

Okaloosa County District School Board
School Internal Funds

Financial Statement
and Supplementary Information

June 30, 2010

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-five schools listed in Exhibit A to the financial statement, as of June 30, 2010. 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-five schools listed in Exhibit A to the financial statement, as of June 30, 2010, 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 January 5, 2011 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, 2010 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.

Miramar Beach, Florida
January 5, 2011

Okaloosa County District School Board
School Internal Funds

Statement of Fiduciary Net Assets

<i>June 30,</i>		2010
Assets		
Cash and cash equivalents	\$	2,084,174
Investments		1,863,393
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Total assets	\$	3,947,567
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Liabilities		
Accounts payable	\$	97,899
Internal accounts payable		3,849,668
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Total liabilities	\$	3,947,567
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See accompanying notes to financial statement.

Okaloosa County District School Board
School Internal Funds
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, 2010, 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:

<i>June 30,</i>	2010	Credit Risk	Maturities
Certificates of deposit	\$ 571,499	n/a	Various through February 2011
State Board of Administration Florida Prime	<u>1,291,894</u>	S&P AAAM	46 days
Total investments	<u>\$ 1,863,393</u>		

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, 2010, 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

Subsequent to the year ended June 30, 2010, the District consolidated Valparaiso Elementary School's internal funds with those of Addie R. Lewis Middle School. The resulting combined funds will be shown in the future as Addie R. Lewis K-8 School.

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
James E. Plew Elementary School
Riverside Elementary School
Shalimar 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
C.W. Ruckel Middle School
Shoal River 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
Choice High School & Technical Center
Laurel Hill School
Silver Sands School

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ANTIOCH ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 75	\$ 1,964	\$ (1,587)	\$ (252)	\$ 200
Music	603	1,714	(2,349)	186	154
Classes	6,881	40,210	(54,087)	8,618	1,622
Clubs	6,854	23,701	(17,562)	(5,131)	7,862
Departments	12,339	28,661	(30,228)	663	11,435
Trust Funds	1,894	2,706	(5,431)	914	83
General	27,154	29,265	(30,492)	(4,998)	20,929
TOTALS	\$ 55,800	\$ 128,221	\$ (141,736)	\$ -	\$ 42,285

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BLUEWATER ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 3,102	\$ 2,204	\$ (3,473)	\$ 1,500	\$ 3,333
Classes	256	14,401	(13,547)	(316)	794
Clubs	19,260	66,897	(66,689)	(6,955)	12,513
Departments	18,544	21,746	(21,552)	5,500	24,238
Trust Funds	433	1,132	(1,338)	(65)	162
General	39,556	54,643	(70,799)	336	23,736
TOTALS	\$ 81,151	\$ 161,023	\$ (177,398)	\$ -	\$ 64,776

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BOB SIKES ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 7	\$ 1,171	\$ (125)	\$ -	\$ 1,053
Music	245	30	-	-	275
Classes	2,041	35,952	(34,878)	748	3,863
Clubs	488	2,429	(1,884)	-	1,033
Departments	5,734	10,080	(10,527)	-	5,287
Trust Funds	27,713	62,911	(64,943)	876	26,557
General	8,502	36,624	(32,012)	(1,624)	11,490
TOTALS	\$ 44,730	\$ 149,197	\$ (144,369)	\$ -	\$ 49,558

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
DESTIN ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 3,888	\$ 4,267	\$ (8,300)	\$ 5,429	\$ 5,284
Music	4,331	346	(572)	325	4,430
Classes	30,658	37,868	(43,503)	(2,454)	22,569
Clubs	87,484	136,933	(91,706)	(74,106)	58,605
Departments	5,067	22,932	(24,439)	3,208	6,768
Trust Funds	24,409	23,852	(70,943)	52,902	30,220
General	65,216	38,441	(83,329)	14,696	35,024
TOTALS	\$ 221,053	\$ 264,639	\$ (322,792)	\$ -	\$ 162,900

