Okaloosa County District School Board School Internal Funds

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

June 30, 2017



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INDEPENDENT AUDITORS' REPORT

To the Okaloosa County District School Board and Mary Beth Jackson, Superintendent of Schools Fort Walton Beach, Florida Carr, Riggs & Ingram, LLC Certified Public Accountants 500 Grand Boulevard Suite 210 Miramar Beach, Florida 32550

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Report on the Financial Statement

We have audited the accompanying Statement of Fiduciary Net Position of the Okaloosa County District School Board School Internal Funds as of June 30, 2017, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of the Okaloosa County District School Board School Internal Funds as of June 30, 2017, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2, the financial statement presents only the school internal funds and does not purport to, and does not, present the Okaloosa County District School Board's financial position as of June 30, 2017 and the changes in financial position, or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the Okaloosa County District School Board School Internal Funds' basic financial statement. The accompanying supplemental schedules of cash receipts and disbursements by school for the year ended June 30, 2017, are presented for purposes of additional analysis and are not a required part of the basic financial statement. The supplemental schedules of cash receipts and disbursements by school are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole.

Other Reporting Required by Government Auditing Standards

Cau, Rigge & Ingram, L.L.C.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2018, on our consideration of the Okaloosa County District School Board School Internal Funds' internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations, contracts, and grant agreements and other matters. 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* in considering the Okaloosa County District School Board School Internal Funds' internal control over financial reporting and compliance.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida January 5, 2018

Okaloosa County District School Board School Internal Funds Statement of Fiduciary Net Position

June 30,	2017
Assets	
Cash and cash equivalents Investments	\$ 2,803,960 1,884,415
Total assets	\$ 4,688,375
Liabilities	
Accounts payable Internal accounts payable	\$ 46,825 4,641,550
Total liabilities	\$ 4,688,375

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

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 in accordance with collateral requirements determined by the State's Chief Financial Officer. 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.

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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).*

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

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

June 30,	2017	Credit Risk	Maturities
Certificates of deposit State Board of Administration Florida PRIME	\$ 835,432 1,048,983	n/a S&P AAAm	Various through February 2018 39 days
Total investments	\$ 1,884,415		

The District holds funds in the Florida PRIME investment pool managed by the Florida State Board of Administration. As a participant in this pool, the District follows GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which establishes criteria for an external investment pool to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in the statement. Florida PRIME indicates that it meets the qualifications the standard requires. Accordingly, the investment in Florida PRIME is reported at amortized cost.

There are no limitations or restrictions on withdrawals from Florida PRIME, although, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the fund's executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

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

NOTE 3: INVESTMENTS (Continued)

The District also holds funds in various certificates of deposit. These investments are considered nonparticipating interest-earning investment contracts and are reported at amortized cost.

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 credit risk. At June 30, 2017, 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 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** 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 Senior High School Niceville Senior High School

Other Schools:

Baker School
CHOICE High School and Technical Center
Laurel Hill School
Addie R. Lewis School
Lance C. Richbourg School
Okaloosa STEMM Academy
Silver Sands School
Southside Primary School

ANTIOCH ELEMENTARY SCHOOL

	Cash and Investments July 1, 2016		stments				Tr	Net ansfers	Cash and Investments June 30, 2017	
Music	\$	233	\$	3,574	\$	(3,041)	\$	32	\$	798
Classes	Ψ	175	Ψ	36,363	Ψ	(43,636)	Ψ.	7,564	Ψ.	466
Departments		28,727		37,937		(30,917)		(5,098)		30,649
Trust Funds		18,104		43,093		(40,210)		(1,081)		19,906
General		17,589		15,459		(11,783)		(1,417)		19,848
TOTALS	\$	64,828	\$	136,426	\$	(129,587)	\$	-	\$	71,667

