

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

PLEASE NOTE IN THE FOLLOWING TABLE OF CONTENTS THAT SEVERAL SCHOOLS ARE CATEGORIZED UNDER INCORRECT ZONES IN OUR AUDIT REPORT; HOWEVER, THESE SCHOOLS WERE IN THE ZONES AS LISTED IN PRIOR YEARS.

THE FOLLOWING SCHOOLS ARE LISTED INCORRECTLY IN THE TABLE OF CONTENTS AS THE CENTRAL ZONE, BUT SHOULD BE IN THE SOUTH ZONE:

LONGWOOD ELEMENTARY
MEIGS MIDDLE
SHALIMAR ELEMENTARY

THE FOLLOWING SCHOOL IS LISTED IN THE TABLE OF CONTENTS AS THE SOUTH ZONE; HOWEVER, DURING THE YEAR UNDER AUDIT, THE ADMINISTRATIVE REPORTING WAS CHANGED FROM THE SOUTH ZONE TO QUALITY ASSURANCE BUT IS NOT REFLECTED AS SUCH IN OUR REPORT:

SILVER SANDS SCHOOL

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

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INDEPENDENT AUDITOR'S REPORT

To the Okaloosa County District School Board
 and Don Gaetz, Superintendent of Schools
 Fort Walton Beach, Florida

We have audited the accompanying statements of cash receipts and disbursements for the Okaloosa County District School Board's internal funds for the fiscal year ended June 30, 2003, for all schools as follows: Central Zone - Bluewater Elementary, Cherokee Elementary, Destin Elementary, Destin Middle, Edge Elementary, Lewis Middle, Longwood Elementary, Meigs Middle, Niceville High, Oak Hill Elementary, Plew Elementary, Ruckel Middle, Shalimar Elementary, Valparaiso Elementary; North Zone - Antioch Elementary, Baker School, Bob Sikes Elementary, Crestview High, Davidson Middle, Laurel Hill School, Northwood Elementary, Okaloosa Applied Technology Center, Richbourg Middle, Southside Elementary, Walker Elementary; South Zone - Bruner Middle, Choctawhatchee High, Edwins Elementary, Elliott Point Elementary, Florosa Elementary, Fort Walton Beach High, Kenwood Elementary, Mary Esther Elementary, Ocean City Elementary, Pryor Middle, Silver Sands, Wright Elementary. These statements are the responsibility of the each school's administration. Our responsibility is to express an opinion on these statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of cash receipts and disbursements for the internal funds. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statements of cash receipts and disbursements for the internal funds. We believe our audits provide a reasonable basis for our opinion.

These financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. All receipts are recognized when cash is constructively received by the school, and disbursements are recognized when paid.

In our opinion, the statements of cash receipts and disbursements referred to above present fairly, in all material respects, the financial position of each school's internal funds for the fiscal year ended June 30, 2003 in conformity with a comprehensive basis of accounting other than generally accepted accounting principles.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLP
 Certified Public Accountants