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LULA J. EDGE ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 1,923	\$ 2,305	\$ (2,349)	\$ 200	\$ 2,079
Classes	4,720	8,728	(16,819)	10,435	7,064
Clubs	12,695	45,291	(31,693)	(9,669)	16,624
Departments	11,686	12,630	(15,928)	2,006	10,394
Trust Funds	1,129	13,030	(7,809)	(4,695)	1,655
General	10,073	23,185	(23,665)	1,723	11,316
TOTALS	\$ 42,226	\$ 105,169	\$ (98,263)	\$ -	\$ 49,132

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ANNETTE P. EDWINS ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 2,266	\$ 6,654	\$ (5,661)	\$ -	\$ 3,259
Music	382	310	(622)	(70)	-
Classes	272	9,689	(9,986)	25	-
Clubs	14,529	33,502	(25,537)	(11,615)	10,879
Departments	1,732	5,130	(4,543)	-	2,319
Trust Funds	3,904	461	(15,509)	13,707	2,563
General	14,954	12,929	(9,616)	(2,047)	16,220
TOTALS	\$ 38,039	\$ 68,675	\$ (71,474)	\$ -	\$ 35,240

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
EGLIN ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 54	\$ 167	\$ (200)	\$ -	\$ 21
Classes	4,410	14,525	(15,730)	(68)	3,137
Clubs	8,520	20,834	(25,195)	-	4,159
Departments	9,650	13,708	(14,726)	(478)	8,154
Trust Funds	258	2,095	(2,175)	-	178
General	52,222	22,740	(26,879)	546	48,629
TOTALS	\$ 75,114	\$ 74,069	\$ (84,905)	\$ -	\$ 64,278

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ELLIOTT POINT ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 1,160	\$ 22,992	\$ (16,883)	\$ (4,655)	\$ 2,614
Music	1,365	1,311	(2,744)	740	672
Classes	2,269	20,217	(21,799)	1,597	2,284
Clubs	3	296	(598)	1,969	1,670
Departments	6,413	15,507	(16,331)	-	5,589
Trust Funds	1,035	8,076	(7,921)	2	1,192
General	4,622	23,485	(25,177)	347	3,277
TOTALS	\$ 16,867	\$ 91,884	\$ (91,453)	\$ -	\$ 17,298

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
FLOROSA ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 958	\$ 721	\$ (1,523)	\$ -	\$ 156
Classes	173	5,828	(5,931)	(13)	57
Clubs	22,564	25,152	(28,622)	(1,347)	17,747
Departments	2,865	7,765	(10,206)	1,223	1,647
Trust Funds	5,312	3,129	(3,205)	-	5,236
General	39,139	23,912	(30,533)	137	32,655
TOTALS	\$ 71,011	\$ 66,507	\$ (80,020)	\$ -	\$ 57,498

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
KENWOOD ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 1,814	\$ -	\$ -	\$ -	\$ 1,814
Classes	15,707	28,390	(38,841)	7,750	13,006
Clubs	11,328	39,895	(33,109)	(9,123)	8,991
Departments	354	12,220	(11,846)	2,157	2,885
Trust Funds	1,451	859	(2,468)	1,484	1,326
General	12,978	18,397	(13,704)	(2,268)	15,403
TOTALS	\$ 43,632	\$ 99,761	\$ (99,968)	\$ -	\$ 43,425

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LONGWOOD ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 5,970	\$ 2,042	\$ (3,276)	\$ -	\$ 4,736
Music	6	-	(131)	125	-
Classes	3,936	7,851	(13,328)	7,378	5,837
Clubs	16,039	35,483	(26,305)	(8,572)	16,645
Departments	9,552	10,128	(14,905)	-	4,775
Trust Funds	3,567	1,720	(1,941)	471	3,817
General	21,413	18,237	(20,329)	598	19,919
TOTALS	\$ 60,483	\$ 75,461	\$ (80,215)	\$ -	\$ 55,729

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
MARY ESTHER ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ -	\$ 250	\$ (330)	\$ 80	\$ -
Classes	4,382	17,167	(22,032)	4,234	3,751
Clubs	16,139	54,730	(52,136)	(5,625)	13,108
Departments	1,978	3,654	(5,453)	1,409	1,588
Trust Funds	2,852	4,825	(5,979)	481	2,179
General	23,073	28,765	(25,255)	579	27,162
TOTALS	\$ 48,424	\$ 109,391	\$ (111,185)	\$ 1,158	\$ 47,788

