

Okaloosa County District School Board
School Internal Funds

Statements Of Cash Receipts
and Disbursements

For The Year Ended June 30, 2006

Okaloosa County District School Board
School Internal Funds
Table of Contents
For The Year Ended June 30, 2006

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS	
CENTRAL ZONE	
Bluewater Elementary School	2
Cherokee Elementary School	3
Destin Elementary School	4
Destin Middle School at Regatta Bay	5
Lula J. Edge Elementary School	6
Addie R. Lewis Middle School	7
Niceville Senior High School	8
Oak Hill Elementary School	9
James E. Plew Elementary School	10
C. W. Ruckel Middle School	11
Valparaiso Elementary School	12
NORTH ZONE	
Antioch Elementary School	13
Baker School	14
Bob Sikes Elementary School	15
Crestview Senior High School	16
Davidson Middle School	17
Laurel Hill School	18
Northwood Elementary School	19
Lance C. Richbourg Middle School	20
Southside Elementary School	21
Walker Elementary School	22
SOUTH ZONE	
Max Bruner, Jr. Middle School	23
Choctawhatchee Senior High School	24
Annette P. Edwins Elementary School	25
Elliott Point Elementary School	26
Florosa Elementary School	27
Fort Walton Beach High School	28
Kenwood Elementary School	29
Longwood Elementary School	30
Clifford Meigs Middle School	31
Mary Esther Elementary School	32
Ocean City Elementary School	33
W. C. Pryor Middle School	34
Shalimar Elementary School	35
Wright Elementary School	36
NON-TRADITIONAL	
Crestview Vocational Technical Center	37
Okaloosa Applied Technology Center	38
Silver Sands School	39
NOTES TO FINANCIAL STATEMENTS	40
MANAGEMENT LETTER	41 - 45
MANAGEMENT'S RESPONSE	



CARR, RIGGS & INGRAM, LLC

4460 Legendary Drive
Suite 100
Destin, FL 32541

P | 850 837 3141

F | 850 654 4619
www.cricpa.com

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, 2006, for all schools as listed in the table of contents. These statements are the responsibility of the District and each school's administration. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit 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 audit provides a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements of each school's internal funds for the fiscal year ended June 30, 2006 in conformity with the basis of accounting described in Note 2.