Destin, Florida
 July 30, 2003

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
BLUEWATER ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 927	\$ 2,964	\$ (2,633)	\$ -	\$ 1,258
Classes	615	10,933	(17,314)	11,656	5,890
Clubs	27,636	68,991	(65,548)	(11,827)	19,252
Departments	23,623	31,662	(35,751)	-	19,534
Trust Funds	12,891	15,388	(22,292)	1,060	7,047
General	57,085	36,823	(38,598)	(889)	54,421
TOTALS	<u>\$ 122,777</u>	<u>\$ 166,761</u>	<u>\$ (182,136)</u>	<u>\$ -</u>	<u>\$ 107,402</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
CHEROKEE ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 103	\$ 6,515	\$ (6,006)	\$ -	\$ 612
Classes	2,522	23,987	(24,594)	1,405	3,320
Clubs	48	990	(1,015)	29	52
Departments	3,303	265	(1,199)	415	2,784
Trust Funds	9,291	56,950	(52,260)	(1,798)	12,183
General	22,741	21,831	(24,186)	(51)	20,335
TOTALS	<u>\$ 38,008</u>	<u>\$ 110,538</u>	<u>\$ (109,260)</u>	<u>\$ -</u>	<u>\$ 39,286</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
DESTIN ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 483	\$ 2,712	\$ (1,972)	\$ -	\$ 1,223
Classes	1,148	23,900	(24,409)	226	865
Clubs	3,845	21,852	(19,994)	700	6,403
Trust Funds	67,052	127,564	(137,169)	(448)	56,999
General	34,872	22,462	(21,906)	(478)	34,950
TOTALS	<u>\$ 107,400</u>	<u>\$ 198,490</u>	<u>\$ (205,450)</u>	<u>\$ -</u>	<u>\$ 100,440</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
DESTIN MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 38,480	\$ 81,600	\$ (97,487)	\$ (1,973)	\$ 20,620
Music	6,461	42,181	(41,729)	(1,261)	5,652
Classes	3,956	13,021	(13,050)	(25)	3,902
Clubs	8,481	57,048	(59,760)	1,243	7,012
Departments	3,938	13,770	(14,712)	1,726	4,722
Trust Funds	37,904	61,189	(50,737)	224	48,580
General	5,808	26,279	(24,427)	66	7,726
TOTALS	<u>\$ 105,028</u>	<u>\$ 295,088</u>	<u>\$ (301,902)</u>	<u>\$ -</u>	<u>\$ 98,214</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
EDGE ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 22	\$ 811	\$ (806)	\$ (16)	\$ 11
Classes	137	7,495	(8,818)	1,723	537
Clubs	1,229	6,034	(5,305)	423	2,381
Departments	5,345	13,686	(15,629)	944	4,346
Trust Funds	11,043	51,200	(50,898)	(4,660)	6,685
General	10,739	28,580	(28,988)	1,586	11,917
TOTALS	<u>\$ 28,515</u>	<u>\$ 107,806</u>	<u>\$ (110,444)</u>	<u>\$ -</u>	<u>\$ 25,877</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
LEWIS MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 26,021	\$ 57,962	\$ (50,486)	\$ 48	\$ 33,545
Music	10,160	28,029	(30,342)	4,490	12,337
Classes	5,502	2,999	(2,249)	514	6,766
Clubs	14,387	34,050	(33,946)	(509)	13,982
Departments	8,673	30,148	(33,329)	6,734	12,226
Trust Funds	1,172	2,255	(1,674)	(240)	1,513
General	8,783	61,874	(50,133)	(11,037)	9,487
TOTALS	<u>\$ 74,698</u>	<u>\$ 217,317</u>	<u>\$ (202,159)</u>	<u>\$ -</u>	<u>\$ 89,856</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
LONGWOOD ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 497	\$ 539	\$ (610)	\$ -	\$ 426
Music	-	409	(409)	-	-
Classes	94	6,747	(6,506)	(47)	288
Clubs	387	-	(277)	(11)	99
Departments	3,720	9,167	(10,708)	603	2,782
Trust Funds	9,311	18,646	(10,869)	(631)	16,457
General	21,641	25,437	(20,306)	86	26,858
TOTALS	<u>\$ 35,650</u>	<u>\$ 60,945</u>	<u>\$ (49,685)</u>	<u>\$ -</u>	<u>\$ 46,910</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
MEIGS MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 14,834	\$ 40,657	\$ (39,364)	\$ (259)	\$ 15,868
Music	13,603	54,796	(48,567)	(5,976)	13,856
Classes	1,750	5,695	(5,170)	194	2,469
Clubs	2,408	22,984	(21,315)	(154)	3,923
Departments	6,168	8,229	(9,306)	184	5,275
Trust Funds	5,566	5,497	(6,206)	2,365	7,222
General	18,168	126,690	(125,351)	3,646	23,153
TOTALS	<u>\$ 62,497</u>	<u>\$ 264,548</u>	<u>\$ (255,279)</u>	<u>\$ -</u>	<u>\$ 71,766</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
NICEVILLE HIGH SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 240,010	\$ 415,164	\$ (430,548)	\$ 19,016	\$ 243,642
Music	45,265	288,305	(253,175)	14,764	95,159
Classes	3,719	9,998	(9,390)	360	4,687
Clubs	93,942	241,692	(233,779)	(24,400)	77,455
Departments	50,741	80,171	(82,999)	801	48,714
Trust Funds	77,444	61,522	(62,226)	(10,522)	66,218
General	161,027	67,744	(74,417)	(19)	154,335
TOTALS	<u>\$ 672,148</u>	<u>\$ 1,164,596</u>	<u>\$ (1,146,534)</u>	<u>\$ -</u>	<u>\$ 690,210</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
OAK HILL ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 51	\$ 1,399	\$ (2,723)	\$ 1,404	\$ 131
Classes	6,921	22,835	(20,650)	(674)	8,432
Departments	10,954	14,924	(13,454)	1,593	14,017
Trust Funds	6,221	24,778	(21,884)	(3,046)	6,069
General	68,402	32,686	(42,354)	723	59,457
TOTALS	<u>\$ 92,549</u>	<u>\$ 96,622</u>	<u>\$ (101,065)</u>	<u>\$ -</u>	<u>\$ 88,106</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
PLEW ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 102	\$ 985	\$ (1,236)	\$ 250	\$ 101
Classes	14,101	51,889	(61,087)	11,815	16,718
Clubs	760	250	(731)	126	405
Departments	8,260	34,145	(36,570)	2,640	8,475
Trust Funds	6,544	25,896	(10,192)	(14,491)	7,757
General	49,575	18,361	(21,749)	(340)	45,847
TOTALS	<u>\$ 79,342</u>	<u>\$ 131,526</u>	<u>\$ (131,565)</u>	<u>\$ -</u>	<u>\$ 79,303</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
RUCKEL MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 23,647	\$ 65,344	\$ (63,846)	\$ 261	\$ 25,406
Music	2,508	68,485	(57,946)	-	13,047
Classes	3,805	21,902	(19,281)	-	6,426
Clubs	9,274	68,955	(71,453)	4,026	10,802
Departments	4,351	12,167	(11,945)	(500)	4,073
Trust Funds	2,707	11,701	(4,753)	(3,434)	6,221
General	33,451	21,302	(31,386)	(353)	23,014
TOTALS	<u>\$ 79,743</u>	<u>\$ 269,856</u>	<u>\$ (260,610)</u>	<u>\$ -</u>	<u>\$ 88,989</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SHALIMAR ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 11	\$ -	\$ -	\$ -	\$ 11
Classes	230	20,915	(20,356)	-	789
Departments	1,818	20,204	(20,008)	-	2,014
Trust Funds	1,422	23,842	(23,734)	371	1,901
General	6,441	9,087	(10,149)	(371)	5,008
TOTALS	<u>\$ 9,922</u>	<u>\$ 74,048</u>	<u>\$ (74,247)</u>	<u>\$ -</u>	<u>\$ 9,723</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
VALPARAISO ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 1,041	\$ 6,855	\$ (7,363)	\$ 192	\$ 725
Music	25	-	-	-	25
Classes	-	16,673	(18,215)	1,543	1
Clubs	4,735	2,204	(4,888)	1,493	3,544
Departments	5,820	11,213	(9,295)	212	7,950
Trust Funds	7,405	29,656	(23,535)	(3,301)	10,225
General	40,606	26,545	(36,893)	(139)	30,119
TOTALS	<u>\$ 59,632</u>	<u>\$ 93,146</u>	<u>\$ (100,189)</u>	<u>\$ -</u>	<u>\$ 52,589</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
ANTIOCH ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 467	\$ 100	\$ (528)	\$ 150	\$ 189
Music	157	-	-	175	332
Classes	2,667	28,919	(29,840)	1,745	3,491
Departments	10,792	18,148	(25,705)	297	3,532
Trust Funds	16,923	56,531	(49,587)	(6,085)	17,782
General	40,054	24,016	(37,418)	3,718	30,370
TOTALS	<u>\$ 71,060</u>	<u>\$ 127,714</u>	<u>\$ (143,078)</u>	<u>\$ -</u>	<u>\$ 55,696</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
BAKER SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 21,455	\$ 92,932	\$ (101,103)	\$ 9,117	\$ 22,401
Music	4,788	83,498	(89,092)	3,146	2,340
Classes	9,092	46,174	(47,126)	2,337	10,477
Clubs	14,237	35,111	(31,922)	(3,906)	13,520
Departments	25,706	60,522	(62,978)	1,879	25,129
Trust Funds	1,056	14,112	(13,614)	(78)	1,476
General	52,077	52,841	(66,644)	(12,495)	25,779
TOTALS	<u>\$ 128,411</u>	<u>\$ 385,190</u>	<u>\$ (412,479)</u>	<u>\$ -</u>	<u>\$ 101,122</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
BOB SIKES ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 725	\$ -	\$ (641)	\$ -	\$ 84
Classes	263	17,093	(16,923)	(31)	402
Clubs	700	2,301	(3,013)	12	-
Departments	7,021	4,619	(7,780)	-	3,860
Trust Funds	2,168	3,581	(4,032)	(201)	1,516
General	63,719	28,636	(40,628)	220	51,947
TOTALS	\$ 74,596	\$ 56,230	\$ (73,017)	\$ -	\$ 57,809