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
NORTHWOOD ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 612	\$ -	\$ (1,397)	\$ 1,650	\$ 865
Music	-	-	-	50	50
Classes	4,534	18,471	(20,349)	2,770	5,426
Clubs	14,831	29,163	(23,588)	(2,448)	17,958
Departments	768	8,835	(6,578)	-	3,025
Trust Funds	1,324	10,132	(8,347)	(1,602)	1,507
General	63,831	18,243	(17,775)	(420)	63,879
TOTALS	\$ 85,900	\$ 84,844	\$ (78,034)	\$ -	\$ 92,710

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
JAMES E. PLEW ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 3,704	\$ 2,261	\$ (3,630)	\$ 500	\$ 2,835
Classes	21,919	64,030	(77,006)	12,400	21,343
Clubs	2,882	8,735	(8,827)	-	2,790
Departments	18,384	27,247	(33,154)	3,748	16,225
Trust Funds	18,815	18,559	(17,241)	(16,346)	3,787
General	119,711	19,147	(21,611)	(302)	116,945
TOTALS	\$ 185,415	\$ 139,979	\$ (161,469)	\$ -	\$ 163,925

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
RIVERSIDE ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 3,026	\$ 6,439	\$ (5,724)	\$ 16	\$ 3,757
Music	250	2,534	(2,601)	-	183
Classes	2,010	18,253	(20,078)	1,046	1,231
Clubs	6,708	16,463	(14,858)	(1,435)	6,878
Departments	2,267	17,199	(16,036)	174	3,604
Trust Funds	3,323	4,821	(5,519)	854	3,479
General	8,036	12,985	(16,748)	(655)	3,618
TOTALS	\$ 25,620	\$ 78,694	\$ (81,564)	\$ -	\$ 22,750

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SHALIMAR ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 264	\$ 307	\$ (379)	\$ -	\$ 192
Classes	159	9,195	(9,353)	38	39
Clubs	1,164	2,467	(2,214)	-	1,417
Departments	22,438	66,083	(58,078)	250	30,693
Trust Funds	8,356	6,191	(4,550)	(574)	9,423
General	21,880	13,048	(12,510)	286	22,704
TOTALS	\$ 54,261	\$ 97,291	\$ (87,084)	\$ -	\$ 64,468

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
VALPARAISO ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 4,693	\$ 961	\$ (1,025)	\$ 750	\$ 5,379
Music	1	855	(613)	-	243
Classes	71	17,700	(20,999)	3,228	-
Clubs	8,842	35,521	(31,232)	(5,855)	7,276
Departments	15,373	8,724	(8,313)	593	16,377
Trust Funds	3,197	1,019	(3,784)	694	1,126
General	14,047	12,034	(16,767)	590	9,904
TOTALS	\$ 46,224	\$ 76,814	\$ (82,733)	\$ -	\$ 40,305

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
WALKER ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 21	\$ -	\$ (21)	\$ -	\$ -
Classes	4,130	59,392	(61,106)	1,145	3,561
Clubs	17,402	38,154	(37,747)	(144)	17,665
Departments	12,563	34,196	(37,459)	(211)	9,089
Trust Funds	3,119	4,000	(3,915)	(26)	3,178
General	5,090	21,022	(22,050)	(764)	3,298
TOTALS	\$ 42,325	\$ 156,764	\$ (162,298)	\$ -	\$ 36,791

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
WRIGHT ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 436	\$ 1,597	\$ (2,599)	\$ 1,389	\$ 823
Classes	11,358	18,609	(25,560)	8,813	13,220
Clubs	12,412	22,698	(19,539)	(9,598)	5,973
Departments	26,187	18,407	(21,355)	(632)	22,607
Trust Funds	1,743	4,137	(2,782)	(46)	3,052
General	31,431	18,823	(18,833)	74	31,495
TOTALS	\$ 83,567	\$ 84,271	\$ (90,668)	\$ -	\$ 77,170