BLUEWATER ELEMENTARY SCHOOL

	Cash and Investments July 1, 2016		R	Receipts	bursements	Tr	Net ansfers	Cash and Investments June 30, 2017		
Music	\$	2,282	\$	3,266	\$	(3,301)	\$	800	\$	3,047
Classes		1,600		38,784		(41,262)		2,187		1,309
Departments		11,552		25,648		(26,550)		1,600		12,250
Trust Funds		67,132		136,806		(121,432)		(3,927)		78,579
General		33,636		30,403		(41,555)		(660)		21,824
			•		•		•			
TOTALS	\$	116,202	\$	234,907	\$	(234,100)	\$	-	\$	117,009

BOB SIKES ELEMENTARY SCHOOL

		ash and estments						Net		ash and estments
	July	y 1, 2016	R	Receipts Disbursements			Tı	ransfers	June	30, 2017
Music	\$	2,589	\$	1,404	\$	(1,550)	\$	(168)	\$	2,275
Classes		6,899		53,813		(51,503)		146		9,355
Clubs		2,960		13,436		(16,432)		1,407		1,371
Departments		5,307		14,907		(14,904)		(535)		4,775
Trust Funds		57,506		63,406		(51,921)		1,045		70,036
General		3,747		19,026		(14,993)		(1,895)		5,885
	·									
TOTALS	\$	79,008	\$	165,992	\$	(151,303)	\$	-	\$	93,697

DESTIN ELEMENTARY SCHOOL

	Inv	Cash and vestments by 1, 2016	R	Receipts	Dis	bursements	Т	Net Transfers		ash and estments e 30, 2017
Music	\$	_	\$	1,156	\$	_	\$	284	\$	1,440
Classes	•	2,049	•	55,948	•	(63,085)	·	12,816	•	7,728
Departments		31,264		24,923		(27,267)		(2,017)		26,903
Trust Funds		97,017		144,630		(133,299)		(11,262)		97,086
General		39,492		17,802		(7,013)		179		50,460
TOTALS	\$	169,822	\$	244,459	\$	(230,664)	\$	-	\$	183,617

LULA J. EDGE ELEMENTARY SCHOOL

	Inve	ash and estments y 1, 2016	Receipts Disbursements					Net ransfers	Cash and Investments June 30, 2017	
Music	\$	1,526	\$	3,468	\$	(3,852)	\$	320	\$	1,462
Classes		10,442	-	20,786		(29,298)		11,362		13,292
Clubs		3,532		5,675		(4,694)		(2,513)		2,000
Departments		16,830		17,987		(14,757)		521		20,581
Trust Funds		31,906		50,887		(38,623)		(15,737)		28,433
General		15,880		4,286		(6,443)		6,047		19,770
	•						•		•	
TOTALS	\$	80,116	\$	103,089	\$	(97,667)	\$	-	\$	85,538

ANNETTE P. EDWINS ELEMENTARY SCHOOL

	Cash and Investments July 1, 2016		Receipts Disbursements					Net ransfers	Cash and Investments June 30, 2017	
		,								,
Music	\$	9,092	\$	27,348	\$	(19,921)	\$	(2,738)	\$	13,781
Classes		2,025		8,057		(9,225)		77		934
Clubs		667		2,754		(3,043)		(77)		301
Departments		1,596		5,675		(8,699)		2,738		1,310
Trust Funds		19,952		14,085		(13,306)		(14,251)		6,480
General		10,437		5,383		(7,822)		14,251		22,249
TOTALS	\$	43,769	\$	63,302	\$	(62,016)	\$	-	\$	45,055

EGLIN ELEMENTARY SCHOOL

	Inve	ash and estments y 1, 2016	Receipts Disbursements					Net ansfers	Cash and Investments June 30, 2017	
Music	\$	613	\$	1,451	\$	(1,706)	\$	-	\$	358
Classes	•	5,647	·	22,702	·	(21,973)	·	2,553	·	8,929
Clubs		-		2,701		(34)		-		2,667
Departments		9,744		16,161		(14,023)		15		11,897
Trust Funds		14,577		35,906		(30,153)		(2,043)		18,287
General		25,619		10,476		(12,050)		(525)		23,520
TOTALS	\$	56,200	\$	89,397	\$	(79,939)	\$	-	\$	65,658

