Warrants/Checks Payable – Warrants/checks are issued to meet the obligations for goods and services provided to the District. The District recognizes a liability for the amount of outstanding warrants/checks that have yet to be cashed by the District's bank.

Encumbrances – Encumbrances represent commitments related to purchase orders, contracts, other commitments for expenditures or resources, and goods or services received by the District for which a warrant/check has not been issued. An expenditure is recorded and a liability is recognized for outstanding encumbrances at year end in accordance with the regulatory basis of accounting. While the regulatory basis that is used for the Debt Service Fund approximates full accrual accounting, the accruals recorded are reported to meet regulatory requirements, as opposed to the requirements of generally accepted accounting principles.

Compensated Absences – The District provides vacation and sick leave benefits in accordance with Title 70 of the Oklahoma Statutes, Article 6-104, which provides for annual sick leave and personal business days. District policy allows certified employees to accumulate such days to a maximum number of days. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources had not been

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity – cont'd

reported as an expenditure of the governmental fund that will pay it since the financial statements have been prepared on the regulatory basis of accounting. This practice differs from generally accepted accounting principles.

Funds Held for School Organizations – Funds held for school organizations represent the funds received or collected from students or other cocurricular and extracurricular activities conducted in the District, control over which is exercised by the Board of Education. These funds are credited to the account maintained for the benefit of each particular activity within the school activity fund.

Long-Term Debt – Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

Fund Balance – In the fund financial statements, governmental funds report the hierarchy of fund balances. The hierarchy is based primarily on the degree of spending constraints placed upon use of resources for specific purposes versus availability of appropriation. An important distinction that is made in reporting fund balance is between amounts that are considered *non-spendable* (i.e., fund balance associated with assets that are not in spendable form, such as inventories or prepaid items, long-term portions of loans and notes receivable, or items that are legally required to be maintained intact (such as the corpus of a permanent fund)) and those that are *spendable* (such as fund balance associated with cash, investments or receivables).

Amounts in the spendable fund balance category are further classified as *restricted*, *committed*, *assigned* or *unassigned*, as appropriate.

Restricted fund balance represents amounts that are constrained either externally by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments; or by law, through constitutional provisions or enabling legislation.

Committed fund balance represents amounts that are useable only for specific purposes by formal action of the government's highest level of decision-making authority. Such amounts are not subject to legal enforceability (like restricted amounts) but cannot be used for any other purpose unless the government removes or changes the limitation by taking action similar to that which imposed the commitment.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

C. Assets, Liabilities and Fund Equity – cont'd

Assigned fund balance represents amounts that are intended to be used for specific purposes but are neither restricted nor committed. Intent is expressed by the governing body itself, or a subordinated high-level body or official who the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining spendable amounts (except negative balances) that are reported in governmental funds other than the general fund, that are neither restricted nor committed, and amounts in the general fund that are intended to be used for specific purposes in accordance with the provisions of the standard.

Unassigned fund balance is the residual classification for the general fund. It represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes within the general fund.

F. Revenue and Expenditures

Local Revenues – Revenue from local sources is the money generated from within the boundaries of the District and available to the District for its use. 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. These property taxes are distributed to the District's general, building and sinking funds based on the levies approved for each fund. The County Assessor, upon receipt of the certification of tax levies from the County Excise Board, extends the tax levies on the tax rolls 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 is due prior to January 1. The second half is due prior to April 1. If the first payment is not made in a timely manner, the entire tax becomes due and payable on January 2. 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. Other local sources of revenues include tuition, fees, rentals, disposals, commissions and reimbursements.

Intermediate Revenues – Revenue from intermediate sources is the amount of money from funds collected by an intermediate administrative unit, or a political subdivision between the District and the state and distributed to Districts in amounts that differ in proportion to those which are collected within such systems.

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.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

F. Revenue and Expenditures – cont'd

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 from or additions to the 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 program 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.

Federal Revenues – Federal revenues consist of revenues from the federal government in the form of operating grants or entitlements. An operating grant is a contribution to be used for a specific purpose, activity or facility. A grant may be received either directly from the federal government or indirectly as a passthrough from another government, such as the state. Entitlement is the amount of payment to which the District is entitled pursuant to an allocation formula contained in applicable statutes. The majority of the federal revenues received by the District are apportioned to the general fund. The District maintains a separate child nutrition fund and the federal revenues received for the child nutrition programs are apportioned there.

Non-Monetary Transactions – The District receives commodities from the U.S. Department of Agriculture. The value of these commodities has been included in the Schedule of Expenditures of Federal Awards; however, they have not been included in the financial statements as either revenue or expense since they are not reported under the regulatory basis of accounting.

Interest Earnings – Represent compensation for the use of financial sources over a period of time.

Non-Revenue Receipts – Non-revenue receipts represent receipts deposited into a fund that are not new revenues to the District, but the return of assets.

Instruction Expenditures – Instruction expenditures include the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location, such as a home or hospital, and in other learning situations, such as those involving cocurricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Included here are the activities of teacher assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instructional process. The activities of tutors, translators

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

F. Revenue and Expenditures – cont’d

and interpreters would be recorded here. Department chairpersons who teach for any portion of time are included here. Tuition/transfer fees paid to other LEAs would be included here.

Support Services Expenditures – Support services expenditures provide administrative, technical (such as guidance and health) and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services and enterprise programs, rather than as entities within themselves.

Operation of Noninstructional Services Expenditures – Activities concerned with providing noninstructional services to students, staff or the community.

Facilities Acquisition and Construction Services Expenditures – Consists of activities involved with the acquisition of land and buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvements to sites.

Other Outlays Expenditures – A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These are classified as Other Outlays. These include debt service payments (principal and interest).

Other Uses Expenditures – This includes scholarships provided by private gifts and endowments; student aid and staff awards supported by outside revenue sources (i.e., foundations). Also, expenditures for self-funded employee benefit programs administered either by the District or a third-party administrator.

Repayment Expenditures – Repayment expenditures represent checks/warrants issued to outside agencies for refund or restricted revenue previously received for overpayment, non-qualified expenditures and other refunds to be repaid from District funds.

Interfund Transactions – Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. There were no interfund transfers made during the 2024-25 fiscal year.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

2. CASH AND INVESTMENTS

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to the District. The District’s cash deposits and investments at June 30, 2025, were \$34,504,158 at financial institutions and were completely insured or collateralized by federal depository insurance, direct obligations of the U.S. Government, or securities held by the District or by its agent in the District’s name.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. Due to the required liquidity for those investments, these funds have no defined maturity dates. 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.

Investment Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a formal policy limiting its investment choices, other than the limitation of state law as follows:

- Direct obligations of the U.S. Government, its agencies and instrument to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.
- County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality or school district.
- Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous bullet items.