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
CRESTVIEW HIGH SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 38,571	\$ 362,032	\$ (367,458)	\$ (1,422)	\$ 31,723
Music	19,268	417,812	(422,385)	3,687	18,382
Classes	7,124	43,097	(43,479)	(1,821)	4,921
Clubs	71,082	176,558	(167,496)	(145)	79,999
Departments	6,525	29,916	(27,093)	(289)	9,059
Trust Funds	15,501	19,754	(24,082)	(536)	10,637
General	25,159	62,707	(58,107)	526	30,285
TOTALS	<u>\$ 183,230</u>	<u>\$ 1,111,876</u>	<u>\$ (1,110,100)</u>	<u>\$ -</u>	<u>\$ 185,006</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
DAVIDSON MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 25,005	\$ 48,305	\$ (46,451)	\$ (3,333)	\$ 23,526
Music	6,075	53,053	(50,396)	-	8,732
Classes	4,303	35,963	(35,759)	-	4,507
Clubs	12,948	13,516	(10,483)	1,122	17,103
Departments	1,952	263	(1,085)	-	1,130
Trust Funds	3,381	28,219	(29,010)	3,897	6,487
General	8,903	32,622	(33,409)	(1,686)	6,430
TOTALS	<u>\$ 62,567</u>	<u>\$ 211,941</u>	<u>\$ (206,593)</u>	<u>\$ -</u>	<u>\$ 67,915</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
LAUREL HILL SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 20,839	\$ 69,057	\$ (65,954)	\$ (13)	\$ 23,929
Music	148	2,592	(2,076)	-	664
Classes	663	12,615	(12,241)	99	1,136
Clubs	10,170	15,742	(15,394)	126	10,644
Departments	6,113	14,557	(12,482)	(285)	7,903
Trust Funds	13,088	3,780	(7,408)	71	9,531
General	20,113	16,856	(19,198)	2	17,773
TOTALS	<u>\$ 71,134</u>	<u>\$ 135,199</u>	<u>\$ (134,753)</u>	<u>\$ -</u>	<u>\$ 71,580</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
NORTHWOOD ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ -	\$ 54	\$ (54)	\$ -	\$ -
Classes	3,169	6,041	(5,318)	(463)	3,429
Clubs	750	2,250	(1,951)	(658)	391
Departments	809	6,458	(6,787)	-	480
Trust Funds	15,598	27,215	(21,478)	(1,168)	20,167
General	31,520	17,457	(16,607)	2,289	34,659
TOTALS	<u>\$ 51,846</u>	<u>\$ 59,475</u>	<u>\$ (52,195)</u>	<u>\$ -</u>	<u>\$ 59,126</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
OKALOOSA APPLIED TECHNOLOGY CENTER
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Agriculture	\$ 4,100	\$ 19,258	\$ (21,581)	\$ 519	\$ 2,296
Health Occupations	27,000	38,712	(40,289)	1,406	26,829
Industrial Education	171,014	203,344	(201,075)	898	174,181
Business	5,989	5,839	(10,133)	115	1,810
Home Economics	91,332	57,531	(59,946)	299	89,216
Misc. Education	16,578	4,991	(10,208)	5	11,366
Trust Funds	19,055	73,009	(61,125)	(16,268)	14,671
General	69,293	30,676	(45,502)	13,026	67,493
TOTALS	<u>\$ 404,361</u>	<u>\$ 433,360</u>	<u>\$ (449,859)</u>	<u>\$ -</u>	<u>\$ 387,862</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
LANCE C. RICHBOURG MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 18,787	\$ 43,804	\$ (43,233)	\$ (300)	\$ 19,058
Music	11,288	51,414	(44,145)	(500)	18,057
Clubs	6,824	20,034	(22,682)	(1,156)	3,020
Departments	5,609	27,057	(30,606)	776	2,836
Trust Funds	1,715	24,322	(21,051)	1,200	6,186
General	2,619	13,616	(12,518)	(20)	3,697
TOTALS	<u>\$ 46,842</u>	<u>\$ 180,247</u>	<u>\$ (174,235)</u>	<u>\$ -</u>	<u>\$ 52,854</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SOUTHSIDE ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 417	\$ 4,045	\$ (3,468)	\$ 230	\$ 1,224
Music	2	150	(152)	-	-
Classes	693	14,609	(13,282)	(31)	1,989
Clubs	3,827	43,686	(43,277)	(602)	3,634
Departments	5,452	5,512	(8,883)	304	2,385
Trust Funds	1,273	5,464	(4,870)	120	1,987
General	7,513	14,189	(9,777)	(21)	11,904
TOTALS	<u>\$ 19,177</u>	<u>\$ 87,655</u>	<u>\$ (83,709)</u>	<u>\$ -</u>	<u>\$ 23,123</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
WALKER ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 21	\$ -	\$ -	\$ -	\$ 21
Classes	1,238	30,285	(29,871)	(342)	1,310
Clubs	574	1,097	(609)	(12)	1,050
Departments	8,049	21,689	(21,502)	(200)	8,036
Trust Funds	10,906	50,867	(52,522)	(96)	9,155
General	24,755	18,276	(22,286)	650	21,395
TOTALS	<u>\$ 45,543</u>	<u>\$ 122,214</u>	<u>\$ (126,790)</u>	<u>\$ -</u>	<u>\$ 40,967</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
MAX BRUNER MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 22,114	\$ 85,953	\$ (84,446)	\$ (90)	\$ 23,531
Music	15,990	79,041	(81,717)	-	13,314
Classes	-	18,270	(21,371)	3,925	824
Clubs	12,813	37,844	(40,570)	(1,031)	9,056
Departments	5,314	4,629	(4,882)	(3,950)	1,111
Trust Funds	262	627	(399)	(92)	398
General	17,168	84,792	(73,243)	1,238	29,955
TOTALS	<u>\$ 73,661</u>	<u>\$ 311,156</u>	<u>\$ (306,628)</u>	<u>\$ -</u>	<u>\$ 78,189</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
 CHOCTAWHATCHEE SENIOR HIGH SCHOOL
 INTERNAL FUNDS
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2003**