ELLIOTT POINT ELEMENTARY SCHOOL

	Inv	ash and estments y 1, 2016	R	eceipts	Nich	ursements	T,	Net ansfers	Inve	estments as 30, 2017
	July	y 1, 2010	- 11	eccipts	ואכוס	ursements	- ''	Hallsters		30, 2017
Music	\$	2,506	\$	1,197	\$	(2,359)	\$	1,079	\$	2,423
Classes		5,978		18,294		(18,225)		(1,586)		4,461
Departments		11,238		39,378		(29,347)		(9,094)		12,175
Trust Funds		3,755		28,802		(34,864)		8,471		6,164
General		12,077		5,471		(3,588)		1,130		15,090
	•		•		•				•	
TOTALS	\$	35,554	\$	93,142	\$	(88,383)	\$	-	\$	40,313

FLOROSA ELEMENTARY SCHOOL

	Inv	esh and estments y 1, 2016	Receipts Disbursements				Tr	Net ansfers	Cash and Investments June 30, 2017	
Music	\$	78	\$	164	\$	(242)	\$	-	\$	-
Classes		142		8,627		(8,888)		1,064		945
Clubs		1,550		2,619		(1,773)		(31)		2,365
Departments		5,229		11,574		(11,955)		(471)		4,377
Trust Funds		3,814		31,753		(23,499)		(9,157)		2,911
General		10,645		16,943		(26,943)		8,595		9,240
TOTALS	\$	21,458	\$	71,680	\$	(73,300)	\$	-	\$	19,838

KENWOOD ELEMENTARY SCHOOL

	Inve	ash and estments y 1, 2016	F	Receipts	Disl	oursements	т	Net ransfers	Inv	estments e 30, 2017
Classes Clubs Departments	\$	17,027 1,583 33,338	\$	26,735 3,925 27,045	\$	(38,528) (3,639) (35,177)	\$	11,292 602 2,210	\$	16,526 2,471 27,416
Trust Funds General TOTALS	\$	10,965 17,242 80,155	\$	68,269 14,999 140,973	\$	(52,557) (13,010) (142,911)	\$	(15,007) 903 -	\$	11,670 20,134 78,217

LONGWOOD ELEMENTARY SCHOOL

	Inv	estments y 1, 2016	R	eceipts	Disk	oursements	Т	Net ransfers	Inv	estments as 30, 2017
Music	\$	605	\$	1,068	\$	(1,103)	\$	128	\$	698
Classes	Ų	18,571	Ų	9,586	Ą	(18,033)	Ţ	11,512	Ţ	21,636
Departments		18,363		25,054		(36,027)		50		7,440
Trust Funds		16,806		30,727		(28,014)		(10,915)		8,604
General		9,894		9,576		(9,751)		(775)		8,944
TOTALS	\$	64,239	\$	76,011	\$	(92,928)	\$	-	\$	47,322

MARY ESTHER ELEMENTARY SCHOOL

	Inv	esh and estments y 1, 2016	R	Receipts	Disb	oursements	Tı	Net ansfers	Inve	estments 30, 2017
Classes	\$	479	\$	12,156	\$	(10,027)	\$	(2,021)	\$	587
Clubs	Y	3,876	Y	2,650	Y	(4,324)	7	(970)	Y	1,232
Departments		3,061		14,418		(14,062)		(1,333)		2,084
Trust Funds		19,706		67,165		(62,317)		4,393		28,947
General		2,573		6,327		(6,385)		(69)		2,446
TOTALS	\$	29,695	\$	102,716	\$	(97,115)	\$	=	\$	35,296