Concentration of Investment Credit Risk – The District places no limit on the amount it may invest in any one issuer.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
 NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

3. INTERFUND RECEIVABLES AND PAYABLES

There were no interfund receivables or payables at June 30, 2025.

4. GENERAL LONG-TERM DEBT

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 of the date of issue.

General long-term debt of the District consists of bonds payable and capital leases. Debt service requirements for bonds are paid solely from the fund balance and the future revenues of the debt service fund, and capital leases are paid from other funds.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2025:

	Bonds Payable	Capital Leases	Total
Balance, July 1, 2024	\$ 22,635,000	55,996,886	78,631,886
Additions	5,000,000	0	5,000,000
Retirements	(6,000,000)	(3,231,250)	(9,231,250)
Balance, June 30, 2025	\$ 21,635,000	52,765,636	74,400,636

A brief description of the outstanding long-term debt at June 30, 2025, is set forth below:

<u>General Obligation Bonds</u>	<u>Amount Outstanding</u>
General Obligation Combined Purpose Bonds, Series 2021, original issue \$6,145,000, interest rate of 0.30% to 1.00%, due in an initial installment and annual installments of \$1,535,000 final payment of \$1,540,000 due 5-01-26	\$ 1,540,000
General Obligation Combined Purpose Bonds, Series 2022, original issue \$4,925,000, interest rate of 1.90%, due in annual installments of \$1,230,000 and a final payment of \$1,235,000 due 5-01-27	2,465,000

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

4. GENERAL LONG-TERM DEBT– cont'd

	<u>Amount Outstanding</u>
General Obligation Combined Purpose Bonds, Series 2023, original issue \$8,500,000, interest rate of 4.5% to 5.0%, due annual installments of \$2,125,000, final payment due 6-01-28	\$ 6,375,000
General Obligation Building Bonds, Series 2024, original issue \$3,510,000, interest rate of 4.00%, due in three annual installments of \$875,000, with a final payment of \$885,000, final payment due 6-01-29	3,510,000
General Obligation Building Bonds, Series 2024, original issue \$2,745,000, interest rate of 5.20 to 5.25%, due in three annual installments of \$685,000, with a final payment of \$690,000, final payment due 6-01-29	2,745,000
General Obligation Combined Purpose Bonds, Series 2025, original issue \$4,160,000, interest rate of 4.0%, due in four annual installments of \$1,040,000, final payment due 6-01-30	4,160,000
General Obligation Building Bonds, Series 2025, original issue \$840,000, varying interest rate of 4.3 to 6.0%, due in four annual installments of \$210,000, final payment due 6-01-30	840,000
<u>Capital Leases:</u>	
Lease purchase for electronic scoreboard, dated 11-01-20, for \$530,000, payments due in varying principal and interest amounts, final payment due 11-01-25	105,636
Lease purchase for 2019 Sand Springs Public School Project, dated 3-5-19, for \$11,085,000, due in annual principal and interest installments of varying amounts, final payment due 9-1-27 (see below)	8,340,000

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
 NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

4. GENERAL LONG-TERM DEBT– cont'd

Lease purchase for 2024 Sand Springs Public School Project, dated 6-1-24, for \$44,320,000, due in annual principal and interest installments of varying amounts, final payment due 9-1-40 (see below)	<u>\$ 44,320,000</u>
Total Long-Term Debt	<u>\$ 74,400,636</u>

2019 Sand Springs Public Schools Project

On March 5, 2019, the District approved \$32,850,000 of general obligation and transportation bonds. The Tulsa County Industrial Authority issued \$11,085,000 of Educational Facilities Lease Revenue Bonds (Sand Springs Public Schools Project) Series 2019, to provide funds required for the constructing, equipping, repairing and remodeling school buildings, acquiring school furniture, fixtures and equipment and acquiring and improving school sites for the benefit of the Sand Springs Public Schools (District). Also, the District, as lessor, entered into a ground lease agreement, for certain district property, with the Tulsa County Industrial Authority. In addition, the District entered into a sublease, as lessee, with the Tulsa County Industrial Authority. The sublease calls for eight (8) annual payments starting September 1, 2019. These payments will be made out of general obligation bond funds, pursuant to the issuance of series bonds mentioned above. The Sand Springs Public Schools gains ownership to the capital improvements incrementally as each payment is made.

2024 Sand Springs Public Schools Project

On June 1, 2024, the Tulsa County Industrial Authority issued \$44,320,000 of Educational Facilities Lease Revenue Bonds (Sand Springs Public Schools Project) Series 2024, to provide funds required for the constructing, equipping, repairing and remodeling school buildings, acquiring school furniture, fixtures and equipment and acquiring and improving school sites for the benefit of the Sand Springs Public Schools (District). Also on June 1, 2024, the District, as lessor, entered into a ground lease agreement, for certain district property, with the Tulsa County Industrial Authority. In addition, the District entered into a sublease, as lessee, with the Tulsa County Industrial Authority. The sublease calls for sixteen (16) annual payments starting September 1, 2025. These payments will be made out of general obligation bond funds, pursuant to the issuance of series bonds in the amount of \$111,875,000. The Sand Springs Public Schools gains ownership to the capital improvements incrementally as each payment is made.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
 NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

4. GENERAL LONG-TERM DEBT– cont’d

Future Debt Requirements

The annual debt service requirements for retirement of bond principal, capital lease principal and payment of interest are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 9,355,636	3,863,891	13,219,527
2027	12,140,000	3,147,755	15,287,755
2028	8,625,000	2,751,845	11,376,845
2029	2,965,000	2,354,250	5,319,250
2030	1,680,000	2,100,840	3,780,840
Thereafter	39,635,000	15,561,500	55,196,500
Total	<u>\$ 74,400,636</u>	<u>29,780,081</u>	<u>104,180,717</u>

Interest paid on general long-term debt during the 2024-25 fiscal year was approximately \$ 1,385,846.

5. EMPLOYEE RETIREMENT SYSTEM

Description of Plan

The District participates in the state-administered Oklahoma Teachers’ Retirement System, which is a cost sharing, multiple-employer defined benefit public employee retirement system (PERS), which is administered by the Board of Trustees of the Oklahoma Teachers’ Retirement System (the “System”). The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Title 70 Section 17 of the Oklahoma Statutes establishes benefit provisions and may be amended only through legislative action. The Oklahoma Teachers’ Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Oklahoma Teachers’ Retirement System, P.O. Box 53624, Oklahoma City, OK 73152, or by calling 405-521-2387.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

5. EMPLOYEE RETIREMENT SYSTEM – cont'd

Basis of Accounting

The System's financial statements are prepared using the cash basis of accounting, except for accruals of interest income. Plan member contributions are recognized in the period in which the contributions are made. Benefits and refunds are recognized when paid. The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effect of projected salary increases. There are no actuarial valuations performed on individual school districts. The System has an under-funded pension benefit obligation as determined as part of the latest actuarial valuation.

