

Okaloosa County District School Board  
School Internal Funds

Financial Statement  
and Supplementary Information

June 30, 2011

Okaloosa County District School Board  
School Internal Funds  
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June 30, 2011

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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, 2011. 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, 2011, 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 March 12, 2012 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, 2011 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  
March 12, 2012

Okaloosa County District School Board  
School Internal Funds

Statement of Fiduciary Net Assets

<i>June 30,</i>		<b>2011</b>
<b>Assets</b>		
Cash and cash equivalents	\$	2,078,004
Investments		1,925,860
<hr/>		
Total assets	\$	4,003,864
<hr/> <hr/>		
<b>Liabilities</b>		
Accounts payable	\$	66,122
Internal accounts payable		3,937,742
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Total liabilities	\$	4,003,864
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See accompanying notes to financial statement.

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

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**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

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**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.

The District's investments in Florida PRIME, which the State Board of Administration (SBA) indicates is a Securities and Exchange Commission Rule "2a7-like" external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments.

***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.

***Reclassifications***

Certain beginning cash and investment balances have been reclassified in the Supplemental Schedules of Cash Receipts and Disbursements to conform with current year presentation.

**NOTE 3 – INVESTMENTS**

All investments held at June 30, 2011, 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>	<b>2011</b>	<b>Credit Risk</b>	<b>Maturities</b>
Certificates of deposit	\$ 658,282	n/a	Various through February 2012
State Board of Administration Florida Prime	1,267,578	S&P AAAm	31 days
<b>Total investments</b>	<b>\$ 1,925,860</b>		

*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, 2011, 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.

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

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**NOTE 3 – INVESTMENTS (CONTINUED)**

*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.

**NOTE 4 – SCHOOL CLOSINGS**

During the year ended June 30, 2011, the District consolidated Valparaiso Elementary School’s internal funds with those of Addie R. Lewis Middle School. The resulting combined funds are shown as Addie R. Lewis K-8 School.

## Supplementary Information



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

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**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  
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  
Addie R. Lewis K-8 School  
Lance C. Richbourg 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, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 154	\$ 2,000	\$ (2,272)	\$ 118	\$ -
<b>Classes</b>	1,622	46,839	(56,548)	8,624	537
<b>Departments</b>	9,855	27,947	(27,479)	375	10,698
<b>Trust Funds</b>	9,725	56,269	(56,123)	(1,690)	8,181
<b>General</b>	20,929	24,645	(16,729)	(7,427)	21,418
<b>TOTALS</b>	\$ 42,285	\$ 157,700	\$ (159,151)	\$ -	\$ 40,834

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**BLUEWATER ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 3,333	\$ -	\$ (832)	\$ -	\$ 2,501
<b>Classes</b>	794	24,051	(23,810)	-	1,035
<b>Departments</b>	24,250	27,022	(47,970)	7,500	10,802
<b>Trust Funds</b>	14,663	170,551	(154,592)	(7,481)	23,141
<b>General</b>	21,736	29,266	(25,597)	(19)	25,386
<b>TOTALS</b>	\$ 64,776	\$ 250,890	\$ (252,801)	\$ -	\$ 62,865

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**BOB SIKES ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 275	\$ 1,131	\$ (946)	\$ -	\$ 460
<b>Classes</b>	3,841	49,638	(50,704)	1,624	4,399
<b>Clubs</b>	1,033	2,046	(1,272)	(488)	1,319
<b>Departments</b>	6,345	11,475	(11,414)	-	6,406
<b>Trust Funds</b>	27,574	65,507	(72,373)	1,143	21,851
<b>General</b>	10,490	21,705	(14,844)	(2,279)	15,072
<b>TOTALS</b>	\$ 49,558	\$ 151,502	\$ (151,553)	\$ -	\$ 49,507

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**DESTIN ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 4,430	\$ -	\$ (3,166)	\$ -	\$ 1,264
<b>Classes</b>	17,264	27,685	(47,925)	18,411	15,435
<b>Clubs</b>	43	188	-	-	231
<b>Departments</b>	41,347	34,468	(48,334)	2,319	29,800
<b>Trust Funds</b>	63,390	189,172	(116,964)	(40,818)	94,780
<b>General</b>	36,426	30,176	(23,840)	20,088	62,850
<b>TOTALS</b>	\$ 162,900	\$ 281,689	\$ (240,229)	\$ -	\$ 204,360