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 25,352	\$ 419,174	\$ (376,377)	\$ (6,570)	\$ 61,579
Music	25,396	294,703	(273,750)	(9,681)	36,668
Classes	8,445	22,742	(27,463)	(236)	3,488
Clubs	34,876	73,352	(66,793)	(2,150)	39,285
Departments	39,595	114,069	(96,252)	8,027	65,439
Trust Funds	16,347	18,091	(31,979)	11,842	14,301
General	29,892	27,182	(28,697)	(1,232)	27,145
TOTALS	<u>\$ 179,903</u>	<u>\$ 969,313</u>	<u>\$ (901,311)</u>	<u>\$ -</u>	<u>\$ 247,905</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
EDWINS ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 1,094	\$ 13,318	\$ (13,922)	\$ -	\$ 490
Classes	87	2,992	(3,023)	-	56
Clubs	210	-	(16)	-	194
Departments	876	7,583	(7,096)	-	1,363
Trust Funds	27,509	41,249	(34,318)	(1,450)	32,990
General	20,006	13,131	(19,468)	1,450	15,119
TOTALS	<u>\$ 49,782</u>	<u>\$ 78,273</u>	<u>\$ (77,843)</u>	<u>\$ -</u>	<u>\$ 50,212</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
ELLIOTT POINT ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 279	\$ 8,973	\$ (8,178)	\$ 3,465	\$ 4,539
Music	44	1,444	(1,665)	200	23
Classes	117	16,810	(16,590)	85	422
Clubs	455	2,888	(2,533)	-	810
Departments	762	7,406	(24,881)	18,897	2,184
Trust Funds	3,366	4,372	(4,079)	(298)	3,361
General	80,204	39,291	(24,727)	(22,349)	72,419
TOTALS	<u>\$ 85,227</u>	<u>\$ 81,184</u>	<u>\$ (82,653)</u>	<u>\$ -</u>	<u>\$ 83,758</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
FLOROSA ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 31	\$ -	\$ -	\$ -	\$ 31
Music	6	-	-	-	6
Classes	187	8,154	(8,069)	-	272
Clubs	2,881	2,028	(2,633)	-	2,276
Departments	-	184	(184)	-	-
Trust Funds	8,510	50,258	(47,448)	714	12,034
General	17,941	20,835	(22,104)	(714)	15,958
TOTALS	<u>\$ 29,556</u>	<u>\$ 81,459</u>	<u>\$ (80,438)</u>	<u>\$ -</u>	<u>\$ 30,577</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
FORT WALTON BEACH HIGH SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 72,020	\$ 557,091	\$ (543,774)	\$ (5,414)	\$ 79,923
Music	20,446	285,156	(282,636)	7,210	30,176
Classes	4,542	10,601	(10,729)	(4,155)	259
Clubs	39,152	202,617	(202,807)	(1,446)	37,516
Departments	18,526	63,555	(53,129)	(3,797)	25,155
Trust Funds	3,733	10,820	(9,743)	100	4,910
General	100,573	85,368	(138,406)	7,502	55,037
TOTALS	<u>\$ 258,992</u>	<u>\$ 1,215,208</u>	<u>\$ (1,241,224)</u>	<u>\$ -</u>	<u>\$ 232,976</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
KENWOOD ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ 202	\$ 1,661	\$ (1,199)	\$ 115	\$ 779
Classes	14,375	19,878	(25,211)	4,111	13,153
Clubs	43,415	67,094	(77,307)	(8,117)	25,085
Departments	-	15,673	(19,845)	4,172	-
Trust Funds	8,871	8,086	(10,284)	(346)	6,327
General	26,068	22,991	(13,456)	65	35,668
TOTALS	\$ 92,931	\$ 135,383	\$ (147,302)	\$ -	\$ 81,012