Funding Policy

The District, the State of Oklahoma, and the participating employee make contributions. The contribution rates for the District and its employees are established by and may be amended by Oklahoma Statutes. The rates are not actuarially determined. The rates are applied to the employee's earnings plus employer-paid fringe benefits. The required contribution for the participating members is 7.0% of compensation. Contributions received by the System from the State of Oklahoma are used to offset required employer contributions by the local school district. For the 2024-25 fiscal year, the District contributed 9.5% and the State of Oklahoma contributed the remaining amount during the year. The District is allowed by Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. In addition, if a member's salary is paid in part by federal or private funds, the contribution on that portion of the salary paid by those funds must be matched by the District at 8.00%.

Annual Pension Cost

The District's total contributions for 2025, 2024 and 2023, were \$4,802,763, \$4,478,082 and \$4,014,282, respectively. Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2024. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. Please visit www.ok.gov/TRS for all plan information. GASB Statement 68 became effective for fiscal years beginning after June 15, 2014, and significantly changes pension accounting and financial reporting for governmental employers who participate in a pension plan, such as the System, and who prepare published financial statements on an accrual basis using Generally Accepted Accounting Principles. Since the District does not prepare and present their financial statements on an accrual basis; the net pension amount is not required to be presented on the audited financial statements.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

5. EMPLOYEE RETIREMENT SYSTEM – cont'd

The District vigorously disputes the use of the term “liability” in so far as it suggests the District is legally responsible for payment of the calculated pension liability. The District agrees with the statement by the Oklahoma State Pension Commission in its letter dated September 19, 2011, to the Governmental Accounting Standards Board that “In Oklahoma and perhaps other state jurisdictions, the long-standing case law clearly makes pension obligations the legal obligation of the State. There is no legal or factual way in Oklahoma for a local employer to pay for any portion of the ultimate pension.” The District believes the “calculated pension liability” cited in this paragraph is a number with no relevance or financial significance concerning the financial condition of the District.

6. 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; injuries to employees; or acts of God. The District purchases commercial insurance to cover these risks, including general and auto liability, property damage, and public officials’ liability. Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The District participates in a risk pool for Workers’ Compensation coverage in which there is a transfer or pooling of risks among the participants of that pool. In accordance with GASB No. 10, the District reports the required contribution to the pool, net of refunds, as insurance expense. The risk pool is the Oklahoma School Assurance Group (OSAG), an organization formed for the purpose of providing workers’ compensation coverage to participating schools in the State of Oklahoma. In that capacity, OSAG is responsible for providing loss control services and certain fiscal activities, including obtaining contract arrangements for the underwriting, excess insurance agreements, claims processing, and legal defense for any and all claims submitted to it during the plan year. As a member of OSAG, the District is required to pay fees set by OSAG according to an established payment schedule. A portion of the fees paid by the District goes into a loss fund for the District. The fee for the loss fund is calculated by projecting losses based on the school’s losses for the last five years. OSAG provides coverage in excess of the Loss Fund so the District’s liability for claim loss is limited to the balance of the loss fund. If the District does not use its loss fund in three years, it is returned to the District with no interest.

The District is also a member of the Oklahoma State School Boards Association (OSSBA) Employment Services program, which helps to cover the cost of unemployment claims. Depending on which level of membership the District elects, the District makes a deposit into an account administered by OSSBA or will make payments periodically as needed. The money contributed by each District earns interest and is fully insured. If the District has claims in excess of the amount in its account, it will be liable for the excess.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2, TULSA COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2025

7. CONTINGENCIES

Federal Grants

Amounts received or receivable from grant 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 amounts, 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.

Schedule of Expenditure of Federal Awards

The schedule shows the federal awards received and expended by the District during the 2024-25 fiscal year. The new Uniform Guidance of Audits of States, Local Governments and Non-Profit Organizations established uniform audit requirements for nonfederal entities which expended more than \$750,000 in federal awards.

Litigation

School officials are not aware of any pending or threatened litigation, claims or assessments or unasserted claims or assessments against 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.

Early Childhood Center

Sand Springs Public Schools (SSPS) and Tulsa Children's Coalition (TCC) contracted in May 2008 to jointly develop a new Early Childhood Education Center in Sand Springs to house the early childhood education programs of SSPS and the Community Action Project of Tulsa County (CAPTC). The original development was completed in July 2009 consisting of 20 classrooms, administrative and support spaces at a cost of \$10,703,988. SSPS has paid \$3,500,000 to TCC from the proceeds of the sale of its old early childhood education building to the City of Sand Springs and it entered into a final lease-purchase contract with TCC for \$1,203,988 requiring monthly payments of \$7,205.80 for 15 years from October 2009, annual payments of one percent of the remaining balance, and payments of \$10 per month thereafter through June 2049. SSPS is the owner of the 20.8-acre site and owner of the original eight classrooms and attendant playground and parking areas constructed for its use. SSPS has leased the tract of land containing the 12 classrooms originally constructed for use by CAPTC, the jointly shared administrative and support spaces, and attendant playground and parking areas to TCC for 40 years; through the lease-purchase contract SSPS has joint use of the shared administrative and support spaces on this tract.

SUPPLEMENTARY INFORMATION

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
 ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS
 JUNE 30, 2025

	<u>BUILDING FUND</u>	<u>CO-OP FUND</u>	<u>CHILD NUTRITION FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>				
Cash	\$ 3,276,648	151,806	1,184,978	4,613,432
Investments	1,550,773		500,000	2,050,773
Total Assets	<u>\$ 4,827,421</u>	<u>151,806</u>	<u>1,684,978</u>	<u>6,664,205</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Warrants/checks payable	\$ 25,063	29,445	235,914	290,422
Encumbrances	32,183		636	32,819
Total liabilities	<u>57,246</u>	<u>29,445</u>	<u>236,550</u>	<u>323,241</u>
Fund Balance:				
Restricted	<u>4,770,175</u>	<u>122,361</u>	<u>1,448,428</u>	<u>6,340,964</u>
Total Liabilities and Fund Balances	<u>\$ 4,827,421</u>	<u>151,806</u>	<u>1,684,978</u>	<u>6,664,205</u>