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**LULA J. EDGE ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 2,079	\$ 1,824	\$ (1,889)	\$ 320	\$ 2,334
<b>Classes</b>	7,064	17,711	(26,831)	5,567	3,511
<b>Clubs</b>	1,989	6,031	(6,084)	-	1,936
<b>Departments</b>	10,726	13,479	(17,864)	4,371	10,712
<b>Trust Funds</b>	17,958	57,473	(43,523)	(11,261)	20,647
<b>General</b>	9,316	11,675	(11,152)	1,003	10,842
<b>TOTALS</b>	\$ 49,132	\$ 108,193	\$ (107,343)	\$ -	\$ 49,982

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**ANNETTE P. EDWINS ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ -	\$ 9,678	\$ (6,213)	\$ 374	\$ 3,839
<b>Classes</b>	-	14,809	(10,853)	(364)	3,592
<b>Clubs</b>	1,586	3,550	(3,971)	-	1,165
<b>Departments</b>	5,578	4,820	(7,347)	(10)	3,041
<b>Trust Funds</b>	12,855	11,909	(11,130)	123	13,757
<b>General</b>	15,221	4,666	(2,330)	(123)	17,434
<b>TOTALS</b>	\$ 35,240	\$ 49,432	\$ (41,844)	\$ -	\$ 42,828

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**EGLIN ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 21	\$ 520	\$ (388)	\$ -	\$ 153
<b>Classes</b>	3,137	16,567	(17,703)	1,950	3,951
<b>Clubs</b>	617	1,677	(1,602)	(643)	49
<b>Departments</b>	8,502	13,208	(13,449)	(360)	7,901
<b>Trust Funds</b>	4,721	32,242	(29,766)	(1,965)	5,232
<b>General</b>	47,280	11,892	(31,908)	1,018	28,282
<b>TOTALS</b>	\$ 64,278	\$ 76,106	\$ (94,816)	\$ -	\$ 45,568



**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**ELLIOTT POINT ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 672	\$ 1,462	\$ (2,279)	\$ 2,773	\$ 2,628
<b>Classes</b>	2,184	22,140	(21,822)	(449)	2,053
<b>Departments</b>	8,303	50,003	(39,561)	(6,568)	12,177
<b>Trust Funds</b>	2,862	16,797	(16,991)	1,046	3,714
<b>General</b>	3,277	12,458	(13,207)	3,198	5,726
<b>TOTALS</b>	\$ 17,298	\$ 102,860	\$ (93,860)	\$ -	\$ 26,298

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**FLOROSA ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 156	\$ 753	\$ (878)	\$ -	\$ 31
<b>Classes</b>	57	5,712	(5,279)	(40)	450
<b>Clubs</b>	405	2,926	(1,191)	(377)	1,763
<b>Departments</b>	1,655	8,917	(8,214)	-	2,358
<b>Trust Funds</b>	23,835	44,378	(39,754)	309	28,768
<b>General</b>	31,390	11,856	(16,585)	108	26,769
<b>TOTALS</b>	\$ 57,498	\$ 74,542	\$ (71,901)	\$ -	\$ 60,139

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**KENWOOD ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 1,814	\$ -	\$ -	\$ (1,814)	\$ -
<b>Classes</b>	11,552	24,606	(31,869)	3,676	7,965
<b>Clubs</b>	110	71	(296)	200	85
<b>Departments</b>	4,338	60,382	(54,266)	1,463	11,917
<b>Trust Funds</b>	11,208	41,531	(38,317)	(4,698)	9,724
<b>General</b>	14,403	10,228	(5,427)	1,173	20,377
<b>TOTALS</b>	\$ 43,425	\$ 136,818	\$ (130,175)	\$ -	\$ 50,068

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**LONGWOOD ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ -	\$ 795	\$ (3,860)	\$ 3,090	\$ 25
<b>Classes</b>	5,712	3,453	(16,381)	8,888	1,672
<b>Departments</b>	9,637	11,022	(9,095)	-	11,564
<b>Trust Funds</b>	21,461	46,455	(42,227)	(12,252)	13,437
<b>General</b>	18,919	10,878	(11,245)	274	18,826
<b>TOTALS</b>	\$ 55,729	\$ 72,603	\$ (82,808)	\$ -	\$ 45,524

