

**Okaloosa County District School Board
School Internal Funds**

**Financial Statement
and Supplementary Information**

June 30, 2009

Okaloosa County District School Board
School Internal Funds
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INDEPENDENT AUDITOR'S REPORT

To the Okaloosa County District School Board
and Dr. Alexis Tibbetts, Superintendent of Schools
Fort Walton Beach, Florida

We have audited the accompanying Statement of Fiduciary Net Assets of the Okaloosa County District School Board Internal Funds, for those thirty-six schools listed in Exhibit A to the financial statement, as of June 30, 2009. This financial statement is the responsibility of the management of Okaloosa County District School Board. Our responsibility is to express an opinion on this financial statement based on our audit.

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Okaloosa County District School Board Internal Funds, for those thirty-six schools listed in Exhibit A to the financial statement, as of June 30, 2009, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2009 on our consideration of the Okaloosa County District School Board Internal Funds internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statement taken as a whole. The accompanying supplemental schedules of cash receipts and disbursements by school for the year ended June 30, 2009 are presented for purposes of additional analysis and are not a required part of the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statement taken as a whole.

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

Destin, Florida
October 16, 2009

Okaloosa County District School Board
School Internal Funds

Statement of Fiduciary Net Assets

June 30,

2009

Assets

Cash and cash equivalents	\$	1,909,031
Investments		2,170,345
Total assets	\$	4,079,376

Liabilities

Accounts payable	\$	138,607
Internal accounts payable		3,940,769
Total liabilities	\$	4,079,376

See accompanying notes to financial statement.

NOTE 1 - REPORTING ENTITY

The Okaloosa County District School Board (District) has direct responsibility for operation, control, and supervision of District 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 Presentation

This financial statement presents the District's fiduciary fund used to account for resources of the school internal funds which are used to administer moneys collected at the District's schools in connection with school, student athletic, class and club activities.

Basis of Accounting

In accordance with Florida Statutes, the District accounts for its student activity accounts as an agency fund. This fund is organized into sub-funds to account for each school in the District. The operations of each sub-fund are accounted for with a separate set of self-balancing accounts that comprise each school's assets, liabilities, fund balance, revenues and expenditures. Each sub-fund is generally divided into seven student activity/project classifications, although not all schools utilize all seven classifications. These classifications are athletics, music, classes, clubs, departments, trust funds and general.

The financial statement of the District's internal funds has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units.

Cash, Deposits and Investments

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities which have a market value equal to 50% of all public funds on deposit at the end of each month in excess of any applicable deposit insurance. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by *Governmental Accounting Standards Board, Statement Number 40, Deposits and Investment Disclosures (An Amendment of Governmental Accounting Standards Board, Statement Number 3)*.

Okaloosa County District School Board
School Internal Funds
Notes to Financial Statement

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District is authorized to invest in financial instruments as established by Section 218.415, Florida Statutes. The authorized investments include among others direct obligations of the United States Treasury; the Local Government Surplus Funds Trust as created by Section 218.405, Florida Statutes; SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and interest-bearing time deposits or savings accounts in authorized financial institutions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE 3 – INVESTMENTS

All investments held at June 30, 2009, are reported at fair value, which approximates amortized cost. Values for the District's investments are based on quoted market prices or amounts determined by the issuer.

The following is a summary of the District's investments:

<u>June 30,</u>	<u>2009</u>	<u>Credit Risk</u>	<u>Maturities</u>
Certificates of deposit	\$ 801,628	n/a	Various through
State Board of Administration LGIP	<u>1,368,717</u>	S&P AAAm	February 2010. 46 days
Total investments	\$ 2,170,345		

Custodial credit risk – For an investment, custodial credit risk is the risk that the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. At June 30, 2009, none of the investments listed above are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration risk – The District's investment policy requires diversification, but does not specify limits on types of investments.

Interest rate risk – The District does not have a formal policy for addressing interest rate risk; however, investments are made with discretion, to seek reasonable returns, preserve capital, and in general, avoid speculative investments. The District manages its exposure to declines in fair values from interest rate changes by reviewing the portfolio on an ongoing basis for changes in effective yield amounts.

Okaloosa County District School Board
School Internal Funds
Notes to Financial Statement

NOTE 4 – SCHOOL CLOSINGS

During the year ended June 30, 2009, the District closed Ocean City Elementary School. Portions of the school's remaining funds were transferred to Wright Elementary, Shalimar Elementary, and Longwood Elementary Schools.