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
MARY ESTHER ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Music	\$ -	\$ 255	\$ (255)	\$ -	\$ -
Classes	4,911	23,677	(25,463)	(241)	2,884
Clubs	8,029	1,202	(2,448)	-	6,783
Departments	4,598	13,574	(13,554)	(1,493)	3,125
Trust Funds	15,674	62,236	(56,359)	(1,002)	20,549
General	19,405	19,201	(11,674)	2,736	29,668
TOTALS	<u>\$ 52,617</u>	<u>\$ 120,145</u>	<u>\$ (109,753)</u>	<u>\$ -</u>	<u>\$ 63,009</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
OCEAN CITY ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 2,458	\$ -	\$ (1,002)	\$ -	\$ 1,456
Music	-	-	(115)	258	143
Classes	7,258	691	(5,671)	3,490	5,768
Departments	1,168	13	(725)	(10)	446
Trust Funds	2,818	17,561	(8,541)	45	11,883
General	29,583	18,671	(28,691)	(3,783)	15,780
TOTALS	<u>\$ 43,285</u>	<u>\$ 36,936</u>	<u>\$ (44,745)</u>	<u>\$ -</u>	<u>\$ 35,476</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
 PRYOR MIDDLE SCHOOL
 INTERNAL FUNDS
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2003**

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Athletics	\$ 22,207	\$ 106,783	\$ (99,564)	\$ 5,287	\$ 34,713
Music	35,392	40,534	(40,315)	8,077	43,688
Classes	6,996	27,951	(28,395)	(1,186)	5,366
Clubs	3,964	16,772	(17,812)	43	2,967
Departments	8,420	29,636	(25,661)	(4,921)	7,474
Trust Funds	7,933	10,433	(5,194)	(4,524)	8,648
General	26,398	17,888	(32,478)	(2,776)	9,032
TOTALS	<u>\$ 111,310</u>	<u>\$ 249,997</u>	<u>\$ (249,419)</u>	<u>\$ -</u>	<u>\$ 111,888</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SILVER SANDS SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Classes	\$ 1,555	\$ 3,076	\$ (2,153)	\$ -	\$ 2,478
Clubs	326	515	(447)	-	394
Trust Funds	106,913	21,199	(3,434)	-	124,678
General	14,548	9,051	(6,493)	-	17,106
TOTALS	<u>\$ 123,342</u>	<u>\$ 33,841</u>	<u>\$ (12,527)</u>	<u>\$ -</u>	<u>\$ 144,656</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
WRIGHT ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

	Balance July 1, 2002	Receipts	Disbursements	Transfers	Balance June 30, 2003
Classes	\$ 8,749	\$ 8,288	\$ (14,135)	\$ 6,832	\$ 9,734
Clubs	3,015	3,922	(3,547)	23	3,413
Departments	31,871	18,108	(12,518)	1,119	38,580
Trust Funds	17,214	48,902	(48,889)	(6,438)	10,789
General	24,453	34,448	(29,392)	(1,536)	27,973
TOTALS	<u>\$ 85,302</u>	<u>\$ 113,668</u>	<u>\$ (108,481)</u>	<u>\$ -</u>	<u>\$ 90,489</u>



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MANAGEMENT LETTER

To the Okaloosa County District School Board
 and Don Gaetz, Superintendent of Schools
 Fort Walton Beach, Florida

In planning and performing our audit of the statements of cash receipts and disbursements for the Okaloosa County District School Board's internal funds for the fiscal year ended June 30, 2003, we considered their internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the statements of cash receipts and disbursements and not to provide assurance on the internal control. However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. Our comments and suggestions regarding those matters are listed below. A summary of all schools with findings precedes the attached exhibits for recommendations of corrective action.

CENTRAL ZONE

DESTIN MIDDLE

- **Improper completion of Monies Collected Forms (MCFs) – Exhibit A**
 Money collector did not properly date and/or sign the MCFs.
- **Improper ticket inventory procedure – Exhibit B**

VALPARAISO ELEMENTARY

- **Untimely deposits – Bookkeeper – Exhibit C**

NORTH ZONE

BOB SIKES ELEMENTARY

- **Funds held by money collector – Exhibit D**
- **Improper cash collection procedures – Exhibit E**

RICHBOURG MIDDLE

- **Improper completion of Monies Collected Forms - Exhibit A**
This has been a finding for the last two years.
 Information on MCF was written over
 Money collector did not properly date and/or sign the MCF.
 Bookkeeper did not properly date and/or sign the MCF.

SOUTH ZONE

ELLIOTT POINT ELEMENTARY

- **Improper completion of Monies Collected Forms – Exhibit A**
Information on MCF was written over.
Money Collector did not properly date and/or sign the MCF.

PRYOR MIDDLE

- **Funds held by money collector – Exhibit D**
- **Opening of the drop safe – Exhibit F**

We have already discussed these comments and suggestions with the principals and bookkeepers, and would be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist the schools in implementing the recommendations. For each school that has received audit findings, we requested a response to the finding(s) from the principal. All principals responded to our request and the responses follow this management letter.

This report is intended solely for the information and use of Okaloosa County District School Board's members and management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR RIGGS, & INGRAM, LLC
Certified Public Accountants

Destin, Florida
July 30, 2003

EXHIBIT A

IMPROPER COMPLETION OF MONIES COLLECTED FORMS (MCFs)

During our current audit, we noted numerous instances in our sample selected in which MCFs were not completed properly. The following items were incorrectly completed:

- _____ Information on MCFs was written over.
- _____ Money collector did not properly date and/or sign the MCF.
- _____ Bookkeeper did not properly date and/or sign the MCF.