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES
 IN CASH FUND BALANCES - ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	BUILDING FUND	CO-OP FUND	CHILD NUTRITION FUND	TOTAL
Revenues Collected:				
Local sources	\$ 2,375,077		323,459	2,698,536
State sources	1,392,873	293,644	280,489	1,967,006
Federal sources			2,214,165	2,214,165
Interest earnings	205,791		77,664	283,455
Non-revenue receipts		70,902	2,034	72,936
Total revenues collected	<u>3,973,741</u>	<u>364,546</u>	<u>2,897,811</u>	<u>7,236,098</u>
Expenditures:				
Instruction		160,485		160,485
Support services	319,421	122,555		441,976
Operation of noninstructional services			3,241,366	3,241,366
Facilities acquisition and const. svcs.	3,213,825			3,213,825
Other outlays:				
Reimbursement	1,999		2,354	4,353
Correcting Entry			854	854
Total expenditures	<u>3,535,245</u>	<u>283,040</u>	<u>3,244,574</u>	<u>7,062,859</u>
Excess of revenue collected over (under) expenditures before other financing sources (uses)	438,496	81,506	(346,763)	173,239
Other financing sources (uses):				
Adjustments to prior year encumbrances	<u>13,200</u>	<u>1,623</u>	<u>270</u>	<u>15,093</u>
Excess of revenues collected over (under) expenditures	451,696	83,129	(346,493)	188,332
Cash fund balances, beginning of year	<u>4,318,479</u>	<u>39,232</u>	<u>1,794,921</u>	<u>6,152,632</u>
Cash fund balances, end of year	<u>\$ 4,770,175</u>	<u>122,361</u>	<u>1,448,428</u>	<u>6,340,964</u>

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES
 IN CASH FUND BALANCES - BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	BUILDING FUND			CO-OP FUND			CHILD NUTRITION FUND		
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
Revenues Collected:									
Local sources	\$ 3,495,500	3,744,202	2,375,077				\$ 674,600	479,600	323,459
State sources			1,392,873	306,000	272,362	293,644	285,000	245,000	280,489
Federal sources				20,733	11,406		1,382,500	1,982,500	2,214,165
Interest earnings	3,000	10,000	205,791				400	400	77,664
Non-revenue receipts						70,902		1,300	2,034
Total revenues collected	<u>3,498,500</u>	<u>3,754,202</u>	<u>3,973,741</u>	<u>326,733</u>	<u>283,768</u>	<u>364,546</u>	<u>2,342,500</u>	<u>2,708,800</u>	<u>2,897,811</u>
Expenditures:									
Instruction				258,000	200,000	160,485			
Support services	1,850,000	2,005,000	319,421	107,000	120,000	122,555			
Operation of noninstructional services							3,297,000	3,486,000	3,241,366
Facilities acquisition & const. svcs.	3,425,000	3,325,000	3,213,825						
Other outlays:									
Reimbursement			1,999						2,354
Correcting entry							15,000	5,000	854
Other uses/ Unbudgeted							10,000	10,000	
Total expenditures	<u>5,275,000</u>	<u>5,330,000</u>	<u>3,535,245</u>	<u>365,000</u>	<u>320,000</u>	<u>283,040</u>	<u>3,322,000</u>	<u>3,501,000</u>	<u>3,244,574</u>
Excess of revenue collected over (under) expenditures before other financing sources (uses)	(1,776,500)	(1,575,798)	438,496	(38,267)	(36,232)	81,506	(979,500)	(792,200)	(346,763)
Other financing sources (uses):									
Adjustments to prior year encumbrances	0	0	13,200	0	0	1,623	0	0	270
Excess of revenues collected over (under) expenditures	(1,776,500)	(1,575,798)	451,696	(38,267)	(36,232)	83,129	(979,500)	(792,200)	(346,493)
Cash fund balances, beginning of year	4,318,479	4,318,479	4,318,479	39,232	39,232	39,232	1,794,921	1,794,921	1,794,921
Cash fund balances, end of year	<u>\$ 2,541,979</u>	<u>2,742,681</u>	<u>4,770,175</u>	<u>\$ 965</u>	<u>3,000</u>	<u>122,361</u>	<u>\$ 815,421</u>	<u>1,002,721</u>	<u>1,448,428</u>

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES -
 ALL CAPITAL PROJECTS FUNDS - REGULATORY BASIS
 JUNE 30, 2025

	<u>BOND FUND (34)</u>	<u>BOND FUND (35)</u>	<u>BOND FUND (36)</u>	<u>BOND FUND (37)</u>	<u>BOND FUND (38)</u>	<u>TOTAL</u>
<u>ASSETS</u>						
Cash	145	32,844	1,012,983	1,873,127	100,000	3,019,099
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Warrants/checks payable			3,348	6,818		10,166
Encumbrances		32,094	407,083	185,265		624,442
Total liabilities	0	32,094	410,431	192,083	0	634,608
Fund Balances:						
Restricted	145	750	602,552	1,681,044	100,000	2,384,491
Total Liabilities and Fund Balance	145	32,844	1,012,983	1,873,127	100,000	3,019,099

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES, AND CHANGES
 IN CASH FUND BALANCES - ALL CAPITAL PROJECTS FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	BOND FUND (31)	BOND FUND (33)	BOND FUND (34)	BOND FUND (35)	BOND FUND (36)	BOND FUND (37)	BOND FUND (38)	TOTAL
Revenues collected:								
Non-revenue receipts	\$ 0	0	0	0	0	2,999	0	2,999
Expenditures:								
Instruction					79,600			79,600
Support services	47,166	80,265	139,538	337,306	836,492	1,056,320		2,497,087
Facilities acquisition and const. svcs.					128,121	3,488,115		3,616,236
Debt service	1,000							1,000
Total expenditures	48,166	80,265	139,538	337,306	1,044,213	4,544,435	0	6,193,923
Excess of revenue collected over (under) expenditures before other financing sources (uses)	(48,166)	(80,265)	(139,538)	(337,306)	(1,044,213)	(4,541,436)	0	(6,190,924)
Other financing sources (uses):								
Bond proceeds							100,000	100,000
Adjustments to prior year encumbrances	1,000				301,425			302,425
Total other financing sources (uses)	1,000	0	0	0	301,425	0	100,000	402,425
Excess of revenues collected over (under) expenditures	(47,166)	(80,265)	(139,538)	(337,306)	(742,788)	(4,541,436)	100,000	(5,788,499)
Cash fund balances, beginning of year	47,166	80,265	139,683	338,056	1,345,340	6,222,480	0	8,172,990
Cash fund balances, end of year	\$ 0	0	145	750	602,552	1,681,044	100,000	2,384,491

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
 ALL FIDUCIARY FUND TYPES - REGULATORY BASIS
 JUNE 30, 2025

	<u>EXPENDABLE TRUST FUNDS</u>		<u>AGENCY FUNDS</u>	<u>TOTAL</u>
	<u>GIFTS FUND</u>	<u>INSURANCE RECOVERY FUND</u>	<u>SCHOOL ACTIVITY FUNDS</u>	
<u>ASSETS</u>				
Cash	\$ 983,543	591,072	1,561,357	3,135,972
Investments	75,000			75,000
Total Assets	<u>\$ 1,058,543</u>	<u>591,072</u>	<u>1,561,357</u>	<u>3,210,972</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Warrants/checks payable	\$ 225	5,200		5,425
Encumbrances	101,643	585,872		687,515
Funds held for school organizations			1,561,357	1,561,357
Total liabilities	<u>101,868</u>	<u>591,072</u>	<u>1,561,357</u>	<u>2,254,297</u>
Fund Balances:				
Restricted	<u>956,675</u>	<u>0</u>	<u>0</u>	<u>956,675</u>
Total Liabilities and Fund Balance	<u>\$ 1,058,543</u>	<u>591,072</u>	<u>1,561,357</u>	<u>3,210,972</u>