Supplementary Information

Okaloosa County District School Board
School Internal Funds
Exhibit A - Listing of Schools

Elementary Schools:

Antioch Elementary School
Bluewater Elementary School
Bob Sikes Elementary School
Destin Elementary School
Lula J. Edge Elementary School
Annette P. Edwins Elementary School
Eglin Elementary School
Elliott Point Elementary School
Florosa Elementary School
Kenwood Elementary School
Longwood Elementary School
Mary Esther Elementary School
Northwood Elementary School
Ocean City Elementary School
James E. Plew Elementary School
Shalimar Elementary School
Southside Elementary School
Valparaiso Elementary School
Walker Elementary School
Wright Elementary School

Middle Schools:

Max Bruner, Jr. Middle School
Davidson Middle School
Destin Middle School at Regatta Bay
Addie R. Lewis Middle School
Clifford Meigs Middle School
W.C. Pryor Middle School
Lance C. Richbourg Middle School
C.W. Ruckel Middle School

High Schools:

Choctawhatchee Senior High School
Crestview Senior High School
Fort Walton Beach High School
Niceville Senior High School

Other Schools:

Baker School
Laurel Hill School
Okaloosa Applied Technology Center
Silver Sands School

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ANTIOCH ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ -	\$ 1,002	\$ (1,087)	\$ 160	\$ 75
Music	220	1,491	(1,568)	460	603
Classes	121	35,156	(43,408)	15,012	6,881
Clubs	7,903	35,433	(26,311)	(10,171)	6,854
Departments	8,049	32,383	(26,765)	(1,328)	12,339
Trust Funds	478	2,131	(3,158)	2,443	1,894
General	22,831	42,390	(31,491)	(6,576)	27,154
TOTALS	\$ 39,602	\$ 149,986	\$ (133,788)	\$ -	\$ 55,800

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BLUEWATER ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 2,223	\$ 2,581	\$ (3,202)	\$ 1,500	\$ 3,102
Classes	212	14,980	(17,020)	2,084	256
Clubs	30,618	60,948	(60,731)	(11,575)	19,260
Departments	11,496	18,453	(19,405)	8,000	18,544
Trust Funds	329	4,352	(4,248)	-	433
General	45,473	48,001	(53,909)	(9)	39,556
TOTALS	\$ 90,351	\$ 149,315	\$ (158,515)	\$ -	\$ 81,151

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BOB SIKES ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 7	\$ -	\$ -	\$ -	\$ 7
Music	485	-	(240)	-	245
Classes	1,452	32,760	(32,641)	470	2,041
Clubs	94	627	(233)	-	488
Departments	5,596	11,760	(11,632)	10	5,734
Trust Funds	22,691	70,456	(66,107)	673	27,713
General	8,453	34,269	(33,067)	(1,153)	8,502
TOTALS	\$ 38,778	\$ 149,872	\$ (143,920)	\$ -	\$ 44,730

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
DESTIN ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 2,458	\$ 673	\$ (939)	\$ 1,696	\$ 3,888
Music	88	2,233	(565)	2,575	4,331
Classes	9,496	42,874	(43,266)	21,554	30,658
Clubs	56,368	171,072	(98,291)	(41,665)	87,484
Departments	6,707	19,418	(22,895)	1,837	5,067
Trust Funds	12,183	12,720	(13,908)	13,414	24,409
General	65,472	47,003	(47,848)	589	65,216
TOTALS	\$ 152,772	\$ 295,993	\$ (227,712)	\$ -	\$ 221,053

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LULA J. EDGE ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 433	\$ 2,853	\$ (1,963)	\$ 600	\$ 1,923
Classes	5,356	15,326	(23,323)	7,361	4,720
Clubs	7,793	52,028	(34,622)	(12,504)	12,695
Departments	11,993	13,796	(16,470)	2,367	11,686
Trust Funds	808	2,161	(1,907)	67	1,129
General	12,272	25,766	(30,074)	2,109	10,073
TOTALS	\$ 38,655	\$ 111,930	\$ (108,359)	\$ -	\$ 42,226

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ANNETTE P. EDWINS ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 4,155	\$ 1,656	\$ (4,919)	\$ 1,374	\$ 2,266
Music	-	-	(2,397)	2,779	382
Classes	-	13,450	(13,187)	9	272
Clubs	8,640	31,446	(18,689)	(6,868)	14,529
Departments	1,649	5,305	(5,222)	-	1,732
Trust Funds	12,365	7,393	(18,336)	2,482	3,904
General	12,542	14,058	(11,870)	224	14,954
TOTALS	\$ 39,351	\$ 73,308	\$ (74,620)	\$ -	\$ 38,039