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**MARY ESTHER ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Classes</b>	\$ 3,751	\$ 17,697	\$ (20,966)	\$ 2,775	\$ 3,257
<b>Clubs</b>	153	501	(427)	-	227
<b>Departments</b>	1,588	5,556	(6,418)	500	1,226
<b>Trust Funds</b>	16,134	71,751	(59,729)	(3,581)	24,575
<b>General</b>	26,162	7,529	(7,243)	306	26,754
<b>TOTALS</b>	\$ 47,788	\$ 103,034	\$ (94,783)	\$ -	\$ 56,039

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**NORTHWOOD ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 50	\$ -	\$ -	\$ -	\$ 50
<b>Classes</b>	4,206	19,652	(20,808)	1,736	4,786
<b>Departments</b>	4,783	17,091	(17,603)	(72)	4,199
<b>Trust Funds</b>	21,792	49,160	(40,894)	(2,300)	27,758
<b>General</b>	61,879	8,090	(6,816)	636	63,789
<b>TOTALS</b>	\$ 92,710	\$ 93,993	\$ (86,121)	\$ -	\$ 100,582

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**JAMES E. PLEW ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 2,835	\$ 1,880	\$ (1,383)	\$ 432	\$ 3,764
<b>Classes</b>	20,122	57,891	(72,210)	16,293	22,096
<b>Clubs</b>	1,833	5,780	(5,368)	-	2,245
<b>Departments</b>	18,353	25,952	(34,428)	5,956	15,833
<b>Trust Funds</b>	5,837	44,779	(24,767)	(21,832)	4,017
<b>General</b>	114,945	11,736	(21,298)	(849)	104,534
<b>TOTALS</b>	\$ 163,925	\$ 148,018	\$ (159,454)	\$ -	\$ 152,489

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**RIVERSIDE ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 183	\$ 494	\$ (724)	\$ 47	\$ -
<b>Classes</b>	1,231	49,497	(51,285)	3,452	2,895
<b>Clubs</b>	1,286	6,376	(5,575)	-	2,087
<b>Departments</b>	6,551	15,233	(15,840)	1,243	7,187
<b>Trust Funds</b>	10,181	29,824	(30,917)	(3,190)	5,898
<b>General</b>	3,318	6,672	(3,268)	(1,552)	5,170
<b>TOTALS</b>	\$ 22,750	\$ 108,096	\$ (107,609)	\$ -	\$ 23,237



**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**SHALIMAR ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 192	\$ 959	\$ (955)	\$ -	\$ 196
<b>Classes</b>	2	9,477	(11,675)	2,728	532
<b>Clubs</b>	1,417	2,461	(2,567)	-	1,311
<b>Departments</b>	1,074	11,665	(9,906)	(193)	2,640
<b>Trust Funds</b>	31,461	63,500	(52,998)	(2,649)	39,314
<b>General</b>	30,322	8,434	(8,652)	114	30,218
<b>TOTALS</b>	\$ 64,468	\$ 96,496	\$ (86,753)	\$ -	\$ 74,211

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**VALPARAISO ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 5,379	\$ -	\$ (5,379)	\$ -	\$ -
<b>Music</b>	243	-	(243)	-	-
<b>Clubs</b>	7,276	-	(7,276)	-	-
<b>Departments</b>	16,377	-	(16,377)	-	-
<b>Trust Funds</b>	1,126	-	(1,126)	-	-
<b>General</b>	9,904	822	(10,726)	-	-
<b>TOTALS</b>	\$ 40,305	\$ 822	\$ (41,127)	\$ -	\$ -

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**WALKER ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Classes</b>	\$ 3,561	\$ 74,530	\$ (76,710)	\$ 3,928	\$ 5,309
<b>Clubs</b>	1,292	4,845	(1,535)	-	4,602
<b>Departments</b>	7,965	23,029	(22,809)	(934)	7,251
<b>Trust Funds</b>	20,675	47,518	(48,403)	(4,510)	15,280
<b>General</b>	3,298	6,549	(7,625)	1,516	3,738
<b>TOTALS</b>	\$ 36,791	\$ 156,471	\$ (157,082)	\$ -	\$ 36,180