Recommendation

- The *Okaloosa County School District Internal Accounting Manual, Section 1.124* states, "Any erroneous information must be invalidated by lining through such information and entering the correct information above the erroneous information."

If an amount on a Monies Collected Form (MCF) is incorrect, a line should be drawn through the incorrect data and initialed by the teacher. If the amount is being decreased, a brief explanation should be written. Money collectors should be instructed not to record an amount until the money has been given to them. If an error is discovered by the bookkeeper, she may make the correction by drawing a line through the incorrect data; the change should be initialed by the bookkeeper and by the witness or teacher, whichever is present.

If a date is recorded incorrectly, a line should be drawn through the incorrect date and the correct date written above. Money collectors should be instructed to fill in the date at the top of the MCF on the day they begin collecting money. If this information is not complete when received by the bookkeeper, she should not fill it in for them. Money collectors should also be informed that the date at the bottom of the MCF is to be completed by the bookkeeper as the date she verifies the funds.

EXHIBIT B

IMPROPER TICKET INVENTORY PROCEDURE

The *Financial and Program Cost Accounting and Reporting for Florida Schools (Red Book)*, Section 1.4(f) states, "All checks, receipt forms and tickets shall be pre-numbered and perpetual inventories of each shall be maintained. Inventories shall show the beginning and ending numbers of all documents acquired and issued..." The *Okaloosa County School District Internal Accounting Manual, Section 1.131* requires that all tickets used during the month be accounted for on the Ticket Inventory Ledger (MIS 3400). The current ticket inventory ledgers do not show the beginning and ending numbers of tickets acquired and issued. As a result, tickets sold and cash received cannot be properly reconciled. Also, the current procedure does not account for unused tickets and season tickets. Tickets could therefore be lost or stolen and not detected.

Recommendation

- Control over tickets is imperative in order to ensure completeness of receipts. We recommend that a perpetual inventory of tickets be maintained, as required by the *Red Book*. A separate Ticket Inventory Ledger form should be used for each roll of tickets, including new ticket rolls and season tickets. At the top of each Ticket Inventory Ledger form, the beginning and ending ticket numbers should be documented. Any Ticket Inventory Ledger form with activity for the month should be sent to the Finance Department by the 15th of the month, as required by the *Internal Accounting Manual, Section 1.131*. The listing of each roll of tickets on its own Ticket Inventory Ledger form with documented beginning and ending numbers serves as a perpetual inventory which provides the necessary documentation to verify all tickets are accounted for.

EXHIBIT C

UNTIMELY DEPOSITS – BOOKKEEPER

The Okaloosa County School District Internal Accounting Manual, Section 1.009 (2) states, “All money collected must be deposited intact in the bank at a minimum anytime more than \$500 is received.” *Section 1.009 (2)* further states, “no funds shall be held in the school over a weekend or holiday period.” In our sample selected, we noted instances in which the bookkeeper did not make timely deposits.

Recommendation

- We recommend that the bookkeeper make deposits anytime more than \$500 is received and on Fridays. During our audit, the bookkeeper reported that she returned funds to the drop safe after verification and was occasionally unable to have someone open the drop safe to retrieve the funds on Friday afternoon. If the bookkeeper continues to return verified funds to the drop safe, we recommend that a new routine be established that ensures the drop safe can be opened for the bookkeeper so that she can access the verified funds for deposit. Alternatively, the bookkeeper may store the verified funds in a secure location other than the drop safe. This would allow the bookkeeper to access verified funds for timely deposit.

EXHIBIT D

FUNDS HELD BY MONEY COLLECTOR

The *Okaloosa County School District Internal Accounting Manual, Section 1.009* states, "Collections made outside of the school office, which exceed \$10 in the aggregate, must be turned in to the school office daily." In our sample selected, we noted instances in which money collectors did not turn in money to the bookkeeper on a timely basis.

Money is more secure in the lock box than in the possession of the money collector. The risk associated with money being held by the collectors is that the funds could be lost or stolen.

Recommendation

- We recommend that all money collectors turn funds in to the bookkeeper on a daily basis. This will provide security over the money and will help ensure that deposits are made on a timely basis.

EXHIBIT E

IMPROPER CASH COLLECTION PROCEDURES

The *Okaloosa County School District Internal Accounting Manual, Section 1.120, Paragraph (1)* states, "Neither the bookkeeper nor witness should have the safe combination. Only the principal and not more than two backups should have the combination. Two people are required to be present when the safe is opened and the money counted." During our current year audit, we noted that the bookkeeper does not have a witness present while she counts the money removed from the drop safe.

Recommendation

- We recommend that the Principal designate a person to serve as witness while the bookkeeper counts the money that has been removed from the drop safe. The witness should observe the money being counted and initial each Monies Collected Form (MCF) once the count is completed. The witness must be someone who is not privy to the drop safe combination. At times when the drop safe is not used and the bookkeeper counts in the presence of the money collector, the money collector acts as the witness. In this instance, the money collector does not need to initial the MCF since they have signed the form.

EXHIBIT F

OPENING OF THE DROP SAFE

The *Okaloosa County School District Internal Accounting Manual, Section 1.121* states, "At least once a day, the bookkeeper and the principal or the principal's designee will open the drop safe together, remove all bags, and count the funds." During our current audit, we noted that the drop safe was not opened on a daily basis.

Recommendation

- We recommend that more than one person have knowledge of the safe combination so that it may be opened on a daily basis. *Section 1.120* allows the principal and not more than two backups to have the combination to the safe. The principal or a person other than the bookkeeper should be given the combination and the safe should be opened on a daily basis.