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
EGLIN ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 487	\$ 488	\$ (921)	\$ -	\$ 54
Classes	4,972	22,477	(22,937)	(102)	4,410
Clubs	5,400	26,793	(22,910)	(763)	8,520
Departments	11,348	14,825	(17,334)	811	9,650
Trust Funds	381	2,165	(2,337)	49	258
General	44,809	36,565	(29,157)	5	52,222
TOTALS	\$ 67,397	\$ 103,313	\$ (95,596)	\$ -	\$ 75,114

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ELLIOTT POINT ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 1,158	\$ 21,602	\$ (17,846)	\$ (3,754)	\$ 1,160
Music	1,208	1,293	(2,112)	976	1,365
Classes	2,307	19,719	(21,411)	1,654	2,269
Clubs	-	278	(275)	-	3
Departments	6,494	17,024	(17,102)	(3)	6,413
Trust Funds	621	8,118	(7,686)	(18)	1,035
General	4,030	18,653	(19,206)	1,145	4,622
TOTALS	\$ 15,818	\$ 86,687	\$ (85,638)	\$ -	\$ 16,867

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
FLOROSA ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 906	\$ 1,735	\$ (1,683)	\$ -	\$ 958
Classes	-	5,143	(4,967)	(3)	173
Clubs	18,155	31,970	(27,461)	(100)	22,564
Departments	3,510	8,895	(9,540)	-	2,865
Trust Funds	3,257	11,458	(9,403)	-	5,312
General	37,321	26,851	(25,136)	103	39,139
TOTALS	\$ 63,149	\$ 86,052	\$ (78,190)	\$ -	\$ 71,011

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
KENWOOD ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 1,814	\$ -	\$ -	\$ -	\$ 1,814
Classes	7,939	35,393	(36,923)	9,298	15,707
Clubs	13,722	41,284	(32,757)	(10,921)	11,328
Departments	1,479	14,010	(15,941)	806	354
Trust Funds	2,248	857	(2,530)	876	1,451
General	4,015	20,693	(11,671)	(59)	12,978
TOTALS	\$ 31,217	\$ 112,237	\$ (99,822)	\$ -	\$ 43,632

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LONGWOOD ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 1,065	\$ 2,737	\$ (2,082)	\$ 4,250	\$ 5,970
Music	19	355	(373)	5	6
Classes	2,882	6,952	(11,086)	5,188	3,936
Clubs	19,850	33,637	(27,441)	(10,007)	16,039
Departments	9,086	11,642	(11,681)	505	9,552
Trust Funds	3,608	2,542	(2,947)	364	3,567
General	23,216	22,843	(24,341)	(305)	21,413
TOTALS	\$ 59,726	\$ 80,708	\$ (79,951)	\$ -	\$ 60,483

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
MARY ESTHER ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ -	\$ 506	\$ (506)	\$ -	\$ -
Classes	1,985	15,856	(20,459)	7,000	4,382
Clubs	29,273	46,868	(53,002)	(7,000)	16,139
Departments	4,721	4,731	(7,431)	(43)	1,978
Trust Funds	1,295	3,331	(1,817)	43	2,852
General	16,474	22,533	(15,934)	-	23,073
TOTALS	\$ 53,748	\$ 93,825	\$ (99,149)	\$ -	\$ 48,424

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
NORTHWOOD ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 104	\$ 110	\$ (867)	\$ 1,265	\$ 612
Classes	4,915	18,625	(19,002)	(4)	4,534
Clubs	11,077	35,564	(30,943)	(867)	14,831
Departments	804	10,106	(10,504)	362	768
Trust Funds	2,159	8,363	(8,800)	(398)	1,324
General	61,768	23,242	(20,821)	(358)	63,831
TOTALS	\$ 80,827	\$ 96,010	\$ (90,937)	\$ -	\$ 85,900

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
OCEAN CITY ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 443	\$ -	\$ (443)	\$ -	\$ -
Music	134	-	(134)	-	-
Classes	4,276	-	(2,915)	(1,361)	-
Clubs	441	-	-	(441)	-
Departments	455	-	(455)	-	-
Trust Funds	492	-	(480)	(12)	-
General	7,518	126	(9,458)	1,814	-
TOTALS	\$ 13,759	\$ 126	\$ (13,885)	\$ -	\$ -