NORTHWOOD ELEMENTARY SCHOOL

	Inve	estments	_					Net	Inv	ash and estments
	July	, 1, 2016	F	Receipts	Disi	oursements	T	ransfers	June	30, 2017
Music	\$	621	\$	919	\$	-	\$	_	\$	1,540
Classes		11,581		38,631		(40,674)		1,982		11,520
Departments		8,349		32,474		(24,765)		(11,335)		4,723
Trust Funds		29,148		37,625		(41,122)		(696)		24,955
General		18,853		2,936		(16,751)		10,049		15,087
TOTALS	\$	68,552	\$	112,585	\$	(123,312)	\$	-	\$	57,825

JAMES E. PLEW ELEMENTARY SCHOOL

	Inv	Cash and Vestments ly 1, 2016	R	Receipts	Disl	oursements	Tı	Net ansfers	Inv	ash and estments e 30, 2017
Music	\$	1,540	\$	2,074	\$	(1,435)	\$	(926)	\$	1,253
Classes		19,468		67,981		(77,993)		9,495		18,951
Clubs		4,925		7,093		(7,909)		(574)		3,535
Departments		11,104		32,332		(25,668)		(7,750)		10,018
Trust Funds		12,907		56,489		(48,175)		(806)		20,415
General		117,427		11,666		(73,914)		561		55,740
							•			
TOTALS	\$	167,371	\$	177,635	\$	(235,094)	\$	-	\$	109,912

RIVERSIDE ELEMENTARY SCHOOL

	Inv	estments y 1, 2016	Receipts	Diel	bursements	т.	Net ransfers	Inv	estments as 30, 2017
	July	y 1, 2010	 receipts	וצוט	bursements	- 11	ansiers	Julie	30, 2017
Music	\$	703	\$ 1,178	\$	-	\$	(777)	\$	1,104
Classes		1,415	31,918		(26,383)		(5,493)		1,457
Clubs		902	3,329		(2,470)		722		2,483
Departments		3,788	49,248		(47,031)		(1,063)		4,942
Trust Funds		8,990	41,517		(47,529)		7,423		10,401
General		14,719	9,331		(10,604)		(812)		12,634
TOTALS	\$	30,517	\$ 136,521	\$	(134,017)	\$	-	\$	33,021

SHALIMAR ELEMENTARY SCHOOL

	Inve	estments 1, 2016	Receipts	Die	bursements	т.	Net ansfers	Inve	estments as 30, 2017
	July	7 1, 2010	 receipts	DIS	bursements	- 11	alisieis	Julie	30, 2017
Music	\$	1,171	\$ 760	\$	(1,394)	\$	(490)	\$	47
Classes		639	14,375		(15,765)		2,090		1,339
Clubs		1,259	2,025		(1,890)		(653)		741
Departments		4,915	25,085		(18,031)		(6,286)		5,683
Trust Funds		38,141	62,841		(64,878)		5,301		41,405
General		19,919	5,771		(8,290)		38		17,438
TOTALS	\$	66,044	\$ 110,857	\$	(110,248)	\$	-	\$	66,653

WALKER ELEMENTARY SCHOOL

	Inve	ash and estments y 1, 2016	R	Receipts	Disl	bursements	т	Net ransfers	Inv	esh and estments a 30, 2017
Music	\$	107	\$	2,485	\$	(1,503)	\$	_	\$	1,089
Classes	•	2,017	•	33,777	•	(35,739)	•	2,029	,	2,084
Clubs		4,309		7,757		(6,738)		(766)		4,562
Departments		2,763		28,639		(27,701)		(1,772)		1,929
Trust Funds		12,250		82,160		(63,877)		(14,994)		15,539
General		8,830		4,368		(4,646)		15,503		24,055
		•							•	
TOTALS	\$	30,276	\$	159,186	\$	(140,204)	\$	-	\$	49,258