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

Destin, Florida
July 26, 2006

American Institute of
Certified Public Accountants

Alabama Society of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

Georgia Society of
Certified Public Accountants

Mississippi Society of
Certified Public Accountants

AICPA Alliance for CPA Firms

Center for Public
Company Audit Firms

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
BLUEWATER ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 1,113	\$ 1,649	\$ (2,274)	\$ 500	\$ 988
Classes	5,372	16,310	(28,482)	9,705	2,905
Clubs	24,743	103,267	(78,652)	(21,046)	28,312
Departments	10,706	15,283	(16,742)	(3,311)	5,936
Trust Funds	10,539	40,489	(21,262)	8,260	38,026
General	44,690	34,647	(33,522)	5,892	51,707
TOTALS	<u>\$ 97,163</u>	<u>\$ 211,645</u>	<u>\$ (180,934)</u>	<u>\$ -</u>	<u>\$ 127,874</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
CHEROKEE ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 58	\$ -	\$ -	\$ -	\$ 58
Classes	1,219	10,804	(11,099)	-	924
Clubs	4,855	17,910	(21,182)	-	1,583
Departments	2,832	10,889	(10,383)	220	3,558
Trust Funds	518	1,105	(1,118)	(227)	278
General	14,017	17,270	(9,287)	7	22,007
TOTALS	<u>\$ 23,499</u>	<u>\$ 57,978</u>	<u>\$ (53,069)</u>	<u>\$ -</u>	<u>\$ 28,408</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
DESTIN ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 2,018	\$ 3,308	\$ (2,343)	\$ 925	\$ 3,908
Music	151	367	(1,043)	525	-
Classes	4,451	79,309	(90,499)	9,025	2,286
Clubs	62,649	102,525	(72,014)	(12,420)	80,740
Departments	7,549	22,419	(24,852)	1,434	6,550
Trust Funds	26,884	14,196	(19,252)	511	22,339
General	46,016	26,472	(27,472)	-	45,016
TOTALS	<u>\$ 149,718</u>	<u>\$ 248,596</u>	<u>\$ (237,475)</u>	<u>\$ -</u>	<u>\$ 160,839</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
DESTIN MIDDLE SCHOOL AT REGATTA BAY
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Transfers	Cash Balance June 30, 2006
Athletics	\$ 37,379	\$ 138,787	\$ (140,927)	\$ (1,658)	\$ 33,581
Music	10,204	30,054	(31,940)	(87)	8,231
Classes	4,887	33,365	(41,240)	21,515	18,527
Clubs	19,996	58,784	(62,371)	1,100	17,509
Departments	7,005	20,432	(18,404)	(559)	8,474
Trust Funds	16,387	35,258	(11,401)	(32,934)	7,310
General	14,261	35,948	(46,413)	12,623	16,419
TOTALS	<u>\$ 110,119</u>	<u>\$ 352,628</u>	<u>\$ (352,696)</u>	<u>\$ -</u>	<u>\$ 110,051</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
LULA J. EDGE ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 342	\$ 1,121	\$ (1,975)	\$ 750	\$ 238
Classes	688	11,555	(29,942)	17,814	115
Clubs	27,539	68,894	(52,501)	(24,929)	19,003
Departments	12,924	18,164	(24,941)	4,632	10,779
Trust Funds	2,008	3,600	(3,632)	639	2,615
General	16,943	20,195	(18,329)	1,094	19,903
TOTALS	<u>\$ 60,444</u>	<u>\$ 123,529</u>	<u>\$ (131,320)</u>	<u>\$ -</u>	<u>\$ 52,653</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
ADDIE R. LEWIS MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 33,054	\$ 53,589	\$ (52,852)	\$ (764)	\$ 33,027
Music	20,835	39,764	(35,238)	4,134	29,495
Classes	7,993	732	(2,112)	-	6,613
Clubs	16,603	30,702	(31,755)	(789)	14,761
Departments	6,912	12,495	(11,533)	3,552	11,426
Trust Funds	198	4,803	(4,566)	-	435
General	34,798	54,934	(34,092)	(6,133)	49,507
TOTALS	<u>\$ 120,393</u>	<u>\$ 197,019</u>	<u>\$ (172,148)</u>	<u>\$ -</u>	<u>\$ 145,264</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
NICEVILLE SENIOR HIGH SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 226,190	\$ 718,646	\$ (780,829)	\$ 11,217	\$ 175,224
Music	55,347	622,153	(617,044)	(542)	59,914
Classes	4,315	20,831	(18,326)	(162)	6,658
Clubs	48,834	286,055	(196,886)	(27,932)	110,071
Departments	66,968	118,984	(121,476)	2,952	67,428
Trust Funds	44,632	103,125	(118,057)	15,678	45,378
General	69,137	108,268	(114,624)	(1,211)	61,570
TOTALS	<u>\$ 515,423</u>	<u>\$ 1,978,062</u>	<u>\$ (1,967,242)</u>	<u>\$ -</u>	<u>\$ 526,243</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
OAK HILL ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 193	\$ 597	\$ (748)	\$ 733	\$ 775
Classes	8,641	25,137	(25,463)	(1,514)	6,801
Clubs	8,393	15,041	(19,089)	(515)	3,830
Departments	11,701	9,329	(11,281)	(193)	9,556
Trust Funds	1,131	2,814	(3,608)	322	659
General	75,352	42,851	(43,282)	1,167	76,088
TOTALS	<u>\$ 105,411</u>	<u>\$ 95,769</u>	<u>\$ (103,471)</u>	<u>\$ -</u>	<u>\$ 97,709</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
JAMES E. PLEW ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 878	\$ 3,429	\$ (1,431)	\$ (226)	\$ 2,650
Classes	24,035	68,507	(72,233)	(2,959)	17,350
Clubs	2,269	6,197	(4,800)	(19)	3,647
Departments	7,359	26,675	(23,852)	1,341	11,523
Trust Funds	6,329	2,760	(2,750)	(101)	6,238
General	68,162	23,188	(15,048)	1,964	78,266
TOTALS	<u>\$ 109,032</u>	<u>\$ 130,756</u>	<u>\$ (120,114)</u>	<u>\$ -</u>	<u>\$ 119,674</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
C. W. RUCKEL MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 29,741	\$ 87,540	\$ (83,588)	\$ 75	\$ 33,768
Music	19,388	150,184	(144,622)	-	24,950
Classes	2,866	3,095	(2,833)	(729)	2,399
Clubs	28,772	54,659	(74,196)	2,483	11,718
Departments	12,433	13,469	(15,357)	3,045	13,590
Trust Funds	559	4,725	(4,724)	(225)	335
General	20,445	34,739	(33,421)	(4,649)	17,114
TOTALS	<u>\$ 114,204</u>	<u>\$ 348,411</u>	<u>\$ (358,741)</u>	<u>\$ -</u>	<u>\$ 103,874</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
 VALPARAISO ELEMENTARY SCHOOL
 INTERNAL FUNDS
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 3,646	\$ 7,861	\$ (12,639)	\$ 2,144	\$ 1,012
Music	-	220	(214)	-	6
Classes	-	23,669	(25,387)	1,793	75
Clubs	19,651	33,310	(29,455)	(5,971)	17,535
Departments	12,638	10,850	(11,119)	(3)	12,366
Trust Funds	3,433	2,640	(3,699)	3,707	6,081
General	13,394	21,450	(15,116)	(1,670)	18,058
TOTALS	<u>\$ 52,762</u>	<u>\$ 100,000</u>	<u>\$ (97,629)</u>	<u>\$ -</u>	<u>\$ 55,133</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
ANTIOCH ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006**