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
JAMES E. PLEW ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 4,384	\$ 5,474	\$ (6,918)	\$ 764	\$ 3,704
Classes	15,348	55,964	(64,673)	15,280	21,919
Clubs	3,405	7,161	(7,618)	(66)	2,882
Departments	12,595	26,625	(22,723)	1,887	18,384
Trust Funds	8,948	34,633	(6,691)	(18,075)	18,815
General	108,616	23,761	(12,876)	210	119,711
TOTALS	\$ 153,296	\$ 153,618	\$ (121,499)	\$ -	\$ 185,415

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SHALIMAR ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 174	\$ 733	\$ (643)	\$ -	\$ 264
Classes	513	9,014	(9,594)	226	159
Clubs	1,117	2,177	(2,130)	-	1,164
Departments	13,592	85,325	(77,103)	624	22,438
Trust Funds	8,191	4,613	(3,458)	(990)	8,356
General	16,659	18,264	(13,183)	140	21,880
TOTALS	\$ 40,246	\$ 120,126	\$ (106,111)	\$ -	\$ 54,261

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SOUTHSIDE ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 1,617	\$ 7,023	\$ (5,014)	\$ (600)	\$ 3,026
Music	2,027	3,205	(4,982)	-	250
Classes	1,364	16,081	(15,379)	(56)	2,010
Clubs	3,391	54,049	(47,646)	(3,086)	6,708
Departments	3,283	7,551	(8,171)	(396)	2,267
Trust Funds	5,463	4,448	(8,733)	2,145	3,323
General	6,558	16,065	(16,580)	1,993	8,036
TOTALS	\$ 23,703	\$ 108,422	\$ (106,505)	\$ -	\$ 25,620

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
VALPARAISO ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 3,946	\$ 1,551	\$ (804)	\$ -	\$ 4,693
Music	-	219	(218)	-	1
Classes	320	19,638	(23,772)	3,885	71
Clubs	9,291	54,873	(51,037)	(4,285)	8,842
Departments	14,905	10,869	(10,589)	188	15,373
Trust Funds	3,624	3,360	(4,940)	1,153	3,197
General	12,828	17,968	(15,808)	(941)	14,047
TOTALS	\$ 44,914	\$ 108,478	\$ (107,168)	\$ -	\$ 46,224

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
WALKER ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 21	\$ -	\$ -	\$ -	\$ 21
Classes	5,253	57,466	(58,582)	(7)	4,130
Clubs	12,530	57,274	(52,029)	(373)	17,402
Departments	5,245	29,639	(22,071)	(250)	12,563
Trust Funds	1,322	11,558	(7,639)	(2,122)	3,119
General	4,961	19,347	(21,970)	2,752	5,090
TOTALS	\$ 29,332	\$ 175,284	\$ (162,291)	\$ -	\$ 42,325

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
WRIGHT ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 86	\$ 2,094	\$ (1,985)	\$ 241	\$ 436
Classes	13,372	12,873	(22,031)	7,144	11,358
Clubs	7,253	43,932	(32,886)	(5,887)	12,412
Departments	29,148	25,244	(27,075)	(1,130)	26,187
Trust Funds	2,111	3,508	(4,485)	609	1,743
General	21,178	30,493	(19,263)	(977)	31,431
TOTALS	\$ 73,148	\$ 118,144	\$ (107,725)	\$ -	\$ 83,567

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
MAX BRUNER, JR. MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 35,877	\$ 122,245	\$ (123,123)	\$ 401	\$ 35,400
Music	12,858	54,009	(45,789)	(40)	21,038
Classes	4,306	7,979	(8,257)	(1,206)	2,822
Clubs	7,731	59,772	(62,978)	334	4,859
Departments	2,836	31,840	(33,943)	2,130	2,863
Trust Funds	1,389	4,583	(5,179)	(32)	761
General	26,120	29,210	(39,995)	(1,587)	13,748
TOTALS	\$ 91,117	\$ 309,638	\$ (319,264)	\$ -	\$ 81,491

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
DAVIDSON MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 36,052	\$ 51,116	\$ (54,610)	\$ (96)	\$ 32,462
Music	6,948	54,272	(48,364)	-	12,856
Classes	3,621	103,731	(99,219)	18	8,151
Clubs	7,463	18,051	(16,166)	-	9,348
Departments	3,330	17,564	(18,177)	-	2,717
Trust Funds	9,020	14,408	(12,335)	77	11,170
General	18,306	27,800	(30,085)	1	16,022
TOTALS	\$ 84,740	\$ 286,942	\$ (278,956)	\$ -	\$ 92,726