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
MAX BRUNER, JR. MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 35,400	\$ 83,401	\$ (97,054)	\$ (1,633)	\$ 20,114
Music	21,038	95,590	(102,173)	450	14,905
Classes	2,822	10,096	(10,759)	168	2,327
Clubs	4,859	43,849	(34,629)	502	14,581
Departments	2,863	27,220	(26,894)	(939)	2,250
Trust Funds	761	14,713	(16,184)	2,319	1,609
General	13,748	24,019	(29,388)	(867)	7,512
TOTALS	\$ 81,491	\$ 298,888	\$ (317,081)	\$ -	\$ 63,298

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
DAVIDSON MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 32,462	\$ 84,739	\$ (88,882)	\$ 527	\$ 28,846
Music	12,856	47,278	(42,377)	-	17,757
Classes	8,151	58,134	(59,764)	(1,139)	5,382
Clubs	9,348	21,742	(20,896)	(284)	9,910
Departments	2,717	22,028	(20,318)	(471)	3,956
Trust Funds	11,170	10,165	(10,401)	-	10,934
General	16,022	13,623	(20,552)	1,367	10,460
TOTALS	\$ 92,726	\$ 257,709	\$ (263,190)	\$ -	\$ 87,245

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
DESTIN MIDDLE SCHOOL AT REGATTA BAY
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Transfers	Cash and Investments June 30, 2010
Athletics	\$ 32,301	\$ 146,829	\$ (147,706)	\$ (330)	\$ 31,094
Music	5,480	47,643	(52,612)	(96)	415
Classes	19,495	39,576	(48,531)	9,517	20,057
Clubs	6,972	47,601	(44,871)	400	10,102
Departments	11,260	16,916	(19,455)	599	9,320
Trust Funds	3,730	14,592	(5,980)	(9,074)	3,268
General	23,837	19,468	(31,399)	(1,016)	10,890
TOTALS	\$ 103,075	\$ 332,625	\$ (350,554)	\$ -	\$ 85,146

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ADDIE R. LEWIS MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 25,875	\$ 40,187	\$ (45,996)	\$ 24	\$ 20,090
Music	12,137	26,592	(23,274)	2,339	17,794
Classes	4,763	1,610	(3,160)	77	3,290
Clubs	16,989	27,033	(32,171)	45	11,896
Departments	2,229	11,304	(9,182)	1,881	6,232
Trust Funds	559	10,664	(9,839)	393	1,777
General	17,028	32,177	(32,957)	(4,759)	11,489
TOTALS	\$ 79,580	\$ 149,567	\$ (156,579)	\$ -	\$ 72,568

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CLIFFORD MEIGS MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 16,225	\$ 101,833	\$ (103,370)	\$ -	\$ 14,688
Music	8,668	39,616	(42,130)	100	6,254
Classes	751	21,024	(19,691)	(1,415)	669
Clubs	11,831	11,230	(13,240)	(600)	9,221
Departments	1,683	7,584	(7,520)	500	2,247
Trust Funds	2,405	1,222	(1,463)	(1,763)	401
General	8,224	20,148	(18,211)	3,178	13,339
TOTALS	\$ 49,787	\$ 202,657	\$ (205,625)	\$ -	\$ 46,819

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
W. C. PRYOR MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 36,828	\$ 78,545	\$ (83,161)	\$ 684	\$ 32,896
Music	297	16,666	(18,813)	3,487	1,637
Classes	4,658	69,462	(69,573)	(40)	4,507
Clubs	3,336	23,928	(15,039)	(2,696)	9,529
Departments	3,455	12,235	(11,021)	(327)	4,342
Trust Funds	637	6,686	(5,668)	342	1,997
General	9,083	35,369	(32,438)	(1,450)	10,564
TOTALS	\$ 58,294	\$ 242,891	\$ (235,713)	\$ -	\$ 65,472

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
C. W. RUCKEL MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 55,902	\$ 120,845	\$ (128,054)	\$ 594	\$ 49,287
Music	35,376	132,200	(132,381)	300	35,495
Classes	3,738	43,513	(44,233)	1,041	4,059
Clubs	30,207	60,002	(51,998)	(1,736)	36,475
Departments	17,049	45,362	(40,120)	(2,424)	19,867
Trust Funds	1,006	7,586	(6,155)	(1,737)	700
General	35,965	28,243	(23,656)	3,962	44,514
TOTALS	\$ 179,243	\$ 437,751	\$ (426,597)	\$ -	\$ 190,397