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 46	\$ 934	\$ (1,262)	\$ 282	\$ -
Music	552	1,089	(1,896)	255	-
Classes	3,258	27,302	(35,662)	5,281	179
Clubs	8,539	58,425	(49,302)	(9,566)	8,096
Departments	10,028	29,527	(28,971)	79	10,663
Trust Funds	268	7,093	(6,708)	(128)	525
General	19,276	33,927	(26,599)	3,797	30,401
TOTALS	<u>\$ 41,967</u>	<u>\$ 158,297</u>	<u>\$ (150,400)</u>	<u>\$ -</u>	<u>\$ 49,864</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
BAKER SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 34,451	\$ 124,563	\$ (109,423)	\$ 2,430	\$ 52,021
Music	1,383	76,568	(78,346)	2,000	1,605
Classes	13,283	42,459	(43,269)	2,406	14,879
Clubs	19,030	61,913	(51,221)	(10,838)	18,884
Departments	23,727	55,686	(70,194)	5,066	14,285
Trust Funds	3,212	17,442	(13,975)	1,152	7,831
General	45,812	50,937	(30,164)	(2,216)	64,369
TOTALS	<u>\$ 140,898</u>	<u>\$ 429,568</u>	<u>\$ (396,592)</u>	<u>\$ -</u>	<u>\$ 173,874</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
BOB SIKES ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 105	\$ 844	\$ (762)	\$ -	\$ 187
Classes	639	32,611	(30,537)	75	2,788
Clubs	48	-	-	-	48
Departments	3,296	12,828	(12,216)	200	4,108
Trust Funds	1,792	23,924	(23,539)	(398)	1,779
General	42,353	34,379	(30,734)	123	46,121
TOTALS	<u>\$ 48,233</u>	<u>\$ 104,586</u>	<u>\$ (97,788)</u>	<u>\$ -</u>	<u>\$ 55,031</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
CRESTVIEW SENIOR HIGH SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 48,674	\$ 346,841	\$ (352,301)	\$ (5,445)	\$ 37,769
Music	57,864	583,033	(631,639)	6,353	15,611
Classes	6,122	54,650	(50,291)	(2,081)	8,400
Clubs	91,689	165,603	(175,590)	(3,380)	78,322
Departments	17,152	10,286	(15,323)	(31)	12,084
Trust Funds	21,919	19,100	(24,265)	4,998	21,752
General	39,850	59,978	(83,924)	(414)	15,490
TOTALS	<u>\$ 283,270</u>	<u>\$ 1,239,491</u>	<u>\$ (1,333,333)</u>	<u>\$ -</u>	<u>\$ 189,428</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
 DAVIDSON MIDDLE SCHOOL
 INTERNAL FUNDS
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2006**

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 34,902	\$ 69,088	\$ (75,494)	\$ (50)	\$ 28,446
Music	8,490	120,466	(122,796)	(123)	6,037
Classes	5,133	29,283	(29,281)	(133)	5,002
Clubs	7,325	21,533	(16,931)	-	11,927
Departments	1,995	10,080	(11,277)	11	809
Trust Funds	12,465	7,222	(6,853)	346	13,180
General	18,579	56,856	(49,059)	(51)	26,325
TOTALS	<u>\$ 88,889</u>	<u>\$ 314,528</u>	<u>\$ (311,691)</u>	<u>\$ -</u>	<u>\$ 91,726</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
LAUREL HILL SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 15,046	\$ 112,450	\$ (115,899)	\$ (4)	\$ 11,593
Classes	3,676	43,718	(44,564)	510	3,340
Clubs	14,574	26,860	(29,660)	455	12,229
Departments	12,134	18,230	(18,118)	23	12,269
Trust Funds	869	1,138	(650)	-	1,357
General	10,609	30,437	(23,633)	(984)	16,429
TOTALS	<u>\$ 56,908</u>	<u>\$ 232,833</u>	<u>\$ (232,524)</u>	<u>\$ -</u>	<u>\$ 57,217</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
NORTHWOOD ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 2	\$ 20	\$ (20)	\$ -	\$ 2
Music	100	-	(8)	-	92
Classes	2,126	21,014	(20,857)	-	2,283
Clubs	17,389	37,182	(27,127)	(70)	27,374
Departments	1,115	9,009	(9,847)	-	277
Trust Funds	1,386	6,915	(6,942)	70	1,429
General	47,271	16,708	(8,947)	-	55,032
TOTALS	<u>\$ 69,389</u>	<u>\$ 90,848</u>	<u>\$ (73,748)</u>	<u>\$ -</u>	<u>\$ 86,489</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, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 29,156	\$ 56,998	\$ (49,734)	\$ -	\$ 36,420
Music	16,960	36,782	(44,951)	-	8,791
Classes	5,296	31,676	(29,566)	-	7,406
Clubs	11,050	28,263	(35,122)	2,000	6,191
Departments	3,534	9,127	(8,482)	-	4,179
Trust Funds	5,395	28,774	(27,495)	-	6,674
General	9,680	14,230	(17,248)	(2,000)	4,662
TOTALS	<u>\$ 81,071</u>	<u>\$ 205,850</u>	<u>\$ (212,598)</u>	<u>\$ -</u>	<u>\$ 74,323</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SOUTHSIDE ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006**