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
DESTIN MIDDLE SCHOOL AT REGATTA BAY
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Transfers	Cash and Investments June 30, 2009
Athletics	\$ 22,961	\$ 162,670	\$ (152,701)	\$ (629)	\$ 32,301
Music	9,188	26,951	(30,749)	90	5,480
Classes	12,810	36,297	(40,894)	11,282	19,495
Clubs	7,114	48,090	(48,842)	610	6,972
Departments	8,000	16,080	(13,390)	570	11,260
Trust Funds	6,410	14,600	(6,241)	(11,039)	3,730
General	41,314	36,853	(53,446)	(884)	23,837
TOTALS	\$ 107,797	\$ 341,541	\$ (346,263)	\$ -	\$ 103,075

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ADDIE R. LEWIS MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 25,574	\$ 35,725	\$ (37,947)	\$ 2,523	\$ 25,875
Music	16,792	27,141	(35,594)	3,798	12,137
Classes	5,876	827	(2,361)	421	4,763
Clubs	14,719	34,100	(30,891)	(939)	16,989
Departments	6,024	7,104	(9,863)	(1,036)	2,229
Trust Funds	584	10,669	(10,694)	-	559
General	24,629	40,369	(43,203)	(4,767)	17,028
TOTALS	\$ 94,198	\$ 155,935	\$ (170,553)	\$ -	\$ 79,580

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CLIFFORD MEIGS MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 28,032	\$ 103,425	\$ (115,183)	\$ (49)	\$ 16,225
Music	19,412	68,290	(79,034)	-	8,668
Classes	1,245	21,568	(20,245)	(1,817)	751
Clubs	14,342	22,146	(23,055)	(1,602)	11,831
Departments	3,112	4,352	(5,781)	-	1,683
Trust Funds	2,881	1,424	(1,914)	14	2,405
General	8,243	23,478	(26,951)	3,454	8,224
TOTALS	\$ 77,267	\$ 244,683	\$ (272,163)	\$ -	\$ 49,787

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
 SCHOOL INTERNAL FUNDS
 W. C. PRYOR MIDDLE SCHOOL
 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
 YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 44,532	\$ 80,387	\$ (84,216)	\$ (3,875)	\$ 36,828
Music	4,039	25,564	(32,941)	3,635	297
Classes	2,557	90,842	(88,256)	(485)	4,658
Clubs	8,128	21,836	(26,469)	(159)	3,336
Departments	8,013	9,518	(14,151)	75	3,455
Trust Funds	3,258	10,127	(13,796)	1,048	637
General	17,817	31,616	(40,111)	(239)	9,083
TOTALS	\$ 88,344	\$ 269,890	\$ (299,940)	\$ -	\$ 58,294

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LANCE C. RICHBOURG MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 41,441	\$ 61,132	\$ (69,184)	\$ 1,064	\$ 34,453
Music	13,924	31,597	(34,332)	(1,375)	9,814
Classes	11,475	39,346	(36,610)	165	14,376
Clubs	7,697	16,660	(15,412)	(869)	8,076
Departments	6,183	6,933	(8,735)	(210)	4,171
Trust Funds	10,212	13,303	(21,153)	489	2,851
General	5,773	19,400	(24,087)	736	1,822
TOTALS	\$ 96,705	\$ 188,371	\$ (209,513)	\$ -	\$ 75,563

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
C. W. RUCKEL MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 54,679	\$ 130,213	\$ (131,001)	\$ 2,011	\$ 55,902
Music	44,621	149,212	(158,337)	(120)	35,376
Classes	2,643	26,749	(24,839)	(815)	3,738
Clubs	14,896	85,225	(61,177)	(8,737)	30,207
Departments	15,679	46,003	(42,474)	(2,159)	17,049
Trust Funds	5,250	7,863	(5,828)	(6,279)	1,006
General	11,978	34,753	(26,865)	16,099	35,965
TOTALS	\$ 149,746	\$ 480,018	\$ (450,521)	\$ -	\$ 179,243

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CHOCTAWHATCHEE SENIOR HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 138,689	\$ 572,810	\$ (608,511)	\$ (8,674)	\$ 94,314
Music	40,270	435,197	(458,814)	787	17,440
Classes	10,996	19,735	(19,208)	(4,291)	7,232
Clubs	46,439	102,020	(109,635)	7,685	46,509
Departments	67,615	128,243	(148,006)	9,556	57,408
Trust Funds	50,008	77,957	(68,328)	(3,685)	55,952
General	29,833	62,701	(75,368)	(1,378)	15,788
TOTALS	\$ 383,850	\$ 1,398,663	\$ (1,487,870)	\$ -	\$ 294,643