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES AND CHANGES
 IN CASH FUND BALANCES - ALL EXPENDABLE TRUST FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	EXPENDABLE TRUST FUNDS		
	GIFTS FUND	INS. RECOVERY FUND	TOTAL
Revenues Collected:			
Local sources	\$ 173,536		173,536
Interest earnings	3,522		3,522
Total revenues collected	177,058	0	177,058
Expenditures:			
Instruction	700		700
Support services	106,236	591,072	697,308
Operation of noninstructional services	4,225		4,225
Other outlays:			
Reimbursement	11,000		11,000
Total expenditures	122,161	591,072	713,233
Excess of revenues collected over (under) expenditures	54,897	(591,072)	(536,175)
Cash fund balances, beginning of year	901,778	591,072	1,492,850
Cash fund balances, end of year	\$ 956,675	0	956,675

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

<u>ASSETS</u>	<u>BALANCE 7/1/2024</u>	<u>ADDITIONS</u>	<u>TRANSFERS / ADJUSTMENTS</u>	<u>DEDUCTIONS</u>	<u>BALANCE 6/30/2025</u>
Cash	\$ 965,415	2,239,654		2,243,712	961,357
Investments	600,000				600,000
Total	\$ 1,565,415	2,239,654	0	2,243,712	1,561,357
 <u>LIABILITIES</u>					
Funds held for school organizations:					
Early Childhood	\$ 8,728	22,993	(72)	21,090	10,559
Angus Valley	75,689	89,696		88,929	76,456
Northwoods	3,436	82,774		68,767	17,443
Garfield	35,139	75,349	72	70,246	40,314
Limestone	48,838	37,620	1,021	31,532	55,947
Pratt	36,036	39,097		60,566	14,567
All District Choir	5,156	0		731	4,425
Project Summer Spirit	180	0		180	0
Garfield Social CTE	309	1,252		1,223	338
CPHS General Fund	9,843	16,132		14,927	11,048
Cooler	7,594	3,274		106	10,762
Refund Account	0	5,189		5,189	0
CBJH General Fund	26,228	20,976		29,555	17,649
CNGC General Fund	2,136	5,463		6,194	1,405
Agriculture	27,589	100,896		93,016	35,469
Athletic Concession	8,879	6,542		1,462	13,959
Boyd Art	233	0		0	233
CPHS Athletics	85,711	209,048		236,289	58,470
Sandite Quarterback Club	79,655	85,560		97,625	67,590
Tennis	1,087	5,065		5,273	879
Softball	26,926	19,779		19,513	27,192
CPHS Visual Arts	1,566	1,990		192	3,364
CPHS FCA	73	0		0	73
Central Art	15	80		0	95
NAHS	141	0		0	141
BIT	2,290	4,519		3,685	3,124
CPHS Succeed	4,286	0		186	4,100
9th Grade BPA	957	160		1,117	0
CPHS Cheer	23,598	56,471		55,779	24,290
9th Grade Cheer	22,723	11,625		16,756	17,592
Page Academy	384	4,229		4,097	516
Sixth Grade Art	4,222	1,270		2,169	3,323
CBMS 7th Grade Science Club	1,908	0		0	1,908
CMBS Environmental Science	2,916	0		2,916	0
Student Educational	398	0		0	398
Sertoma Serteen Club	342	0		0	342
CBMS Social Committee	149	0		149	0

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	BALANCE 7/1/2024	ADDITIONS	TRANSFERS / ADJUSTMENTS	DEDUCTIONS	BALANCE 6/30/2025
CPHS Dance	\$ 43,045	51,961		88,977	6,029
Debate	2,250	6,183		4,755	3,678
CPHS AP Department	3,879	16,133		14,399	5,613
CPHS Drama	7,347	47,104		36,021	18,430
Boyd Drama	4,406	1,478		832	5,052
CPHS Science	3,855	0		0	3,855
CPHS English	85	0		0	85
Boyd English	3,410	3,640		4,637	2,413
FFA Boosters	7,222	21,155		20,131	8,246
French Club	224	0		0	224
CPHS FACS	155	2,647		1,762	1,040
Indian Education	5,036	9,087		8,609	5,514
Band Activity	28,606	41,375		39,498	30,483
SS Band Boosters	46,370	63,273		68,025	41,618
Boyd Instrumental	18,184	19,818		22,004	15,998
Boyd Journalism	8,115	935		7,054	1,996
Central Journalism	9,856	3,151		1,216	11,791
CBMS FCA	4,394	896		882	4,408
CCHS Library	878	88		207	759
Boyd Library	1,276	6,417		6,317	1,376
Central Library	219	0		0	219
CJH Staff Social Committee	302	0		86	216
Sandites TV	553	0		61	492
Basketball - Girls	843	4,670		2,572	2,941
Basketball - Boys	6,638	12,545		9,695	9,488
CPHS NHS	5,926	2,815		3,265	5,476
SS Baseball Boosters	6,449	54,070		44,277	16,242
Sandite Basketball Association	19,560	40,456		41,402	18,614
Sandite Soccer Boosters	10,646	28,815		20,978	18,483
8th Grade Dance	24	0		0	24
9th Grade Dance	18,210	16,142		25,596	8,756
CPHS Technology Student Assoc.	546	1,512		1,025	1,033
CPHS Health Occupations	596	0		0	596
CPHS Morning Grind	336	0		0	336
CPHS Academic Team	890	528		739	679
Sandtonian	30,545	8,180		18,473	20,252
Boyd Think Tank	49	0		49	0
Boyd Science	14,168	2,059		2,068	14,159
Central Science	759	130		389	500
Spanish	70	0		0	70
Boyd Foreign Language	202	0		0	202
Curriculum and Instruction	24,873	10,738		3,827	31,784
Special Olympics	5,618	4,292		3,981	5,929
CPHS Student Council	8,082	7,035		8,787	6,330
Boyd Student Council	7,533	3,736		4,223	7,046

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS - REGULATORY BASIS
 FOR THE YEAR ENDED JUNE 30, 2025