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**WRIGHT ELEMENTARY SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Music</b>	\$ 822	\$ 2,313	\$ (3,799)	\$ 1,253	\$ 589
<b>Classes</b>	14,153	15,221	(23,014)	568	6,928
<b>Clubs</b>	2,519	4,898	(4,903)	(288)	2,226
<b>Departments</b>	21,900	18,179	(16,145)	1,750	25,684
<b>Trust Funds</b>	7,281	31,612	(25,561)	(2,923)	10,409
<b>General</b>	30,495	7,756	(5,293)	(360)	32,598
<b>TOTALS</b>	\$ 77,170	\$ 79,979	\$ (78,715)	\$ -	\$ 78,434

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**MAX BRUNER, JR. MIDDLE SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 27,761	\$ 131,038	\$ (141,902)	\$ (1,715)	\$ 15,182
<b>Music</b>	14,905	55,348	(52,991)	(438)	16,824
<b>Classes</b>	2,327	2,793	(3,575)	295	1,840
<b>Clubs</b>	6,720	32,073	(28,579)	(370)	9,844
<b>Departments</b>	2,464	33,841	(33,852)	(292)	2,161
<b>Trust Funds</b>	2,609	25,986	(27,879)	2,265	2,981
<b>General</b>	6,512	10,021	(10,495)	255	6,293
<b>TOTALS</b>	\$ 63,298	\$ 291,100	\$ (299,273)	\$ -	\$ 55,125

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**DAVIDSON MIDDLE SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 28,846	\$ 89,209	\$ (83,501)	\$ 11	\$ 34,565
<b>Music</b>	17,757	46,099	(44,671)	(35)	19,150
<b>Classes</b>	4,937	91,148	(88,643)	(624)	6,818
<b>Clubs</b>	10,355	36,431	(37,740)	(63)	8,983
<b>Departments</b>	3,956	11,968	(13,615)	-	2,309
<b>Trust Funds</b>	11,934	20,788	(21,261)	125	11,586
<b>General</b>	9,460	8,226	(6,822)	586	11,450
<b>TOTALS</b>	\$ 87,245	\$ 303,869	\$ (296,253)	\$ -	\$ 94,861

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**DESTIN MIDDLE SCHOOL AT REGATTA BAY**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 31,094	\$ 155,715	\$ (142,809)	\$ (1,562)	\$ 42,438
<b>Music</b>	415	57,478	(57,610)	141	424
<b>Classes</b>	20,057	30,004	(44,416)	8,483	14,128
<b>Clubs</b>	9,538	53,742	(49,131)	201	14,350
<b>Departments</b>	9,320	12,823	(14,034)	2,163	10,272
<b>Trust Funds</b>	4,832	22,141	(11,399)	(9,443)	6,131
<b>General</b>	9,890	33,006	(21,838)	17	21,075
<b>TOTALS</b>	\$ 85,146	\$ 364,909	\$ (341,237)	\$ -	\$ 108,818

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**CLIFFORD MEIGS MIDDLE SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 14,688	\$ 100,659	\$ (106,501)	\$ (52)	\$ 8,794
<b>Music</b>	6,254	52,402	(53,378)	-	5,278
<b>Classes</b>	669	3,096	(3,169)	(429)	167
<b>Clubs</b>	8,106	14,635	(12,933)	-	9,808
<b>Departments</b>	3,115	9,315	(10,576)	-	1,854
<b>Trust Funds</b>	1,647	8,069	(8,364)	(110)	1,242
<b>General</b>	12,340	13,549	(14,894)	591	11,586
<b>TOTALS</b>	\$ 46,819	\$ 201,725	\$ (209,815)	\$ -	\$ 38,729



**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**W. C. PRYOR MIDDLE SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 32,896	\$ 85,434	\$ (82,262)	\$ (381)	\$ 35,687
<b>Music</b>	1,637	18,494	(19,805)	2,294	2,620
<b>Classes</b>	4,507	88,031	(87,586)	-	4,952
<b>Clubs</b>	8,301	12,303	(18,082)	85	2,607
<b>Departments</b>	4,342	6,470	(7,411)	(65)	3,336
<b>Trust Funds</b>	3,225	17,850	(19,338)	441	2,178
<b>General</b>	10,564	27,805	(29,845)	(2,374)	6,150
<b>TOTALS</b>	\$ 65,472	\$ 256,387	\$ (264,329)	\$ -	\$ 57,530