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SHOAL RIVER MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 34,453	\$ 89,652	\$ (93,543)	\$ 3,002	\$ 33,564
Music	9,814	42,914	(45,220)	-	7,508
Classes	14,376	57,007	(53,396)	(14,194)	3,793
Clubs	8,076	23,952	(24,262)	(2,094)	5,672
Departments	4,171	27,046	(25,772)	9,181	14,626
Trust Funds	2,851	2,794	(2,009)	(91)	3,545
General	1,822	20,299	(21,783)	4,196	4,534
TOTALS	\$ 75,563	\$ 263,664	\$ (265,985)	\$ -	\$ 73,242

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CHOCTAWHATCHEE SENIOR HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 94,314	\$ 502,548	\$ (481,348)	\$ (3,264)	\$ 112,250
Music	17,440	481,443	(468,619)	(11,125)	19,139
Classes	7,232	18,903	(23,382)	2,399	5,152
Clubs	46,509	117,652	(134,464)	10,489	40,186
Departments	57,408	109,968	(129,503)	4,748	42,621
Trust Funds	55,952	86,869	(73,920)	(7,095)	61,806
General	15,788	70,395	(78,935)	3,848	11,096
TOTALS	\$ 294,643	\$ 1,387,778	\$ (1,390,171)	\$ -	\$ 292,250

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CRESTVIEW SENIOR HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 47,105	\$ 295,610	\$ (306,725)	\$ 5,307	\$ 41,297
Music	19,857	447,876	(446,736)	(718)	20,279
Classes	5,641	55,195	(56,479)	210	4,567
Clubs	84,192	193,717	(188,499)	(1,732)	87,678
Departments	28,839	21,517	(29,737)	32	20,651
Trust Funds	30,949	38,774	(38,824)	(3,397)	27,502
General	34,297	41,401	(53,086)	298	22,910
TOTALS	\$ 250,880	\$ 1,094,090	\$ (1,120,086)	\$ -	\$ 224,884

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
FORT WALTON BEACH HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 138,035	\$ 703,202	\$ (625,985)	\$ (9,641)	\$ 205,611
Music	32,421	193,362	(205,105)	(928)	19,750
Classes	4,690	17,725	(14,878)	(206)	7,331
Clubs	39,873	188,394	(199,026)	3,785	33,026
Departments	50,041	134,010	(119,260)	(14,678)	50,113
Trust Funds	39,906	17,722	(38,404)	24,673	43,897
General	46,628	69,662	(73,881)	(3,005)	39,404
TOTALS	\$ 351,594	\$ 1,324,077	\$ (1,276,539)	\$ -	\$ 399,132

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
NICEVILLE SENIOR HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 283,606	\$ 700,754	\$ (715,544)	\$ (14,236)	\$ 254,580
Music	32,812	525,811	(544,337)	(3,284)	11,002
Classes	3,825	17,629	(16,939)	(175)	4,340
Clubs	58,346	290,515	(257,580)	(29,422)	61,859
Departments	54,358	97,709	(88,825)	(2,300)	60,942
Trust Funds	83,921	73,718	(99,943)	43,141	100,837
General	79,195	56,857	(68,480)	6,276	73,848
TOTALS	\$ 596,063	\$ 1,762,993	\$ (1,791,648)	\$ -	\$ 567,408

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BAKER SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 42,817	\$ 189,231	\$ (171,272)	\$ 2,025	\$ 62,801
Music	510	70,196	(71,939)	1,469	236
Classes	14,804	41,945	(44,517)	1,558	13,790
Clubs	15,064	37,127	(38,128)	(2,378)	11,685
Departments	45,183	59,499	(78,687)	5,594	31,589
Trust Funds	5,214	6,504	(3,868)	(365)	7,485
General	45,262	43,557	(43,273)	(7,903)	37,643
TOTALS	\$ 168,854	\$ 448,059	\$ (451,684)	\$ -	\$ 165,229