	BALANCE 7/1/2024	ADDITIONS	TRANSFERS / ADJUSTMENTS	DEDUCTIONS	BALANCE 6/30/2025
Central Student Council	\$ 2,547	1,059		450	3,156
CPHS Vocal	4,981	23,272		21,507	6,746
Boyd Vocal	1,847	10,671		6,777	5,741
Boyd Special Education	1,523	1,907	(327)	1,627	1,476
CPHS Prom	32,615	16,350		16,387	32,578
Band Trips	23,438	59,266		61,782	20,922
Boyd Tech Education	1,163	837		1,506	494
CPHS Scholarship	9,100	10,000		4,250	14,850
Track	2,795	7,934		6,838	3,891
Youth in Government	229	392		206	415
Special Education Voc	18,360	5,675	(1,021)	9,309	13,705
CPHS Fishing Club	885	0		0	885
Cross-Country	2,878	3,163		2,439	3,602
CPHS Wrestling	33,788	26,811		23,989	36,610
CPHS Golf	11,203	3,640		6,479	8,364
JH Wrestling	533	0		533	0
Volleyball Boosters	9,241	51,077		31,072	29,246
CPHS Football	32,875	39,981		42,444	30,412
Soccer - Girls	1,708	2,307		235	3,780
Soccer - Boys	7,044	3,112		2,289	7,867
SPED ARTC Horse Therapy	8,441	0		4,200	4,241
CFAA Stargazers	36	0		0	36
Bus Barn	244	729		838	135
Senior Celebration	1,073	17,481		17,553	1,001
Maintenance	1,171	1,089		0	2,260
IT Technology	111,011	38,644		58,506	91,149
Child Nutrition	94,959	1,710		2,008	94,661
Girls Wrestling	0	17,514		2,203	15,311
Strength and Conditioning	2,909	7,403		8,588	1,724
Limestone PTO	19,707	5,089		5,382	19,414
Pratt PTO	26,385	24,645		20,388	30,642
ECEC After School	10,759	30,056		33,694	7,121
NWFAA PTO	8,876	8,703		10,059	7,520
Angus Social CMTE	0	570		541	29
Pratt Extended Day	0	36,166		30,798	5,368
SSECCC - ECEC	77,051	184,077		211,111	50,017
Shooting Team	9,167	6,250		4,119	11,298
Sandite Fine Arts	5,504	3,439		3,193	5,750
CPHS Page By Page	357	2,852		2,217	992
Girls Tennis	0	1,625		830	795
Boys Tennis	0	1,396		663	733
CBMS Archery	0	38,113		13,035	25,078
Sandites BMX	0	10,000		5,226	4,774
Grants	32,909	96,520		91,100	38,329
Superintendent Project	38,513	38,016	327	21,063	55,793
Total Liabilities	\$ 1,565,415	2,239,654	0	2,243,712	1,561,357

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REGULATORY BASIS**

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - REGULATORY BASIS
PREPARED FOR THE OKLAHOMA STATE DEPARTMENT OF EDUCATION
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor / Pass Through Grantor / Program Title	Fed. Asst. Lisiting Number	Control Project No.	Total Expenditures
<u>U.S. DEPARTMENT OF EDUCATION -</u>			
<u>Direct Programs:</u>			
Indian Education	84.060A	561	\$ 224,924
<u>Passed Through State Department of Education:</u>			
Title I, Part A	84.010	511	870,911
Title I, Part A, Neglected	84.010	518	62,870
Title I, School Improvement	84.010	515	181,972
Total 84.010:			<u>1,115,753</u> *
Title II, Part A	84.367	541	177,194
Title IV, Part A	84.424	552	54,597
Title IV, Stronger Connections	84.424F	715	96,360
Total 84.424:			<u>150,957</u>
21st Century Grant	84.287	553	254,596
21st Century Grant - Special Projects	84.287	554	302,921
Total 84.287:			<u>557,517</u>
Title III, Part A	84.365	572	9,084
<u>Special Education Cluster:</u>			
IDEA-B, Flow Through	84.027	621	1,095,991
IDEA-B, Prof Develop OSDE	84.027	613	2,100
IDEA-B, Prof Develop District	84.027	615	5,551
IDEA B - Secondary Transition Services	84.027	618	12,978
IDEA-B, Preschool	84.173	641	21,266
Total Special Education Cluster:			<u>1,137,886</u>
<u>COVID-19 - Education Stabilization Funds:</u>			
ESSER III	84.425U	795	29,827
ESSER III Homeless I	84.425U	796	3,712
ESSER III Homeless II	84.425U	797	2
Total COVID-19 - Education Stabilization Funds:			<u>33,541</u>
<u>Passed Through State Department of Vocational Technical Education:</u>			
Carl Perkins Grant	84.048	421	54,154
Carl Perkins Supplemental	84.048	424	73,775
Total 84.048:			<u>127,929</u>
<u>U.S. DEPARTMENT OF AGRICULTURE -</u>			
<u>Passed Through State Department of Education:</u>			
<u>Child Nutrition Programs:</u>			
School Breakfast Program	10.553	764	433,436
National School Lunch Program	10.555	763	1,641,793
Summer Food Program	10.559	766	16,057
Supply Chain Assistance	10.555	759	100,000
Non-Cash Assistance - Commodities	10.555	N/A	184,604
Total Child Nutrition Cluster:			<u>2,375,890</u> *
<u>Other Federal Assistance:</u>			
Johnson O'Malley	15.130	563	43,389
Johnson O'Malley 3 month	15.130	564	25,159
Total 84.048:			<u>68,548</u>
Cherokee Nation STEM Grant	N/A	772	20,000
Muscogee Nation Summer School	93.575	771	32,456
Total Federal Expenditures			<u>\$ 6,031,679</u>

* Major programs = 57.88%

Note 1 - Basis of Presentation - The accompanying schedule of expenditures of federal awards includes the federal activity of the District for the year ended June 30, 2025. This information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended and does not present the financial position, changes in net assets, or cash flows of the District.