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 2,430	\$ 5,198	\$ (4,848)	\$ -	\$ 2,780
Music	-	618	(576)	-	42
Classes	3,418	14,065	(17,137)	(146)	200
Clubs	12,072	52,952	(54,107)	(1,369)	9,548
Departments	4,228	9,995	(13,581)	194	836
Trust Funds	3,582	1,695	(4,482)	3,436	4,231
General	10,288	10,465	(11,047)	(2,115)	7,591
TOTALS	<u>\$ 36,018</u>	<u>\$ 94,988</u>	<u>\$ (105,778)</u>	<u>\$ -</u>	<u>\$ 25,228</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
WALKER ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 21	\$ -	\$ -	\$ -	\$ 21
Classes	3,072	43,387	(43,922)	528	3,065
Clubs	11,698	57,699	(62,697)	(1,550)	5,150
Departments	8,639	18,554	(18,431)	267	9,029
Trust Funds	1,635	7,808	(3,597)	1,256	7,102
General	6,450	18,749	(17,060)	(501)	7,638
TOTALS	<u>\$ 31,515</u>	<u>\$ 146,197</u>	<u>\$ (145,707)</u>	<u>\$ -</u>	<u>\$ 32,005</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
MAX BRUNER, JR. MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 33,069	\$ 91,818	\$ (95,264)	\$ (25)	\$ 29,598
Music	24,473	133,395	(135,752)	43	22,159
Classes	4,107	9,164	(10,801)	1,347	3,817
Clubs	3,842	42,086	(38,780)	774	7,922
Departments	5,900	8,451	(13,246)	34	1,139
Trust Funds	458	6,585	(6,594)	50	499
General	25,290	51,972	(32,254)	(2,223)	42,785
TOTALS	<u>\$ 97,139</u>	<u>\$ 343,471</u>	<u>\$ (332,691)</u>	<u>\$ -</u>	<u>\$ 107,919</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
 CHOCTAWHATCHEE SENIOR HIGH SCHOOL
 INTERNAL FUNDS
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED JUNE 30, 2006**

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 78,516	\$ 427,644	\$ (419,201)	\$ (3,022)	\$ 83,937
Music	25,706	300,872	(274,455)	(4,161)	47,962
Classes	5,919	20,132	(17,870)	7,570	15,751
Clubs	55,107	99,028	(105,203)	8,063	56,995
Departments	72,397	98,261	(86,657)	16,009	100,010
Trust Funds	24,672	52,294	(13,869)	(4,605)	58,492
General	73,339	82,620	(57,375)	(19,854)	78,730
TOTALS	<u>\$ 335,656</u>	<u>\$ 1,080,851</u>	<u>\$ (974,630)</u>	<u>\$ -</u>	<u>\$ 441,877</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
ANNETTE P. EDWINS ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 4,660	\$ 16,673	\$ (20,089)	\$ 2,913	\$ 4,157
Classes	23	6,013	(6,064)	28	-
Clubs	19,170	31,409	(16,559)	(18,713)	15,307
Departments	201	8,608	(7,081)	(27)	1,701
Trust Funds	5,227	2,312	(18,010)	15,799	5,328
General	15,444	12,201	(15,820)	-	11,825
TOTALS	<u>\$ 44,725</u>	<u>\$ 77,216</u>	<u>\$ (83,623)</u>	<u>\$ -</u>	<u>\$ 38,318</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
ELLIOTT POINT ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 4,687	\$ 16,248	\$ (15,170)	\$ -	\$ 5,765
Music	298	618	(930)	429	415
Classes	1,003	14,441	(17,704)	4,170	1,910
Clubs	7,534	23,467	(23,183)	(3,297)	4,521
Departments	9,450	9,190	(11,168)	1,750	9,222
Trust Funds	973	8,800	(6,800)	(2,771)	202
General	15,274	16,200	(18,850)	(281)	12,343
TOTALS	<u>\$ 39,219</u>	<u>\$ 88,964</u>	<u>\$ (93,805)</u>	<u>\$ -</u>	<u>\$ 34,378</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
FLOROSA ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Classes	\$ 4	\$ 10,044	\$ (9,798)	\$ -	\$ 250
Clubs	4,304	46,149	(42,689)	-	7,764
Departments	3,110	13,674	(14,604)	(246)	1,934
Trust Funds	665	2,600	(2,945)	-	320
General	25,296	28,853	(21,487)	246	32,908
TOTALS	<u>\$ 33,379</u>	<u>\$ 101,320</u>	<u>\$ (91,523)</u>	<u>\$ -</u>	<u>\$ 43,176</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, 2006**