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CHOICE HIGH SCHOOL & TECHNICAL CENTER
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Agriculture	\$ 2,769	\$ 3,288	\$ (894)	\$ -	\$ 5,163
Health Occupations	22,475	76,652	(65,096)	280	34,311
Industrial Education	163,399	88,078	(86,020)	258	165,715
Business/Office Training	1,429	12,069	(12,202)	(5)	1,291
Culinary Arts Institute	7,955	10,593	(10,223)	211	8,536
Misc. Education Classes	3,219	1,968	(4,609)	-	578
Trust Funds	5,119	28,248	(27,758)	(744)	4,865
General	19,920	16,727	(21,997)	-	14,650
TOTALS	\$ 226,285	\$ 237,623	\$ (228,799)	\$ -	\$ 235,109

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LAUREL HILL SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Athletics	\$ 7,976	\$ 92,024	\$ (85,472)	\$ 787	\$ 15,315
Classes	10,444	37,910	(39,328)	722	9,748
Clubs	10,871	37,487	(36,350)	(1,514)	10,494
Departments	10,730	6,161	(7,631)	(63)	9,197
Trust Funds	1,024	2,210	(2,170)	964	2,028
General	5,072	16,151	(16,014)	(896)	4,313
TOTALS	\$ 46,117	\$ 191,943	\$ (186,965)	\$ -	\$ 51,095

OKALOOSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SILVER SANDS SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2010

	Cash and Investments July 1, 2009	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2010
Music	\$ 193	\$ 200	\$ (200)	\$ -	\$ 193
Classes	5,616	12,364	(8,537)	6,862	16,305
Clubs	4,291	14,183	(10,100)	(3,767)	4,607
Trust Funds	1,633	45,393	(5,352)	(23,965)	17,709
General	91,605	9,651	(19,546)	20,870	102,580
TOTALS	\$ 103,338	\$ 81,791	\$ (43,735)	\$ -	\$ 141,394

**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-five schools listed in Exhibit A to the financial statement, as of June 30, 2010, and have issued our report dated January 5, 2011. 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 statement 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.

Miramar Beach, Florida
January 5, 2011

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, 2010, and have issued our report thereon dated January 5, 2011.

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 January 5, 2011, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.800, Rules of the Auditor General, which govern the conduct of district school board audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's report:

Section 10.804(1)(f)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 10.804(1)(f)3., 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 10.804(1)(f)4., 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 noted certain items as discussed further in Exhibits B – G following this letter.

Section 10.804(1)(f)5., Rules of the Auditor General, requires that we address violations of provisions of 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 10.804(1)(f)6., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) control deficiencies that are not significant deficiencies. In connection with our audit, we did not have any such findings.

Section 10.804(1)(f)2., 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.

Pursuant to Sections 10.804(1)(f)7.a. and 10.805(6), 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.

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

Miramar Beach, Florida
January 5, 2011

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 5 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.

Okaloosa County District School Board
School Internal Funds
Exhibit C - Longwood Elementary School

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 5 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.

Okaloosa County District School Board
School Internal Funds
Exhibit D – Destin Middle School at Regatta Bay

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 35 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.

Okaloosa County District School Board
School Internal Funds
Exhibit E – Clifford Meigs Middle School

UNTIMELY DEPOSITS – TEACHER/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 4 instances out of a sample of 35 in which monies collected in excess of \$10 were not turned into the office until after the initial collection date.

Recommendation

- We recommend that monies be turned into the office, either directly to the bookkeeper or by use of the drop safe, on a daily basis.

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

PAYMENT OF INVOICES

The *Red Book, Chapter 7, Section 1, Paragraph 8* states, "Sound business practices should be observed in all transactions." One such sound business practice is that the payee and amount on the check and the check requisition should generally be the same as that noted on the vendor invoice and other supporting documentation. If a difference happens to occur, the appropriate person should note the reason for the difference and what the correct amount for payment is.

1. During our audit, we noted 5 instances out of a sample of 35 where the amounts did not agree between the check, check requisition, and vendor invoice. Some of these instances related to checks where a partial payment was made on a total invoice. We did not identify any additional information in the supporting documents that reconciled the differences.