MANAGEMENT'S RESPONSE

Destin Middle School at Regatta Bay
689 Regatta Bay Boulevard
Destin, FL 32541

Telephone: (850) 833-7655
FAX: (850) 833-7677



August 14, 2003

Carr, Riggs, and Ingram, LLP
4460 Legendary Drive
Destin, Florida 32541

This letter is in reference to the finding of the audit internal accounts, I submit the following:

- ❖ Finding: Improper Completion of Monies Collected Forms
- ❖ Response: Faculty and staff have been instructed to fill in the date at the top of the Monies Collected Form. They have been advised that this date should reflect the day they began collecting money and money should not be held overnight in the classroom for any reason. The bookkeeper will ensure that the date at the bottom of the form reflects the date the money is counted.
- ❖ Finding: Ticket Inventory Procedures
- ❖ Response: A perpetual inventory of the tickets will be maintained, as required by the Red Book. This will be implemented by using a separate Ticket Inventory Ledger form for each roll of tickets, including new rolls of tickets that have not been yet issued to sell at an event and season tickets.

Thank you for your continued support of education in Okaloosa County.

Sincerely,

A handwritten signature in cursive script that reads "Sherri Houp".

Sherri Houp
Principal



VALPARAISO
Elementary School
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Don Gaetz
SUPERINTENDENT

Dr. Van Crigger
PRINCIPAL

August 13, 2003

To Whom It May Concern,

On July 22, 2003, Ms. Rosalie Dawe, CPA visited Valparaiso Elementary School to conduct the yearly audit of our internal accounts.

On July 25, 2003, she facilitated an exit meeting with the school's new bookkeeper and myself. During our meeting, Ms. Dawe brought to our attention that the former bookkeeper had failed to make timely deposits as required by School Board policy. It seems as if the former bookkeeper employed the practice of returning verified funds to the "drop safe" for security reasons. Problems occurred when she could not retrieve the verified funds from the safe in order to make a bank deposit and/or she forgot to follow-up and make the deposit. Per district policy, bookkeepers cannot have the combination to this safe. On a few occasions, the former bookkeeper could find no one to open the safe because both employees named to perform this task were off campus for the remainder of the day.

The following recommendations have been conveyed by Ms. Dawe:

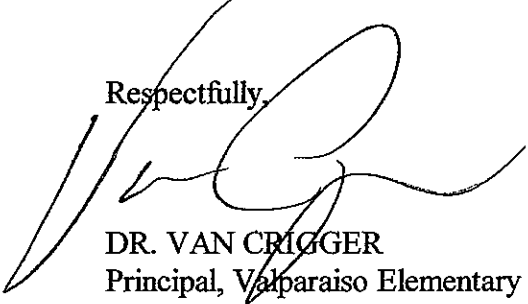
"We recommend that the bookkeeper make deposits anytime more than \$500 is received and on Fridays. If the bookkeeper continues to return verified funds to the drop safe prior to taking the funds to the bank, then we recommend that a new routine be enforced that enables the drop safe to be opened for the bookkeeper to access the verified funds for deposit. An alternative is for the bookkeeper to store verified funds in a secure location which is only accessible by the bookkeeper. This alternative would allow the bookkeeper to access verified funds for timely deposit."

Valparaiso Elementary will implement all of the suggestions noted in the recommendation.

It should be noted that Mrs. Jackie Powell, current VES bookkeeper replaced the retired bookkeeper and is free of any wrongdoing relative to these audit findings.

In closing, we would like to offer a sincere thank you to Ms. Rosalie Dawe for providing us with additional suggestions to improve other areas of school fiscal management.

Respectfully,

A large, stylized handwritten signature in black ink, appearing to read 'Dr. Van Crigger', is written over the typed name and title.

DR. VAN CRIGGER
Principal, Valparaiso Elementary School

MRS. JACKIE POWELL
Bookkeeper, Valparaiso Elementary School



The Bob Sikes Elementary School

425 ADAMS DRIVE
CRESTVIEW, FLORIDA 32536
850-689-7268
Fax: 850-689-7263
Patti M. Kunkel, Ed.D., PRINCIPAL

December 11, 2003
4460 Legendary Drive, Suite 100
Destin, Fl. 32541

Dear Carr, Riggs and Ingram, LLP:

This letter is in response to the findings cited in the Bob Sikes Elementary audit report for the fiscal year ending June 30, 2003. A change of administrators occurred at this school on July 29, 2003. The new administration has responded and addressed the following findings:

Finding #1 Funds Held by Money Collector—Exhibit D

Response: All money collectors (teachers) were retrained at the first Faculty/Staff Meeting held on Tuesday, August 5, 2003 in proper Monies Collected Procedures. All money collections which exceed \$10.00 will be turned into the school office daily. All money collections regardless of the amount will be turned into the school office on Fridays. The bookkeeper has been instructed to report to the principal any problems with money being held so that this can be dealt with immediately.

Finding #2 Improper Cash Collection Procedures—Exhibit E

The Principal, the Confidential Secretary and the Guidance Counselor will have the safe combination. Two people will be required to be present when the safe is opened and the money counted (approximately 12:30 PM daily). The Office Clerk has been designated to serve as a witness while the bookkeeper counts the money that has been removed from the drop safe. The Office Clerk will observe the money being counted and initial the Monies Collected Form (MCF) once the count is completed. The office clerk does not have the combination to the drop safe combination. We are also keeping a separate log to serve as a running record of daily totals, dated and initialed by the Office Clerk. When the bookkeeper is absent, the Office Clerk will count the money daily and the witness will be the Media Assistant or Specialist.