WRIGHT ELEMENTARY SCHOOL

	Inve	estments				_	_	Net	Inve	estments
	July	y 1, 2016	F	Receipts	Disi	bursements	Tr	ansfers	June	30, 2017
Music	\$	123	\$	6,620	\$	(5,920)	\$	(200)	\$	623
Classes		4,865		24,742		(29,635)		5,796		5,768
Clubs		1,452		3,761		(3,773)		(425)		1,015
Departments		12,144		15,151		(20,452)		1,476		8,319
Trust Funds		25,914		44,207		(36,412)		(4,729)		28,980
General		18,214		6,010		(12,082)		(1,918)		10,224
	·									
TOTALS	\$	62,712	\$	100,491	\$	(108,274)	\$	-	\$	54,929

MAX BRUNER, JR. MIDDLE SCHOOL

	Inv	ash and estments y 1, 2016	F	Receipts	Disl	bursements	Tr	Net ansfers	Inv	estments 2 30, 2017
Athletics	\$	25,778	\$	111,647	\$	(113,556)	\$	527	\$	24,396
Music		26,034		44,208		(36,372)		(127)		33,743
Classes		704		64,657		(63,563)		(1,254)		544
Clubs		22,747		37,003		(35,817)		(668)		23,265
Departments		6,329		9,115		(7,189)		(1,816)		6,439
Trust Funds		2,257		14,370		(14,917)		628		2,338
General		3,152		11,656		(11,612)		2,710		5,906
TOTALS	\$	87,001	\$	292,656	\$	(283,026)	\$	-	\$	96,631

DAVIDSON MIDDLE SCHOOL

	Inv	Cash and vestments by 1, 2016	F	Receipts	Disl	oursements	Т	Net ransfers	Inv	ash and estments e 30, 2017
Athletics	\$	34,003	\$	97,627	\$	(86,072)	\$	(1,318)	\$	44,240
Music	·	32,351	·	55,138	·	(50,902)	•	(2,154)	·	34,433
Classes		7,342		73,999		(68,716)		(10,761)		1,864
Clubs		12,804		35,319		(31,956)		(2,857)		13,310
Departments		9,415		19,550		(14,705)		(2,123)		12,137
Trust Funds		15,746		41,830		(58,582)		15,946		14,940
General		13,917		7,057		(8,584)		3,267		15,657
TOTALS	\$	125,578	\$	330,520	\$	(319,517)	\$	-	\$	136,581

DESTIN MIDDLE SCHOOL AT REGATTA BAY

	Inv	ash and restments y 1, 2016	F	Receipts	Dis	bursements	Tr	Net ansfers	Inv	ash and estments e 30, 2017
Athletics	\$	78,774	\$	240,791	\$	(250,468)	\$	(3,427)	\$	65,670
Music		35,878		42,604		(33,511)		(1,825)		43,146
Classes		19,902		33,012		(30,842)		1,938		24,010
Clubs		17,947		23,697		(32,930)		(213)		8,501
Departments		13,077		18,678		(18,947)		(5,382)		7,426
Trust Funds		14,380		33,277		(43,890)		10,577		14,344
General		29,177		17,556		(18,076)		(1,668)		26,989
TOTALS	\$	209,135	\$	409,615	\$	(428,664)	\$	-	\$	190,086

CLIFFORD MEIGS MIDDLE SCHOOL

	Cash and Investments July 1, 2016		F	Receipts	Disl	bursements	Net Transfers		Cash and Investments June 30, 2017	
Athletics	\$	15,452	\$	95,191	\$	(77,945)	\$	_	\$	32,698
Music	-	17,892		29,566		(39,279)		-		8,179
Classes		2,592		1,408		(503)		-		3,497
Clubs		6,260		10,759		(8,362)		(481)		8,176
Departments		2,906		9,122		(8,620)		35		3,443
Trust Funds		2,783		11,188		(11,251)		805		3,525
General		14,382		16,522		(22,541)		(359)		8,004
TOTALS	\$	62,267	\$	173,756	\$	(168,501)	\$	-	\$	67,522