Recommendation

- We recommend that check requisitions be filled out and that the payee and amounts generally agree to the invoice. In the event that a different amount is to be paid, adequate documentation on the invoice or the check requisition should be presented to reconcile why and how the amount being requested was determined. This will help ensure that invoices are not over or under paid.

Okaloosa County District School Board
School Internal Funds
Exhibit G – Fort Walton Beach High School

PAYMENT OF INVOICES

The *Red Book, Chapter 7, Section I, Paragraph 8* states, “Sound business practices should be observed in all transactions.” One such sound business practice is that the payee and amount on the check and the check requisition should generally be the same as that noted on the vendor invoice and other supporting documentation. If a difference happens to occur, the appropriate person should note the reason for the difference and what the correct amount for payment is.

1. During our audit, we noted 4 instances out of a sample of 35 where the amounts did not agree between the check, check requisition, and vendor invoice. Some of these instances related to checks where a partial payment was made on a total invoice. We did not identify any additional information in the supporting documents that reconciled the differences.

Recommendation

- We recommend that check requisitions be filled out and that the payee and amounts generally agree to the invoice. In the event that a different amount is to be paid, adequate documentation on the invoice or the check requisition should be presented to reconcile why and how the amount being requested was determined. This will help ensure that invoices are not over or under paid.

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

December 14, 2010

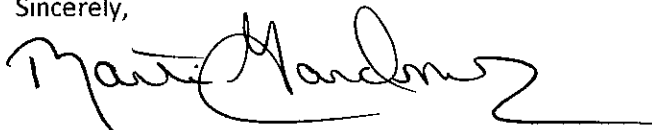
Ms. Katie Pollock
Carr, Riggs & Ingram, LLC
4460 Legendary Drive
Suite 100
Destin, Florida 32541

Dear Katie:

In response to the audit findings at Destin Elementary School on July 30, 2010, I am in full agreement with the findings. Considering the findings were invoices not marked "PAID", we will double-check all future invoices to make sure all are stamped "PAID", after cuts have been issued.

Thank you so much.

Sincerely,



Mrs. Marti Gardner
Principal

MB/bjh



"WE ARE THE FUTURE"



Longwood Elementary School
"Home of the Leopards"

A Blue Ribbon School

50 HOLLY AVENUE

SHALIMAR, FLORIDA 32579

(850) 833-4329

FAX (850) 833-4336

SONIA WEIKEL, PRINCIPAL

<http://www.okaloosa.k12.fl.us/longwood/>



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TO: Carr, Riggs & Ingram, LLC
DATE: October 18, 2010
SUBJECT: Audit-Untimely Deposits

This is in response to the finding of Untimely Deposits when Night deposits were used. We have spoken with the bank and they are no longer owned by Peoples 1st Bank they are now owned by Hancock Bank. After speaking with representatives from Hancock Bank the night drop has been repaired and they have also extended their banking hours until 6pm. Also bank representatives have assured us that any night drops will be dated with the next days date. We work very hard to abide by the rules and regulations that are in place and we will be working closely with the bank to make sure the deposits are dated correctly.

Sincerely,

Sonia Weikel, Principal

Lisa Richardson, Bookkeeper

Destin Middle School at Regatta Bay
4608 Legendary Marina Drive
Destin, Florida 32541



Dr. Diane Kelley, Principal

January 5, 2011

Katie Pollock, CPA
Carr, Riggs & Ingram, LLC
500 Grand Boulevard Ste. 210
Miramar Beach, Florida 32550

Dear Ms. Pollock,

This correspondence is in response to the audit findings, *The Okaloosa County School District Internal Accounting Manual*, Section 1.026 (3) states, "Invoices will be marked 'PAID' immediately upon making remittance."

I concur with the audit finding and acknowledge that there were a few invoices that had not been marked "PAID". Our school will follow the School board policy and make sure that the bookkeeper marks all invoices "PAID" immediately after checks have been issued. This will be done with a stamp.

Please don't hesitate to contact me if further information is needed.