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**C. W. RUCKEL MIDDLE SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 49,287	\$ 141,417	\$ (119,317)	\$ (1,044)	\$ 70,343
<b>Music</b>	35,495	147,842	(150,765)	500	33,072
<b>Classes</b>	6,936	21,323	(18,671)	(529)	9,059
<b>Clubs</b>	11,023	17,195	(19,643)	-	8,575
<b>Departments</b>	16,650	90,026	(90,655)	795	16,816
<b>Trust Funds</b>	27,494	60,627	(50,740)	(2,616)	34,765
<b>General</b>	43,512	12,600	(12,834)	2,894	46,172
<b>TOTALS</b>	\$ 190,397	\$ 491,030	\$ (462,625)	\$ -	\$ 218,802

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**SHOAL RIVER MIDDLE SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 33,564	\$ 95,205	\$ (90,640)	\$ (1,344)	\$ 36,785
<b>Music</b>	7,508	51,410	(48,022)	25	10,921
<b>Classes</b>	4,675	43,348	(43,903)	248	4,368
<b>Clubs</b>	5,672	19,934	(19,800)	(515)	5,291
<b>Departments</b>	13,746	30,588	(26,011)	61	18,384
<b>Trust Funds</b>	4,546	35,183	(27,014)	(5,685)	7,030
<b>General</b>	3,531	5,919	(10,041)	7,210	6,619
<b>TOTALS</b>	\$ 73,242	\$ 281,587	\$ (265,431)	\$ -	\$ 89,398

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**CHOCTAWHATCHEE SENIOR HIGH SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 112,250	\$ 623,943	\$ (623,516)	\$ (2,311)	\$ 110,366
<b>Music</b>	19,139	332,844	(316,500)	(4,491)	30,992
<b>Classes</b>	5,152	44,544	(50,915)	4,269	3,050
<b>Clubs</b>	63,759	158,065	(191,853)	10,322	40,293
<b>Departments</b>	17,298	40,247	(43,722)	1,598	15,421
<b>Trust Funds</b>	64,556	106,249	(85,969)	(11,205)	73,631
<b>General</b>	10,096	41,517	(32,772)	1,818	20,659
<b>TOTALS</b>	\$ 292,250	\$ 1,347,409	\$ (1,345,247)	\$ -	\$ 294,412

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**CRESTVIEW SENIOR HIGH SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 62,080	\$ 434,110	\$ (430,241)	\$ (6,471)	\$ 59,478
<b>Music</b>	20,280	641,709	(619,421)	1,225	43,793
<b>Classes</b>	4,574	58,610	(58,120)	-	5,064
<b>Clubs</b>	24,482	95,154	(95,352)	46	24,330
<b>Departments</b>	20,687	72,746	(24,800)	221	68,854
<b>Trust Funds</b>	70,871	60,780	(62,434)	5,673	74,890
<b>General</b>	21,910	14,186	(18,712)	(694)	16,690
<b>TOTALS</b>	\$ 224,884	\$ 1,377,295	\$ (1,309,080)	\$ -	\$ 293,099

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**FORT WALTON BEACH HIGH SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 205,611	\$ 720,240	\$ (751,096)	\$ (11,483)	\$ 163,272
<b>Music</b>	19,750	234,846	(225,207)	(3,695)	25,694
<b>Classes</b>	7,331	15,873	(16,317)	-	6,887
<b>Clubs</b>	40,578	228,283	(242,746)	12,131	38,246
<b>Departments</b>	42,561	91,078	(81,325)	(16,229)	36,085
<b>Trust Funds</b>	43,897	37,934	(69,091)	27,462	40,202
<b>General</b>	39,404	68,196	(56,968)	(8,186)	42,446
<b>TOTALS</b>	\$ 399,132	\$ 1,396,450	\$ (1,442,750)	\$ -	\$ 352,832