As the new administrator of Bob Sikes Elementary, I will request periodic audit checks by the Okaloosa District Finance Department throughout the 2003-2004 school year. Thank you for your assistance.

Sincerely,


Patricia M. Kunkel, Ed.D, Principal Bob Sikes Elementary



Davidson Middle School
6261 Old Bethel Road
Crestview, FL 32536
850-683-7500

Beth Walthall
Principal

James Holstead
Asst. Principal

Wilma J. Salisbury
Asst. Principal

January 8, 2004

4460 Legendary Drive, Suite 100
Destin, Florida 32541

Dear Carr, Riggs and Ingram, LLP:

Thank you for bringing the audit discrepancies at Bob Sikes Elementary School to my attention during the meeting with Mr. Ansley, Ms. Wascom, Dr. Kunkel, Kelly Hill, Robin Wilson and me on December 5, 2003. As a result of this meeting you are aware of the provisions that Dr. Kunkel has put in place to correct these findings.

In addition to this, I have met with my bookkeeper at Davidson Middle School and reviewed the findings from Bob Sikes with her to ensure that practices at Davidson are in alignment with School Board Policy. She had already shared past audit findings with me and as you know Davidson Middle School has not received an unacceptable rating since the inception of the audit process with Carr, Riggs and Ingram, LLP.

Experiences such as this can only help me be the financial manager expected. Thank you again for the opportunity to meet with you in December.

Sincerely,

Elizabeth G. Walthall

Elizabeth G. Walthall
Principal



Richbourg Middle School



500 Alabama Street
Crestview, FL 32536
Attendance 689-7235
Guidance 689-7447
Main Office 689-7229

Email demarab@mail.okaloosa.k12.fl.us

ROBERT JONES
PRINCIPAL

MITCH BUCKELEW
DEAN OF STUDENTS

WANDA AVERY
ASSISTANT PRINCIPAL

MARY MIKEL
CURRICULUM COORDINATOR

August 15, 2003

Carr, Riggs, & Ingram
4460 Legendary Drive
Suite 100
Destin, FL 32541

To Whom It May Concern:

I am writing in response to your audit of Richbourg Middle School. During the audit, you found improperly completed Monies Collected Forms. In a discussion with your auditors, I was shown several examples of actual forms which were in error. The auditors were very professional and polite with us, and the evidence they presented was obvious as well as being disturbing.

Following the audit, I met with our faculty during pre-planning for the current school year. Prior to the meeting, I had Jackie English, our bookkeeper, prepare samples of MCF's correctly and incorrectly filled out. During this meeting, we carefully examined the samples and discussed the importance of the forms being correctly filled out. Ms. English and I answered questions to be sure all faculty members were aware of the correct procedure and the importance of these forms.

At the start of this school year, I instituted a new policy for these forms. If a form is turned in incorrectly completed, Ms. English will do what is necessary to correct the error and will place a mark by the teacher's name on a faculty list. The next time that person brings in an incorrectly completed form, he or she will have to bring the form to myself or our assistant principal to discuss the errors. A third incorrectly completed form will result in a letter of reprimand placed in the teacher's file.

I hope this reply is satisfactory to you. I appreciate your firm's work toward helping our school system be in compliance in regards to our financial responsibilities.

Sincerely,

Robert Jones
Principal

ELLIOTT POINT ELEMENTARY SCHOOL

301 Hughes Street
Fort Walton Beach, FL 32548
(850) 833-3355 Fax 833-3473

Principal
Janet Stein



August 15, 2003

Ms. Rosalie Dawe
Carr, Riggs & Ingram, LLC
Certified Public Accountants
4460 Legendary Drive, Suite 100
Destin, FL 32541

Dear Ms. Dawe:

The following items are in response to your recent audit findings:

- 1) All new and returning faculty members have received training on August 8, 2003, regarding procedures for Monies Collected Forms (MCF). The Elliott Point handbook has been updated to reflect proper procedures and provide additional detail.
- 2) The bookkeeper will use a different color pen than the money collector.
- 3) A time has been set aside during the day for teachers to meet with the bookkeeper to verify monies collected. This time is 2:30 – 3:00 p.m. daily.
- 4) The bookkeeper will monitor the appropriate use of MCFs. Inappropriate use will be immediately reported to the principal. The principal will document the incorrect use of MCFs. Persistent and consistent misuse will be a part of the teacher's evaluation.

Please let us know if any further information is needed.

Sincerely,

A handwritten signature in cursive script that reads "Janet Stein".

Janet Stein
Principal

cc: Elliott Point Faculty & Staff

"Where Excellence Is The Outcome"

W. C. PRYOR MIDDLE SCHOOL

"Pride Of The Pirates"

201 RACETRACK ROAD
FORT WALTON BEACH, FLORIDA 32547-1599

PHONE 833-3613

August 12, 2003

4460 Legendary Drive, Suite 100
Destin, FL 32541

Dear Carr, Riggs and Ingram, LLP:

This letter is in response to the findings cited in the W. C. Pryor Middle School audit report for the fiscal year ended June 30, 2003.

Finding #1: Untimely Deposits- Monies Collected: Section .009
Response:

- All teachers and club treasurers will be re-trained concerning the Monies Collected Procedures.
- Beginning this year, all club sponsors and treasurers are now required to submit a report of all projected fundraising and field trip projects for the year by the end of August. This directive will help the bookkeeper to monitor each organization's fundraising and field trip plans for the year. The report will include the beginning and ending dates of each project and the name of the treasurer.

Finding # 2: Opening of the Drop Safe: Section .121
Response

- The guidance secretary is now assigned as the second backup responsible for opening the drop safe in the absence of the principal and the first backup.

Thank you for your assistance and attention.

Sincerely,



Vivian Green, Ed.D
Principal