Note 2 - Summary of Significant Accounting Policies - Expenditures reported on this schedule are reported on the regulatory basis of accounting consistent with the preparation of the combined financial statements except as noted in Note 3. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - Non-Monetary Assistance - Commodities received by the District were of a non-monetary nature.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - REGULATORY BASIS
 PREPARED FOR THE OKLAHOMA STATE DEPARTMENT OF EDUCATION
 FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor / Pass Through Grantor / Program Title	Fed. Asst. Listing Number	Control Project No.	Program or Award Amount	Balance at 7/1/2024	Revenue Collected	Total Expenditures	Balance at 6/30/2025
U.S. DEPARTMENT OF EDUCATION -							
Direct Programs:							
Indian Education	84.060A	561	\$ 226,043		220,913	224,924	4,011
Indian Education, 2023-24	84.060A	799		17,096	17,096		
Sub-Total			<u>226,043</u>	<u>17,096</u>	<u>238,009</u>	<u>224,924</u>	<u>4,011</u>
Passed Through State Department of Education:							
Title I, Part A	84.010	511	1,056,583		532,540	870,911	338,371
Title I, Part A, 2023-24	84.010	799		360,617	360,617		
Title I, Part A, Neglected	84.010	518	65,231		36,841	62,870	26,029
Title I, School Improvement	84.010	515	200,874		143,350	181,972	38,622
Title II, Part A	84.367	541	242,603		142,725	177,194	34,469
Title II, Part A, 2023-24	84.367	799		31,427	31,427		
Title IV, Part A	84.424	552	67,860		19,406	54,597	35,191
Title IV Part A, 2023-24	84.424	799		50,101	50,101		
Title IV, Stronger Connections	84.424F	715	91,984		28,916	96,360	67,444
Title IV, Stronger Connections, 2023-24	84.424F	799		63,018	63,018		
21st Century Grant	84.287	553	254,596		171,074	254,596	83,522
21st Century Grant, 2023-24	84.287	799		74,677	74,677		
21st Century Grant - Special Projects	84.287	554	302,921		174,757	302,921	128,164
21st Century Grant - Special Projects, 2023-24	84.287	799		74,961	74,961		
Title III, Part A	84.365	572	23,044		7,080	9,084	2,004
Title III, Part A, 2023-24	84.365	799		16,676	16,676		
IDEA-B, Flow Through	84.027	621	1,206,687		647,945	1,095,991	448,046
IDEA-B, Flow Through, 2023-24	84.027	799		440,858	440,858		
IDEA-B, Prof Develop OSDE	84.027	613	2,100		0	2,100	2,100
IDEA-B, Prof Develop District	84.027	615	5,962		3,275	5,551	2,276
IDEA-B, Prof Develop District, 2023-24	84.027	799		933	933		
IDEA-B - Secondary Transition Services	84.027	618	13,973		5,939	12,978	7,039
IDEA-B, Preschool	84.173	641	25,114		14,558	21,266	6,708
IDEA-B, Preschool, 2023-24	84.173	799		6,792	6,792		
ESSER - Counselor Corps Grant, 2023-24	84.425U	799		1,649	1,649		
ESSER III	84.425U	795	29,827		29,827	29,827	
ESSER III, 2023-24	84.425U	799		118,430	118,430		
ESSER III Homeless I	84.425U	796	3,712		3,712	3,712	
ESSER III Homeless I, 2023-24	84.425U	799		9,417	9,417		
ESSER III Homeless II	84.425U	797	2		2	2	
ESSER III Homeless II, 2023-24	84.425U	799		5,803	5,803		
Sub Total			<u>3,593,073</u>	<u>1,255,359</u>	<u>3,217,306</u>	<u>3,181,932</u>	<u>1,219,985</u>
Passed Through State Department of Career and Technology Education:							
Carl Perkins Grant	84.048	421	54,154			54,154	54,154
Carl Perkins Supplemental	84.048	424	73,775		73,775	73,775	
Carl Perkins Grant, 2023-24	84.048	799		43,229	43,229		
Sub Total			<u>127,929</u>	<u>43,229</u>	<u>117,004</u>	<u>127,929</u>	<u>54,154</u>
U.S. DEPARTMENT OF AGRICULTURE -							
Passed Through State Department of Education:							
Child Nutrition Programs:							
School Breakfast Program	10.553	764			434,033	433,436	
National School Lunch Program	10.555	763			1,764,351	1,641,793	
Summer Food Program	10.559	766			15,781	16,057	
Supply Chain Assistance	10.555	759				100,000	
Non-Cash Assistance - Commodities	10.555	N/A			184,604	184,604	
Sub Total					<u>2,398,769</u>	<u>2,375,890</u>	
Other Federal Assistance:							
Johnson O'Malley	15.130	563	45,950		6,687	43,389	36,702
Johnson O'Malley 3 month	15.130	564	25,159		25,159	25,159	
Cherokee Nation STEM Grant	N/A	772	20,000		20,000	20,000	
Muscogee Nation Summer School	93.575	771	75,000		75,000	32,456	
Flood Control	12.112	770	22		22		
Sub Total			<u>166,131</u>	<u>0</u>	<u>126,868</u>	<u>121,004</u>	<u>36,702</u>
Total Federal Assistance			\$ 4,113,176	1,315,684	6,097,956	6,031,679	1,314,852

Note 1 - This schedule was prepared on a regulatory basis of accounting consistent with the preparation of the combined financial statements, except for the non-cash assistance noted in Note 2.

Note 2 - Food Distribution - Non-cash assistance is reported in this schedule at the fair market value of the commodities received and disbursed.

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
STATEMENT OF STATUTORY, FIDELITY AND HONESTY BONDS
FOR THE YEAR ENDED JUNE 30, 2025

BONDING COMPANY	POSITION COVERED	BOND NUMBER	COVERAGE AMOUNT	EFFECTIVE DATES
Liberty Mutual Surety -	Treasurer	999324503	\$ 300,000	4/25/24 - 4/25/26
Old Republic Surety -	Superintendent	LOP2013732	100,000	11/7/23 - 11/7/25
	Minutes Clerk/ Board Clerk	LOP2013732	100,000	11/7/23 - 11/7/25
	Assistant Treasurer/ Activity Fund	LOP2013732	51,000	11/7/23 - 11/7/25
	Director of Information Technology	LOP2013732	51,000	11/7/23 - 11/7/25
	Encumbrance Clerk	LOP2013732	51,000	11/7/23 - 11/7/25
	Payroll Supervisor	LOP2013732	51,000	11/7/23 - 11/7/25
	Benefits Specialist	LOP2013732	51,000	11/7/23 - 11/7/25
	HR/General Records Clerk	LOP2013732	51,000	11/7/23 - 11/7/25
	Purchasing Agent	LOP2013732	51,000	11/7/23 - 11/7/25
	Child Nutrition Clerk	LOP2013732	10,000	11/7/23 - 11/7/25

SAND SPRINGS INDEPENDENT SCHOOL DISTRICT NO. 2 OF TULSA COUNTY
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE
AFFIDAVIT
JULY 1, 2024 TO JUNE 30, 2025

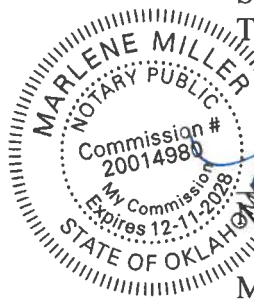
State of Oklahoma)
) ss
County of Tulsa)

The undersigned auditing firm of lawful ages, 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 Sand Springs Public Schools for the audit year 2024-25.

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP
Auditing Firm

By 
Authorized Agent

Subscribed and sworn to before me
This 1st day of December, 2025




Notary Public (or Clerk or Judge)

My Commission Expires: 12-11-2028
Commission No. 20014980



BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA
Jeffrey D. Hewett, CPA
Christopher P. Gullekson, CPA

P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3831 • FAX (918) 449-9779

December 1, 2025

Mr. Cassidy Wion, CFO
Sand Springs Public Schools
11 West Broadway
Sand Springs, Oklahoma 74063

Dear Mr. Wion:

Listed below are the observations and recommendations from the final audit work we performed for you. Please review them very carefully, along with the review copy of your audit report. If you have questions or desire additional information, please call us so that any discrepancies may be resolved.