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CRESTVIEW SENIOR HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 60,781	\$ 314,975	\$ (329,411)	\$ 760	\$ 47,105
Music	19,049	279,537	(281,078)	2,349	19,857
Classes	6,630	49,841	(50,776)	(54)	5,641
Clubs	103,843	177,999	(191,969)	(5,681)	84,192
Departments	13,874	52,540	(32,079)	(5,496)	28,839
Trust Funds	30,291	43,122	(39,369)	(3,095)	30,949
General	32,945	56,193	(66,058)	11,217	34,297
TOTALS	\$ 267,413	\$ 974,207	\$ (990,740)	\$ -	\$ 250,880

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
FORT WALTON BEACH HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 134,379	\$ 718,499	\$ (698,565)	\$ (16,278)	\$ 138,035
Music	20,031	390,423	(372,670)	(5,363)	32,421
Classes	12,630	19,221	(19,533)	(7,628)	4,690
Clubs	42,593	211,670	(215,899)	1,509	39,873
Departments	70,427	117,809	(126,535)	(11,660)	50,041
Trust Funds	44,553	14,772	(57,307)	37,888	39,906
General	36,123	83,315	(74,342)	1,532	46,628
TOTALS	\$ 360,736	\$ 1,555,709	\$ (1,564,851)	\$ -	\$ 351,594

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
NICEVILLE SENIOR HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 264,008	\$ 613,587	\$ (581,939)	\$ (12,050)	\$ 283,606
Music	34,633	330,876	(325,146)	(7,551)	32,812
Classes	8,718	21,970	(26,411)	(452)	3,825
Clubs	54,423	271,169	(246,729)	(20,517)	58,346
Departments	74,036	120,922	(137,626)	(2,974)	54,358
Trust Funds	53,441	144,664	(153,501)	39,317	83,921
General	61,430	69,833	(56,295)	4,227	79,195
TOTALS	\$ 550,689	\$ 1,573,021	\$ (1,527,647)	\$ -	\$ 596,063

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BAKER SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 34,479	\$ 165,225	\$ (159,559)	\$ 2,672	\$ 42,817
Music	-	86,060	(83,525)	(2,025)	510
Classes	17,609	34,917	(37,297)	(425)	14,804
Clubs	11,137	44,358	(34,871)	(5,560)	15,064
Departments	47,030	64,187	(69,289)	3,255	45,183
Trust Funds	8,665	6,237	(7,957)	(1,731)	5,214
General	38,200	56,389	(53,141)	3,814	45,262
TOTALS	\$ 157,120	\$ 457,373	\$ (445,639)	\$ -	\$ 168,854

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LAUREL HILL SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Athletics	\$ 21,345	\$ 89,523	\$ (103,717)	\$ 825	\$ 7,976
Classes	8,470	35,427	(34,201)	748	10,444
Clubs	16,745	30,399	(35,132)	(1,141)	10,871
Departments	9,436	11,006	(10,000)	288	10,730
Trust Funds	-	1,304	(273)	(7)	1,024
General	5,969	22,257	(22,441)	(713)	5,072
TOTALS	\$ 61,965	\$ 189,916	\$ (205,764)	\$ -	\$ 46,117

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
OKALOOSA APPLIED TECHNOLOGY CENTER
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Agriculture	\$ 1,064	\$ 4,025	\$ (2,320)	\$ -	\$ 2,769
Health Occupations	25,225	63,879	(66,817)	188	22,475
Industrial Education	162,769	145,464	(144,494)	(340)	163,399
Business/Office Training	1,193	7,856	(7,792)	172	1,429
Culinary Arts Institute	10,994	11,532	(15,178)	607	7,955
Misc. Education Classes	5,379	4,175	(6,340)	5	3,219
Trust Funds	7,026	19,271	(20,713)	(465)	5,119
General	12,195	29,427	(21,535)	(167)	19,920
TOTALS	\$ 225,845	\$ 285,629	\$ (285,189)	\$ -	\$ 226,285

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SILVER SANDS SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2009

	Cash and Investments July 1, 2008	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2009
Music	\$ 18	\$ 175	\$ -	\$ -	\$ 193
Classes	3,084	8,562	(7,150)	1,120	5,616
Clubs	5,861	9,799	(9,145)	(2,224)	4,291
Trust Funds	1,094	574	(35)	-	1,633
General	103,448	37,541	(50,488)	1,104	91,605
TOTALS	\$ 113,505	\$ 56,651	\$ (66,818)	\$ -	\$ 103,338

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Okaloosa County District School Board
and Dr. Alexis Tibbetts, Superintendent of Schools
Fort Walton Beach, Florida

We have audited the Statement of Fiduciary Net Assets of the Okaloosa County District School Board Internal Funds (hereinafter referred to as the "District"), for those thirty-six schools listed in Exhibit A to the financial statement, as of June 30, 2009, and have issued our report dated October 16, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the fiduciary financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements is 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 determination of financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of management, the School Board members, and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than those specified parties.