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 113,385	\$ 736,625	\$ (697,571)	\$ 2,040	\$ 154,479
Music	8,895	226,164	(222,252)	4,272	17,079
Classes	4,913	30,623	(22,085)	(1,670)	11,781
Clubs	19,767	229,198	(215,853)	(419)	32,693
Departments	41,971	76,670	(45,464)	(11,931)	61,246
Trust Funds	1,262,283	254,533	(1,362,500)	28,406	182,722
General	105,572	124,276	(148,018)	(20,698)	61,132
TOTALS	<u>\$ 1,556,786</u>	<u>\$ 1,678,089</u>	<u>\$ (2,713,743)</u>	<u>\$ -</u>	<u>\$ 521,132</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
KENWOOD ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 982	\$ 14,510	\$ (14,653)	\$ 100	\$ 939
Classes	8,092	20,161	(28,313)	12,988	12,928
Clubs	12,353	51,089	(35,012)	(24,124)	4,306
Departments	3,375	14,785	(23,482)	7,860	2,538
Trust Funds	6,523	2,855	(5,220)	(2,242)	1,916
General	15,685	34,232	(22,544)	5,418	32,791
TOTALS	<u>\$ 47,010</u>	<u>\$ 137,632</u>	<u>\$ (129,224)</u>	<u>\$ -</u>	<u>\$ 55,418</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
LONGWOOD ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 319	\$ 1,000	\$ (319)	\$ -	\$ 1,000
Music	41	556	(754)	178	21
Classes	325	8,361	(13,615)	5,103	174
Clubs	10,213	10,480	(7,446)	(5,535)	7,712
Departments	4,447	10,804	(10,169)	140	5,222
Trust Funds	2,089	2,333	(2,470)	(1,721)	231
General	35,458	26,998	(26,463)	1,835	37,828
TOTALS	<u>\$ 52,892</u>	<u>\$ 60,532</u>	<u>\$ (61,236)</u>	<u>\$ -</u>	<u>\$ 52,188</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
CLIFFORD MEIGS MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 16,848	\$ 77,854	\$ (71,123)	\$ 100	\$ 23,679
Music	18,302	64,959	(62,597)	(100)	20,564
Classes	917	21,987	(20,360)	42	2,586
Clubs	9,283	25,971	(24,579)	(296)	10,379
Departments	4,149	7,608	(7,271)	58	4,544
Trust Funds	9,863	19,630	(20,079)	883	10,297
General	16,267	32,175	(23,547)	(687)	24,208
TOTALS	<u>\$ 75,629</u>	<u>\$ 250,184</u>	<u>\$ (229,556)</u>	<u>\$ -</u>	<u>\$ 96,257</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
MARY ESTHER ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ -	\$ 498	\$ (498)	\$ -	\$ -
Classes	2,889	21,714	(22,084)	142	2,661
Clubs	26,831	50,586	(57,816)	266	19,867
Departments	4,055	7,663	(6,075)	(85)	5,558
Trust Funds	1,830	10,843	(6,040)	1,412	8,045
General	21,486	19,594	(9,778)	(1,735)	29,567
TOTALS	<u>\$ 57,091</u>	<u>\$ 110,898</u>	<u>\$ (102,291)</u>	<u>\$ -</u>	<u>\$ 65,698</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
OCEAN CITY ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 3,045	\$ 1,489	\$ (2,732)	\$ -	\$ 1,802
Music	261	-	(261)	-	-
Classes	13,170	2,723	(5,593)	(122)	10,178
Clubs	3,886	17,806	(20,329)	-	1,363
Departments	3,806	11,292	(9,386)	128	5,840
Trust Funds	1,020	9,778	(6,600)	51	4,249
General	12,246	9,370	(10,485)	(57)	11,074
TOTALS	<u>\$ 37,434</u>	<u>\$ 52,458</u>	<u>\$ (55,386)</u>	<u>\$ -</u>	<u>\$ 34,506</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
W. C. PRYOR MIDDLE SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Athletics	\$ 59,183	\$ 89,764	\$ (88,474)	\$ -	\$ 60,473
Music	22,648	45,296	(49,846)	269	18,367
Classes	4,739	12,542	(13,703)	-	3,578
Clubs	3,043	22,840	(23,894)	731	2,720
Departments	6,382	27,300	(23,899)	1,000	10,783
Trust Funds	7,345	9,037	(8,065)	(496)	7,821
General	7,010	90,015	(86,350)	(1,504)	9,171
TOTALS	<u>\$ 110,350</u>	<u>\$ 296,794</u>	<u>\$ (294,231)</u>	<u>\$ -</u>	<u>\$ 112,913</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SHALIMAR ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 11	\$ -	\$ -	\$ -	\$ 11
Classes	1,144	13,562	(13,790)	(81)	835
Clubs/Organizations	1,844	5,344	(6,378)	-	810
Departments	1,792	18,269	(15,916)	-	4,145
Trust Funds	10,799	14,849	(12,154)	40	13,534
General	7,701	13,184	(10,047)	41	10,879
TOTALS	<u>\$ 23,291</u>	<u>\$ 65,208</u>	<u>\$ (58,285)</u>	<u>\$ -</u>	<u>\$ 30,214</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
WRIGHT ELEMENTARY SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 376	\$ 2,711	\$ (2,849)	\$ 105	\$ 343
Classes	11,666	14,242	(22,939)	7,571	10,540
Clubs	13,922	62,339	(48,214)	(12,235)	15,812
Departments	42,448	39,610	(55,772)	6,757	33,043
Trust Funds	1,909	1,720	(2,757)	2,480	3,352
General	26,903	22,057	(23,000)	(4,678)	21,282
TOTALS	<u>\$ 97,224</u>	<u>\$ 142,679</u>	<u>\$ (155,531)</u>	<u>\$ -</u>	<u>\$ 84,372</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
CRESTVIEW VOCATIONAL TECHNICAL CENTER
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Departments	\$ -	\$ 3,738	\$ (3,655)	\$ 187	\$ 270
General	32	2,144	(1,986)	(187)	3
TOTALS	<u>\$ 32</u>	<u>\$ 5,882</u>	<u>\$ (5,641)</u>	<u>\$ -</u>	<u>\$ 273</u>