The following section contains the observations relayed to management that are immaterial instances of noncompliance, which we feel need to be communicated to you so appropriate action may be taken to correct these deficiencies. These items are not included, but are referred to, in your audit report.

No Audit Exceptions

We take this opportunity to thank you and your professional staff for the outstanding cooperation and invaluable assistance you gave us during our recent onsite audit work.

Sincerely,

Eric M. Bledsoe

For

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

EXHIBIT B

CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated as of June 1, 2026 (this “Disclosure Agreement”), is executed and delivered by Independent School District No. 2, Tulsa County, Oklahoma (the “Issuer”) in connection with the issuance of the General Obligation Combined Purpose Bonds, Series 2026 (the “2026 Combined Purpose Bonds”) and its General Obligation Building Bonds, Federally Taxable Series 2026 (the “2026 Building Bonds”) (collectively, the “Bonds” or “2026 Bonds”). The Bonds are being issued pursuant to Resolutions dated as of May 13, 2026 (the “Resolutions”). The School District is the “obligated person” with respect to the Bonds for the purposes of the Rule, hereinafter defined, hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist each Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “Commission”). The Issuer represents that it will be the only “obligated person” (as defined in the Rule) with respect to the Bonds at the time the Bonds are delivered to each Participating Underwriter and that no other person presently is expected to become an obligated person with respect to the Bonds at any time after the issuance of the Bonds.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Audited Financial Statements*” shall mean the Issuer’s annual financial statements, prepared on a prescribed basis of accounting that demonstrates compliance with the laws of the State of Oklahoma, which financial statements shall have been audited by such auditor as shall be then required or permitted by the laws of the State.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the Chief Financial Officer of the School District or his or her designee, or such other officer or employee as the School District shall designate from time to time.

“*Dissemination Agent*” shall mean any entity designated by the Issuer to act as the Dissemination Agent hereunder.

“*EMMA*” means the MSRB’s Electronic Municipal Market Access System. Reference is made to Commission Release No. 34-59062, December 8, 2008 (the “*Release*”) relating to the EMMA system for municipal securities disclosure effective on July 1, 2009.

“*Financial Obligation*” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Material Event*” shall mean any of the events listed in Exhibit B to this Disclosure Agreement.

“*Material Event Notice*” means notice of a Material Event in Prescribed Form.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Official Statement” means the “final official statement,” as defined in the paragraph (f)(3) of the Rule, relating to the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Prescribed Form” means, with regard to the filing of Annual Financial Information, Audited Financial Statements and notices of Material Events with the MSRB at www.emma.msrb.org (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“Rule” means Rule 15c2-12 promulgated by the Commission under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretations thereof.

“State” shall mean the State of Oklahoma.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 10 business days after such information becomes available, and not later than ten months after the end of the Issuer’s fiscal year (presently July 1 through June 30), commencing with the report for the 2026 Fiscal Year, provide to the MSRB in Prescribed Form the Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided* that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date but within 10 business days after they become available. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Material Event under Section 5.

(b) If the Issuer fails to provide an Annual Report to the MSRB by the date required in subsection (a), the Issuer shall send a notice of such failure to the MSRB by a date not in excess of 10 business days after the occurrence of such failure.

Section 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or include by reference the following:

(a) Annual audited financial statements of the Issuer and an annual update of all material financial and operating data of the Issuer, to the same extent as provided in those portions identified in Exhibit A hereto of the Official Statement and as required by applicable state law. The descriptions in the Official Statement of financial and operating data of the Issuer are of general categories of financial and operating data deemed to be material as of the date of the Official Statement. When such descriptions include information that no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any annual financial and operating data containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

(b) The audited financial statements of the Issuer for the prior fiscal year, prepared on a regulatory basis as prescribed by the Oklahoma Department of Education provided, however, that the Issuer may from time to time, if required by federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall be provided to the MSRB, and shall include a reference to the specific federal or State law or regulation describing such accounting basis. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report within 10 business days of when they become available.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Disclosure of Material Events. The Issuer hereby covenants that it will disseminate in a timely manner, not in excess of 10 business days after the occurrence of the event, a Material Event Notice to the MSRB in Prescribed Form. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Disclosure Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Bonds pursuant to the Resolution. The Issuer is required to deliver such Material Event Notice in the same manner as provided by Section 3(a) of this Disclosure Agreement.

Section 6. Duty To Update EMMA/MSRB. The Issuer shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB's e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

Section 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Material Event Notice under Section 5.

Section 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule

at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Material Event Notice under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or Material Event Notice, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or Material Event Notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Material Event Notice.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Resolution is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Resolution. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees, to the extent permitted under Oklahoma law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent.

Section 13. Notices. Any notices or communications to School District under this Disclosure Agreement may be given as follows: Independent School District No. 2, Tulsa County, Oklahoma, Attention: Chief Financial Officer, Telephone: 918-246-1400.

Section 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, each Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Recordkeeping. The Issuer shall maintain records of all filings of Annual Reports and Material Event Notices, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**INDEPENDENT SCHOOL DISTRICT NO. 2,
TULSA COUNTY, OKLAHOMA**

By: _____
President, Board of Education

[Signature Page to Continuing Disclosure Agreement]

EXHIBIT A
DESCRIPTION OF PORTIONS OF
OFFICIAL STATEMENT REQUIRING ANNUAL UPDATE

The information under the Heading “Financial Information”

Exhibit A – Audited Financial Statements.

EXHIBIT B

EVENTS WITH RESPECT TO THE BONDS FOR WHICH MATERIAL EVENT NOTICES ARE REQUIRED

1. Principal and interest payment delinquencies.
2. Nonpayment-related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
7. Modifications to rights of security holders, if material.
8. Bond calls, if material.
9. Defeasances.
10. Release, substitution or sale of property securing repayment of the securities, if material.
11. Rating changes.
12. Tender offers.
13. Bankruptcy, insolvency, receivership or similar event of the Issuer[†].
14. The consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
15. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
16. The incurrence of a financial obligation of the obligated person, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
17. A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of an obligated person, any of which reflect financial difficulties.

[†]This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

EXHIBIT C

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Independent School District No. 2 of Tulsa County, Oklahoma

Name of Bond Issue: \$5,115,000 General Obligation Combined Purpose Bonds, Series 2026 and \$2,650,000 General Obligation Building Bonds, Federally Taxable Series 2026

Date of Issuance: _____

Base CUSIP: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate dated the ____ day of _____, 2026. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

Independent School District No. 2 of Tulsa County, Oklahoma

By: _____