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**NICEVILLE SENIOR HIGH SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 254,580	\$ 646,637	\$ (589,154)	\$ (16,091)	\$ 295,972
<b>Music</b>	11,002	529,428	(513,732)	(13,988)	12,710
<b>Classes</b>	4,340	22,107	(21,694)	(72)	4,681
<b>Clubs</b>	61,859	218,158	(200,742)	(21,334)	57,941
<b>Departments</b>	60,942	76,031	(91,739)	2,781	48,015
<b>Trust Funds</b>	101,837	130,232	(175,369)	46,390	103,090
<b>General</b>	72,848	43,583	(81,252)	2,314	37,493
<b>TOTALS</b>	\$ 567,408	\$ 1,666,176	\$ (1,673,682)	\$ -	\$ 559,902

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**BAKER SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 62,801	\$ 189,812	\$ (184,258)	\$ (6,672)	\$ 61,683
<b>Music</b>	236	83,998	(84,125)	2,801	2,910
<b>Classes</b>	13,771	25,941	(30,217)	3,788	13,283
<b>Clubs</b>	31,848	44,702	(67,359)	948	10,139
<b>Departments</b>	7,465	25,796	(25,403)	(901)	6,957
<b>Trust Funds</b>	33,129	51,116	(33,224)	(2,328)	48,693
<b>General</b>	15,979	20,360	(15,941)	2,364	22,762
<b>TOTALS</b>	\$ 165,229	\$ 441,725	\$ (440,527)	\$ -	\$ 166,427



**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**CHOICE HIGH SCHOOL & TECHNICAL CENTER**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Agriculture</b>	\$ 5,163	\$ 1,159	\$ (1,096)	\$ -	\$ 5,226
<b>Health Occupations</b>	34,311	61,053	(59,882)	1,566	37,048
<b>Industrial Education</b>	165,715	50,093	(107,899)	596	108,505
<b>Business/Office</b>	1,291	8,428	(6,960)	-	2,759
<b>Culinary Arts</b>	8,536	5,214	(8,732)	100	5,118
<b>Misc. Classes</b>	578	1,962	(4,075)	2,172	637
<b>Trust Funds</b>	4,865	43,844	(43,852)	(823)	4,034
<b>General</b>	14,650	19,911	(26,250)	(3,611)	4,700
<b>TOTALS</b>	\$ 235,109	\$ 191,664	\$ (258,746)	\$ -	\$ 168,027

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**LAUREL HILL SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 15,315	\$ 83,636	\$ (87,898)	\$ 6,464	\$ 17,517
<b>Music</b>	-	915	(195)	(720)	-
<b>Classes</b>	9,748	20,864	(24,973)	1,007	6,646
<b>Clubs</b>	10,301	53,742	(55,720)	540	8,863
<b>Departments</b>	9,197	9,532	(7,095)	68	11,702
<b>Trust Funds</b>	3,107	10,015	(10,383)	(496)	2,243
<b>General</b>	3,427	27,071	(9,480)	(6,863)	14,155
<b>TOTALS</b>	\$ 51,095	\$ 205,775	\$ (195,744)	\$ -	\$ 61,126

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**ADDIE R. LEWIS K-8 SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 25,237	\$ 56,304	\$ (59,022)	\$ 770	\$ 23,289
<b>Music</b>	17,794	23,006	(27,113)	1,932	15,619
<b>Classes</b>	3,290	19,450	(22,379)	2,562	2,923
<b>Clubs</b>	4,374	6,731	(5,721)	319	5,703
<b>Departments</b>	6,996	29,986	(10,029)	1,086	28,039
<b>Trust Funds</b>	9,327	66,451	(52,087)	(4,459)	19,232
<b>General</b>	5,550	32,256	(28,461)	(2,210)	7,135
<b>TOTALS</b>	\$ 72,568	\$ 234,184	\$ (204,812)	\$ -	\$ 101,940

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**LANCE C. RICHBOURG SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Classes</b>	\$ -	\$ 702	\$ (625)	\$ -	\$ 77
<b>Departments</b>	-	695	(737)	42	-
<b>Trust Funds</b>	-	14,300	-	-	14,300
<b>General</b>	-	477	(396)	(42)	39
<b>TOTALS</b>	\$ -	\$ 16,174	\$ (1,758)	\$ -	\$ 14,416

**OKALOOSA COUNTY DISTRICT SCHOOL BOARD**  
**SCHOOL INTERNAL FUNDS**  
**SILVER SANDS SCHOOL**  
**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**  
**YEAR ENDED JUNE 30, 2011**