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD
OKALOOSA APPLIED TECHNOLOGY CENTER
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006**

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Agriculture	\$ 1,139	\$ 656	\$ (1,051)	\$ -	\$ 744
Health Occupations	20,352	38,355	(34,489)	172	24,390
Industrial Education	126,492	121,379	(121,678)	66	126,259
Business/Office Training	1,784	3,076	(3,234)	19	1,645
Culinary Arts Institute	67,024	9,845	(25,931)	137	51,075
Misc. Education Classes	7,294	1,005	(1,982)	(5)	6,312
Trust Funds	15,788	22,139	(26,202)	(365)	11,360
General	20,508	24,127	(31,624)	(24)	12,987
TOTALS	<u>\$ 260,381</u>	<u>\$ 220,582</u>	<u>\$ (246,191)</u>	<u>\$ -</u>	<u>\$ 234,772</u>

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SILVER SANDS SCHOOL
INTERNAL FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

	Cash Balance July 1, 2005	Receipts	Disbursements	Net Transfers	Cash Balance June 30, 2006
Music	\$ 18	\$ -	\$ -	\$ -	\$ 18
Classes	3,562	3,891	(3,292)	-	4,161
Clubs	638	1,129	(376)	-	1,391
Trust Funds	1,393	818	(518)	-	1,693
General	195,520	41,675	(183,420)	-	53,775
TOTALS	<u>\$ 201,131</u>	<u>\$ 47,513</u>	<u>\$ (187,606)</u>	<u>\$ -</u>	<u>\$ 61,038</u>

Okaloosa County District School Board

Notes to Financial Statements

NOTE 1 - REPORTING ENTITY

The Okaloosa County District School Board (District) has direct responsibility for operation, control, and supervision of Okaloosa County schools and is considered a primary government for financial reporting. The District is considered part of the Florida system of public education. The governing body of the District is the Okaloosa County District School Board which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the School Board. Geographic boundaries of the District correspond with those of Okaloosa County.