Caru, Riggs & Ingram, L.L.C.

Destin, Florida
October 16, 2009

MANAGEMENT LETTER

To the Okaloosa County District School Board
and Dr. Alexis Tibbetts, Superintendent of Schools
Fort Walton Beach, Florida

We have audited the Statement of Fiduciary Net Assets of the Okaloosa County District School Board Internal Funds ("District") as of June 30, 2009, and have issued our report thereon dated October 16, 2009.

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. We have issued our 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*. Disclosures in this report which is dated October 16, 2009, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's report:

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address prior year findings and recommendations.

Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of laws, regulations, contracts or grant agreements, or abuse that have occurred or are likely to have occurred, that have an effect on the determination of financial statement amounts that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

Section 10.554(1)(i)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that are inconsequential to the determination of financial statement amounts, considering both quantitative and qualitative factors: (1) violations of laws, regulations, contract or grant agreements, or abuse that have occurred, or are likely to have occurred; and (2) control deficiencies that are not significant deficiencies, including but not limited to: (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we noted findings as discussed in Exhibits B through E following this letter.

Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information required is disclosed in the notes to the financial statements.

Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the District for the fiscal year ended June 30, 2009, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended June 30, 2009. In connection with our audit, we determined that these two reports were in agreement.

Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information of the District and management, and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Cam, Riggs & Ingram, L.L.C.

Destin, Florida
October 16, 2009

DISBURSEMENTS

The Okaloosa County School District Internal Accounting Manual, Section 1.026 (3) states, "...Invoices will be marked "PAID" immediately upon making remittance."

1. During our audit, we noted 3 instances out of a sample of 25 where the invoice had not been stamped "PAID."

Recommendation

- We recommend that the Bookkeeper mark all invoices "PAID," preferably with a stamp, after checks have been issued.

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 any time more than \$500 is received."

1. During our audit, we noted 4 instances out of a sample of 25 in which deposits totaling \$500 or more were not deposited on the receipt date, but were held for a day or over the weekend.

Recommendation

- We recommend that deposits should be made on the days when money collected, in total, meets or exceeds \$500.

UNTIMELY DEPOSITS – TEACHERS/SPONSORS

The Okaloosa County School District Internal Accounting Manual, Section 1.009 (1) states, "... Collections made outside of the school office, which exceed \$10 in the aggregate must be turned into the office daily."

1. During our audit, we noted 3 instances out of a sample of 35 in which monies collected in excess of \$10 were not turned into the office on a timely basis after the initial collection date.

Recommendation

- We recommend that monies collected be turned into the office - by use of the drop safe - on a daily basis.

Okaloosa County District School Board
School Internal Funds
Exhibit E - Choctawhatchee Senior High School

DISBURSEMENTS

The Okaloosa County School District Internal Accounting Manual, Section 1.142 Check Requisition/Transfer Form states, "... The form is initiated by the teacher or sponsor desiring to make an expenditure... The completed form is forwarded to the school principal, who must approve the request before any expenditure of School activity Funds may be made..."

1. During our audit, we noted 4 instances out of a sample of 35 where the teacher or sponsor had not filled in the requisition date or the requisition date was after the date of the check.

Recommendation

- We recommend that the teacher or sponsor properly fill out the required form in order to document that the expenditure was authorized prior to disbursing funds.