	Cash and Investments July 1, 2010	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2011
<b>Athletics</b>	\$ 147	\$ 86	\$ (149)	\$ -	\$ 84
<b>Music</b>	18	-	-	-	18
<b>Classes</b>	15,309	6,348	(8,456)	4,085	17,286
<b>Clubs</b>	-	634	-	-	634
<b>Departments</b>	971	1,792	(2,021)	450	1,192
<b>Trust Funds</b>	23,725	32,687	(38,499)	(2,962)	14,951
<b>General</b>	101,224	30,208	(34,749)	(1,573)	95,110
<b>TOTALS</b>	\$ 141,394	\$ 71,755	\$ (83,874)	\$ -	\$ 129,275

**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, 2011, and have issued our report dated March 12, 2012. 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 internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use 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  
March 12, 2012



Carr, Riggs & Ingram, LLC  
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## 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, 2011, and have issued our report thereon dated March 12, 2012.

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 Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in this report which is dated March 12, 2012, 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 findings and recommendations made in the preceding financial audit report.

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 – C 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 financial statements 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) deficiencies in internal control 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 district school board 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.

Section 10.804(1)(f)8., Rules of the Auditor General, requires the auditor to state whether or not the district school board complied with transparency requirements. Section 2, Specific Appropriation 115A of Chapter 2010-152, Laws of Florida, provides that district school boards include a link on their Web Sites to the Transparency Florida Web Site.

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 and use of management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

*Carri Riggs & Ingram, L.L.C.*

Miramar Beach, Florida  
March 12, 2012

Okaloosa County District School Board  
School Internal Funds  
Exhibit B - Destin Elementary School

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**DISBURSEMENTS**

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

1. During our audit, we noted 12 instances out of a sample of 35 where the bookkeeper had completed the form but the teacher or sponsor had not signed it, thus indicating their approval for the use of funds.

***Recommendation***

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

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

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**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 2 instances out of a sample of 25 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.

## Management's Responses



*Soaring on the Wings of Knowledge*

*Riverside Elementary School*

3400 EAST REDSTONE AVE., CRESTVIEW, FLORIDA 32539

March 7, 2012

Katie Pollock, CPA  
Audit Manager  
Carr, Riggs & Ingram, LLC  
500 Grand Boulevard  
Suite 210  
Miramar Beach, Fl. 32550

Ms. Pollock,

In response to the audit finding for the 2010-11 school year on January 3, 2012; two instances out of a sample of twenty-five were noted in which monies collected were not turned into the office until after the collection date. We would like to assure you that the monies collected procedures and policies have been reiterated several times to our faculty and staff. We have discussed the situation with our PTO members. As parent volunteers, they were unaware how important it was to turn in the money on the same day as they are not at school every day.

Thank you for your time and assistance.

Respectfully

Marline Van Dyke  
Principal

DH/ch

**DESTIN ELEMENTARY SCHOOL**  
**"HOME OF THE DESTIN DOLPHINS"**

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630 Kelly Street ~ Destin, FL 32541  
Phone (850) 833-4360 ~ Fax (850) 833-4370

Dr. Alexis Tibbetts  
Superintendent

Marti Gardner  
Principal

January 30, 2012

Katie Pollock, CPA  
Manager  
Carr, Riggs & Ingram, LLC  
500 Grand Boulevard  
Suite 210  
Miramar Beach, FL 32550

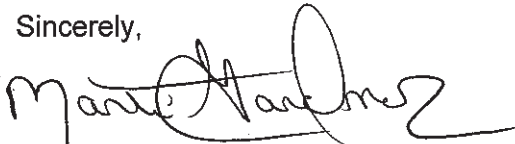
Dear Ms. Pollock:

I have read the findings of your internal audit conducted on January 6, 2012. It has been noted that on eleven Check Requisition/Transfer Forms (MIS 4033), which teachers initiate, the bookkeeper failed to have the sponsor(s) sign.

In the future any sponsor desiring to make an expenditure, must sign the required form which documents his/her authorization to disburse the funds.

Thank you.

Sincerely,



Marti Gardner  
Principal

MG/bjh



**"WE ARE THE FUTURE"**