Individual schools within the District are considered separate entities with regards to the accounting and reporting of their internal funds.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the cash receipts and disbursements basis of accounting, which is an other comprehensive basis of accounting, and is not intended to present fairly the financial position and results of operations of the District in conformity with accounting principles generally accepted in the United States of America. Under the cash receipts and disbursements basis of accounting, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and non-cash transactions are not recorded.

Cash

For purposes of the Statement of Cash Receipts and Disbursements, the District considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Substantially all of the District's cash balances at June 30, 2006 consist of deposits held by banks qualified as public depositories under Florida law or amounts placed with the State Board of Administration for participation in the local Government surplus funds Trust Fund investment pool.

CARR, RIGGS & INGRAM, LLC

4460 Legendary Drive
Suite 100
Destin, FL 32541

P | 850 837 3141

F | 850 654 4619
www.cricpa.com

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, 2006, 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 in the attached exhibits. A summary of all findings is presented below.

CENTRAL ZONE

NICEVILLE SENIOR HIGH SCHOOL - Exhibit B

- **Improper disbursement procedures**
Check Requisition/Transfer Forms not properly signed by the teacher/sponsor were noted in our sample.

NORTH ZONE

BOB SIKES ELEMENTARY SCHOOL - Exhibit A

- **Outside support organizations**

SOUTH ZONE

CHOCTAWHATCHEE HIGH SCHOOL - Exhibit A

- **Outside support organizations**

SHALIMAR ELEMENTARY SCHOOL - Exhibit A

- **Outside support organizations**

American Institute of
Certified Public Accountants

Alabama Society of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

Georgia Society of
Certified Public Accountants

Mississippi Society of
Certified Public Accountants

AICPA Alliance for CPA Firms

Center for Public
Company Audit Firms

SOUTH ZONE (CONTINUED)

ANNETTE P. EDWINS ELEMENTARY SCHOOL - Exhibit B

• **Improper disbursement procedures**

Check Requisition/Transfer Forms not properly signed by the teacher/sponsor were noted in our sample.

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 received an audit finding unrelated to outside support organizations, we requested a response to the finding(s) from the principal. All principals responded to our request, and the responses follow this management letter. For those whose findings relate to outside support organizations, we did not request a formal response because the deadline to comply with the requirement had not passed as of the date of this 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.

Cary Riggs & Ingram, L.L.C.

Destin, Florida
July 26, 2006

**BOB SIKES ELEMENTARY SCHOOL, CHOCTAWHATCHEE HIGH
SCHOOL, and SHALIMAR ELEMENTARY SCHOOL
EXHIBIT A**

OUTSIDE SUPPORT ORGANIZATIONS

Most schools have support organizations, such as Parent-Teacher Organizations (PTOs), whose monetary activity is accounted for in the internal funds of the schools. There are certain organizations, however, that choose to maintain their accounts outside of the school funds. For these organizations, the School Board has set forth policies in the Okaloosa County School District Internal Accounting Manual.

Section 1.011 (2) states, "Organizations that maintain accounts outside of the school internal fund shall meet the following requirements: (a) Maintain separate tax identification number and bank account. (b) Adopt by-laws which shall be approved by the school principal. By-laws must include provision for an annual audit of funds. (c) Provide monthly financial reports to the school principal. The format shall be prescribed by the principal and, at a minimum, must provide a detail of revenue and expenses. (d) Annually provide the principal a copy of the organization audit." It is required that any such organizations either meet these four conditions of this policy or include its financial activity within the internal funds of the school.

The policy is designed to ensure that appropriate and safe financial practices are followed. School districts in the State of Florida and their related support organizations are governed by certain rules and regulations that can restrict the nature and extent of receipts and disbursements. An annual audit, as required by the policy, is a key control to verify that these rules and regulations are being followed. An audit is also important in providing public assurance that fraud is not occurring and in making certain that funds raised are utilized for their designated purposes. The policy is also meant to protect these organizations, their officers, and the District against any unintended liability as a result of errors, fraud or unforeseen circumstances. The District's own experience in these areas has been greatly improved over the past eight years, partially as a result of the school activity fund audit process.

During our audit, we noted four schools with a total of six support organizations that maintain accounts outside of the school's internal funds. They are the following:

Choctawhatchee Senior High School
- Choctaw IB Foundation
- Friends of the Style Marchers
- Choctawhatchee Touchdown Club

Bob Sikes Elementary PTO

Shalimar Elementary PTO

Plew Elementary Parent Leaders Association

Based on inquiry of school personnel, it appears that all of the organizations are properly set up as separate entities with their own tax identification numbers. In addition, all but Friends of the Style Marchers and Bob Sikes Elementary PTO are providing monthly financial information to the respective school principal.