W. C. PRYOR MIDDLE SCHOOL

	Inv	Cash and Investments July 1, 2016		Receipts	Disl	bursements	т	Net ransfers	Cash and Investments June 30, 2017	
Athletics	\$	55,262	\$	117,093	\$	(104,941)	\$	(21,688)	\$	45,726
Music		3,940	-	25,037	-	(21,989)		(3,211)	-	3,777
Classes		5,272		131,128		(131,625)		(1,156)		3,619
Clubs		9,647		12,957		(14,046)		(1,946)		6,612
Departments		6,859		10,407		(8,242)		(1,972)		7,052
Trust Funds		12,270		34,507		(52,114)		19,501		14,164
General		5,760		5,559		(12,553)		10,472		9,238
TOTALS	\$	99,010	\$	336,688	\$	(345,510)	\$	-	\$	90,188

C. W. RUCKEL MIDDLE SCHOOL

	Inv	ash and restments ly 1, 2016	Receipts		Disbursements		Net Transfers		Cash and Investments June 30, 2017	
Athletics	\$	94,966	\$	245,025	\$	(243,933)	\$	627	\$	96,685
Music		56,954	·	126,145	•	(113,592)	·	5	•	69,512
Classes		13,861		15,471		(14,494)		-		14,838
Clubs		25,965		15,003		(14,194)		(193)		26,581
Departments		9,474		84,557		(82,675)		(148)		11,208
Trust Funds		49,616		83,006		(80,756)		(17,435)		34,431
General		23,539		11,354		(18,071)		17,144		33,966
_										
TOTALS	\$	274,375	\$	580,561	\$	(567,715)	\$	-	\$	287,221

SHOAL RIVER MIDDLE SCHOOL

	Cash and Investments July 1, 2016		Receipts D			Disbursements		Net Transfers		Cash and Investments June 30, 2017	
Athletics	\$	29,304	\$	84,311	\$	(82,015)	\$	(724)	\$	30,876	
Music		11,508		73,512		(74,534)		(2,049)		8,437	
Classes		1,883		59,880		(60,089)		(896)		778	
Clubs		3,564		6,032		(5,798)		(524)		3,274	
Departments		12,906		20,193		(22,975)		(1,210)		8,914	
Trust Funds		12,348		61,671		(76,820)		6,310		3,509	
General		7,898		9,880		(13,567)		(907)		3,304	
TOTALS	\$	79,411	\$	315,479	\$	(335,798)	\$	_	\$	59,092	

CHOCTAWHATCHEE SENIOR HIGH SCHOOL

	Inv	ash and restments ly 1, 2016	Receipts		Dis	sbursements	т	Net ransfers	Cash and Investments June 30, 2017	
Athletics	\$	37,984	\$	604,771	\$	(610,592)	\$	(5,704)	\$	26,459
Music	·	95,061	·	318,228	·	(347,076)	•	(26,502)	•	39,711
Classes		1,043		26,540		(33,028)		6,596		1,151
Clubs		44,535		104,022		(133,739)		1,298		16,116
Departments		9,157		24,535		(19,833)		(859)		13,000
Trust Funds		23,055		69,044		(115,345)		33,035		9,789
General		47,589		22,329		(30,036)		(7,864)		32,018
TOTALS	\$	258,424	\$	1,169,469	\$	(1,289,649)	\$	-	\$	138,244

CRESTVIEW SENIOR HIGH SCHOOL

	Inv	ash and restments y 1, 2016	F	Receipts	Dis	bursements	Tr	Net ansfers	Inv	ash and estments e 30, 2017
Athletics	\$	98,429	\$	516,945	\$	(532,431)	\$	(7,814)	\$	75,129
Music	•	4,392	•	412,215	•	(417,029)	•	2,551	•	2,129
Classes		9,216		73,694		(71,308)		275		11,877
Clubs		59,839		96,429		(90,602)		(379)		65,287
Departments		27,611		27,496		(24,342)		(1,252)		29,513
Trust Funds		59,429		77,292		(103,565)		12,462		45,618
General		21,398		15,845		(16,293)		(5,843)		15,107
TOTALS	\$	280,314	\$	1,219,916	\$	(1,255,570)	\$	-	\$	244,660