Thank you,

Diane Kelley (electronic signature)

Dr. Diane Kelley
Principal
Destin Middle School



MEIGS MIDDLE SCHOOL

"Home of The Wildcats"

150 Richbourg Avenue
Shalimar, Florida 32579

PHONE 850-833-4301
FAX 850-833-9392

L. LAMAR WHITE, ED.D.
PRINCIPAL

August 13, 2010

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

Dear Sir/Madam:

Meigs Middle School was cited by the school board vendor for internal accounting audits (Carr, Riggs & Ingram) for UNTIMELY DEPOSITS – TEACHER/SPONSORS. Three receipts for deposit (recorded on MIS 4002 forms, "Monies Collected Receipts") were not put in the school drop safe OR were not turned into the school bookkeeper on the same day the funds were collected. This finding was because of language in the 1999 edition of the district's internal accounting manual.

We are working with our volunteers to correct this finding. For example, many supplemental coaches are not regular school board employees and do not have access to the school office after hours in order to use the drop safe.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Lamar White", written over a horizontal line.

**L. Lamar White
Principal**

Choctawhatchee Senior High School

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

October 4, 2010

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

Carr, Riggs & Ingram, LLC
4460 Legendary Drive
Destin, FL 32541

RE: Response

The following statements are in response to the findings on July 29, 2010:

1. Ft. Walton Beach Restaurant Equipment - \$1,978.00
This invoice had not been returned by the parent who picked up the item. The proposal attached to the check requisition shows that the fryers would be \$989.00 each. The band bought two for a total of \$1,978.00.
2. Taylor Publishing - \$10,000
Deposits from yearbook sales are made throughout the school year. There is an invoice/statement attached to the check. Because students/parents can make payments on-line directly to the company, there is not an individual bill for this amount. There is a note on the invoice/statement stating, "agreement would be \$10,000.00 to pay off acct."
3. Coastal Coaches - \$35,000
A deposit was made by the band on 10/22/09. Another payment of \$47,050.00 was due on 11/13/09. Because students on the trip made late payments, Coastal Coaches agreed to accept partial payment in the amount of \$35,000. The description on the check req. states, "This is a partial payment."
4. Lake Buena Vista Resort Hotel - \$1,468.50.
An invoice is attached to the first part of the check. The second part of the check is for \$1,158.00. This check req. references that it is a final payment. Attached to the check req., is an agreement from the hotel stating when each payment was due. The amount was on the original deposit to the hotel.
5. Okaloosa County School Board - \$46,009.55
This check was to be credited to our budget account for copiers, nurse, and subs, which was approved by the county office. The amount of the check req. was \$45,898.21. At the last minute, an additional \$114.34 was added to the amount for subs, making the total \$46,009.55. All documentation was attached to the check req., but the incorrect amount was not corrected.

We have made these corrections. We have instructed the faculty and staff to attach documentation if partial payments are being made. We told them that this documentation must state the reason for the discrepancy in payments before a check is cut. We also instructed them that check reqs. must have an invoice attached for all payments, whether a partial payment or deposit is being made.

If you have any further questions, please advise.


Sincerely,
Mrs. Cindy Gates
Choctawhatchee High School



CHARLENE COUVILLON, Principal
Office Phone: (850) 833-3300
Fax: (850) 833-3332

Fort Walton Beach High School

400 HOLLYWOOD BLVD. S.W., FORT WALTON BEACH, FLORIDA 32548

December 14, 2010

To Whom It May Concern:

This letter is in reference to our audit on July 27, 2010. The finding was a check that was written to Trumpet Coach on January 20, 2010 for the amount \$2,000.00 which should have been for \$1980.00 for a charter bus Minority Council was taking to Atlanta. A previous deposit was made on January 6, 2010 for the amount \$220.00. The invoice total was \$2,200.00. The invoice was incorrect with their balance due. The invoice was clearly an oversight by the sponsor, who wrote the check requisition for the amount of \$2,000.00 and also by me, the bookkeeper, Sandra Oldenburg when I was cutting the check.

I immediately called Trumpet coach and asked for a refund of the \$20.00 overpayment. A check was received on August 16, 2010 and credited to the Minority Council account.

Sincerely,

Sandra Oldenburg

Bookkeeper

Charlene Couvillon

Principal