**BOB SIKES ELEMENTARY SCHOOL, CHOCTAWHATCHEE HIGH
SCHOOL, and SHALIMAR ELEMENTARY SCHOOL
EXHIBIT A**

Prior Year Recommendation

- We recommend that the previously-mentioned schools require their organizations to either meet the four requirements noted above or have the organizations collapse their financial activity into the internal funds of the given school. We believe an “organization audit” as mentioned in requirements (b) and (d) entails an audit performed in accordance with generally accepted auditing standards and consistent with *The Financial and Program Cost Accounting and Reporting Manual* (“Red Book”) and the Okaloosa County School District Internal Accounting Manual. This audit should be prepared by a CPA licensed in the State of Florida and delivered to the principal within 120 days of the fiscal year end.

Update

During the performance of our audit procedures, we were provided with an audit report by Plew Elementary Parent Leaders Association, Inc. for the fiscal year ended June 30, 2006. A report was also received from the Choctaw IB Foundation, indicating that an audit was completed, but it does not comply with the “organization audit” definition listed above. None of the other organizations have a completed audit report as of the date of this letter.

We understand that the School Board has recently directed these other organizations to comply with the requirements of Section 1.011 (2) of the Okaloosa County School District Internal Accounting Manual, specifically the requirement to provide an annual audit. The Board has asked that each organization provide a letter of engagement with a qualified CPA firm prior to October 31, 2006. We have been informed that the PTO’s for Bob Sikes and Shalimar Elementary schools are in the process of engaging CPA firms, and the engagement letters are anticipated to be received by the established deadline. The other organizations have not indicated their willingness to comply with the requirements of the Okaloosa County District School Board.

**ANNETTE P. EDWINS ELEMENTARY SCHOOL and
NICEVILLE SENIOR HIGH SCHOOL
EXHIBIT B**

DISBURSEMENTS

The Okaloosa County School District Internal Accounting Manual, Section 1.142 states, "...The form is initiated by the teacher or sponsor desiring to make an expenditure. The teacher or the sponsor must sign the form..."

1. During our audit, we noted numerous instances in our sample in where the bookkeeper had completed the form, but the teacher or sponsor had not signed it, thus indicating their approval.

Recommendation

- We recommend that the teacher or sponsor of the organization desiring to make an expenditure, sign the required form which documents his/her authorization to disburse the funds.

Management's Response

Annette P. Edwins Elementary School

7 Wright Parkway, SW

Fort Walton Beach, Florida 32548-5277

Mrs. Beth Holmes, Principal

(850) 833-3333 FAX: 833-3480

August 1, 2006

Dear Ms. LeRoux,

This letter is written in response to your audit visit at Edwins Elementary School on July 18, 2006. It was brought to my attention that three check requisitions were not filled out completely. My signature and the bookkeeper's signature were on the forms, but the signature of the Grade Level Chairpersons, who requested the checks, were missing. All three check requisitions were made within the same time period and all three requisitions were requests by three different Chairs to pay for field trips.

This oversight has already been addressed by Angie Clinkingbeard, our bookkeeper, and me. I have also discussed the error with the Grade Level Chairs who have been assigned this position for the 2006-07 school year.

I appreciate the thorough job that you and your team did and the excellent feedback. I have every confidence that our personnel will handle this process correctly in the future.

If you have further questions, please contact me at 833-3333.

Sincerely,



Beth Holmes

cc: Kaye McKinley, Assistant Superintendent of Schools
Angie Clinkingbeard, Bookkeeper

"Continuing a Tradition of Excellence"



Member of SACS

Niceville Senior High School

800 EAST JOHN SIMS PARKWAY
NICEVILLE, FLORIDA 32578
(850) 833-4114
Janie Varner, Principal

Blue Ribbon School



A National School of Excellence

2006 Audit Finding:

The Okaloosa County School District Internal Accounting Manual (Internal Accounting Manual) Section 1.142 Check Requisition/Transfer Form (MIS 4003) states, "The form is initiated by the teacher or sponsor desiring to make expenditure. The teacher or sponsor must sign this form..."

Recommendation:

We recommend that the teacher or sponsor of the organization desiring to make expenditure, sign the required form which documents his/her authorization to disburse the funds.

Reply:

Niceville High School will have a designated co-sponsor for athletics, clubs/organizations, music, and departments to cover the absence of the sponsor when bills need to be paid.

Janie Varner

A handwritten signature in cursive script that reads "Janie K. Varner".

Niceville High School, Principal