Management's Responses

DESTIN ELEMENTARY SCHOOL

"HOME OF THE DESTIN DOLPHINS"

630 Kelly Street ~ Destin, FL 32541

Phone (850) 833-4360 ~ Fax (850) 833-4370

Dr. Alexis Tibbetts
Superintendent

Marti Gardner
Principal

October 1, 2009

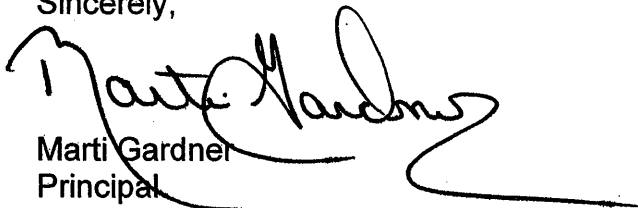
Ms. Katie Pollock
Carr, Riggs & Ingram, LLC
4460 Legendary Drive
Suite 100
Destin, FL 32541

Dear Katie:

In response to the audit findings at Destin Elementary School, I am in full agreement. Considering we had three bookkeepers in three months, I am pleased with the outcome and that we only had three minor infractions. In the coming year(s), we will double-check to make sure that all monies collected forms and requisitions are signed and dated, and that all invoices are stamped "paid".

Thank you so much.

Sincerely,


Marti Gardner
Principal

MG/bjh



"WE ARE THE FUTURE"



KENWOOD ELEMENTARY SCHOOL

15 Eagle Street N.E.
Fort Walton Beach, Florida 32547
850-833-3570

Alan Lambert, Principal

July 31, 2009

Carr, Riggs & Ingram, LLC
4460 Legendary Dr. Suite #100
Destin, FL 32541

Dear Sir/Madam:

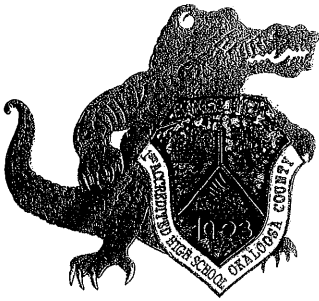
In response to the procedural finding of untimely deposits, we acknowledge that there were incidents where the incorrect date was accidentally recorded on the form, the teachers were holding money, the drop safe was not opened by the back-up combination holder, and the bookkeeper was late to the bank because of extenuating circumstances.

In the future extra precautions will be made to ensure that the correct date of receipt will be notated on all forms, the drop safe will be opened every day even if I am unavailable, and the bookkeeper will arrive to the bank on time daily. Also, during our preplanning meeting the teachers will be given another copy of the Monies Collections Procedures and an additional reminder about the importance of following these procedures. I will hold all parties accountable for their responsibility.

If you have any questions, please do not hesitate to contact myself or my bookkeeper at 850-833-3570.

Sincerely,

Alan Lambert
Principal



Baker School

Elementary - Middle - High School
1369 14th Street, Baker, Florida 32531-2809
Phone: (850) 689-7279 Fax: (850) 689-7416
www.okaloosa.k12.fl.us/baker

TOM SHIPP
Principal

VICTORIA HAYDEN
Assistant Principal

JENNIFER STEWART
Assistant Principal

Carr, Riggs, & Ingram, LLC
4460 Legendary Drive
Suite #100
Destin, Florida 32541

August 4, 2009

Dear Okaloosa School Auditors:

During an audit of bookkeeping records of Baker School on July 29, 2009, your company noted a finding involving the timely processing of monies collected. I have researched the instances noted by the auditors and made the following adjustments in an attempt to insure this does not occur in the future. Communication of the necessary process(es) for monies collected, as contained in our staff handbook, will be made clearer to the entire staff during preplanning. Monies collected will be delivered directly to the bookkeeper or put in the drop safe the day the money is collected. The drop safe will be emptied at the same time every day near the end of the workday.

Hopefully, these actions will correct the noted discrepancies. Please let me know if you have any further suggestions. Thank you for your assistance.

Sincerely,

Thomas L. Shipp
Thomas L. Shipp

Choctawhatchee Senior High School

110 RACETRACK ROAD, N.W.
FORT WALTON BEACH, FLORIDA 32547

CINDY GATES, PRINCIPAL (850) 833-3614
FAX (850) 833-3410

August 3, 2009

Carr, Riggs, and Ingram, LLC
4460 Legendary Dr. Suite #100
Destin, FL 32541

In response to Choctawhatchee High School recent audit; a finding was found on a check disbursement where the date that is at the bottom of the check disbursement form and the date of the check are one day different. She writes checks every Wednesday, so on that particular Tuesday she went ahead and sign all checks requisitions and dated them for Wednesday, because we are so short handed and the bookkeeper has to cover out front at times, she was trying to get ahead. On two of the occasions, she had already prepared the check requests for Wednesday, and I realized that one of the checks needed to be in the County Office on Tuesday afternoon. I asked her to go ahead and write the check and take it to the County Office when she got off. We will be more careful in the future on requesting checks on a different day.

If you have any other questions, please feel free to contact me.

Sincerely


Cindy Gates
Principal