FORT WALTON BEACH SENIOR HIGH SCHOOL

	Inv	ash and restments y 1, 2016	F	Receipts	Dis	sbursements	т	Net ransfers	Inv	ash and estments e 30, 2017
Athletics	\$	167,254	\$	757,936	\$	(742,507)	\$	(27,307)	\$	155,376
Music	·	18,179		252,578	·	(188,021)	•	(10,254)	•	72,482
Classes		274		16,949		(14,122)		(301)		2,800
Clubs		36,836		241,700		(234,710)		(2,938)		40,888
Departments		22,096		33,317		(31,584)		(3,499)		20,330
Trust Funds		30,782		61,321		(88,707)		41,090		44,486
General		14,168		30,508		(36,581)		3,209		11,304
TOTALS	\$	289,589	\$	1,394,309	\$	(1,336,232)	\$	-	\$	347,666

NICEVILLE SENIOR HIGH SCHOOL

	Inv	ash and restments y 1, 2016	ļ	Receipts	Di	sbursements	т	Net ransfers	Inv	ash and estments e 30, 2017
Athletics	\$	326,614	\$	883,578	\$	(801,502)	\$	(85,193)	\$	323,497
Music		193,699		1,020,085		(1,038,966)		(27,186)		147,632
Classes		3,291		31,374		(27,287)		1,786		9,164
Clubs		74,792		261,242		(218,679)		(35,518)		81,837
Departments		82,530		102,642		(104,613)		516		81,075
Trust Funds		156,728		181,650		(321,201)		142,789		159,966
General		13,664		39,614		(38,619)		2,806		17,465
					•				•	
TOTALS	\$	851,318	\$	2,520,185	\$	(2,550,867)	\$	-	\$	820,636

BAKER SCHOOL

	Inv	ash and estments ly 1, 2016	F	Receipts	Disl	bursements	Т	Net ransfers	Inv	ash and estments a 30, 2017
Athletics Music	\$	45,072 10,065	\$	302,959 104,757	\$	(272,177) (87,207)	\$	(26,848) (11,890)	\$	49,006 15,725
Classes Clubs Departments		19,591 39,793 16,149		101,970 42,531 38,118		(87,485) (65,842) (32,103)		(4,299) (1,402) 2,251		29,777 15,080 24,415
Trust Funds General		37,453 6,756		68,760 14,612		(97,800) (16,913)		36,929 5,259		45,342 9,714
TOTALS	\$	174,879	\$	673,707	\$	(659,527)	\$	-	\$	189,059

CHOICE HIGH SCHOOL and TECHNICAL CENTER

	Inv	cash and vestments ly 1, 2016	F	Receipts	Dis	bursements	Tr	Net ansfers	Inv	ash and estments e 30, 2017
Health Occupations	\$	58,785	\$	131,905	\$	(104,497)	\$	(157)	\$	86,036
Industrial										
Education		188,885		205,997		(281,606)		(334)		112,942
Business/										
Office		9,201		7,302		(9,756)		(25)		6,722
Culinary Arts		3,139		10,362		(9,907)		893		4,487
Misc. Classes		3,314		5,172		(3,258)		(437)		4,791
Trust Funds		5,900		255,820		(258,713)		322		3,329
General		11,611		27,077		(27,839)		(262)		10,587
TOTALS	\$	280,835	\$	643,635	\$	(695 <i>,</i> 576)	\$	=	\$	228,894

LAUREL HILL SCHOOL

	Inv	esh and estments y 1, 2016	F	Receipts	Dis	bursements	Net ansfers	Inve	estments e 30, 2017
Athletics	\$	7,606	\$	105,146	\$	(94,546)	\$ 456	\$	18,662
Music		636		1,534		(1,177)	-		993
Classes		11,420		35,073		(40,364)	1,134		7,263
Clubs		14,914		19,009		(23,022)	92		10,993
Departments		9,868		9,835		(8,575)	(986)		10,142
Trust Funds		5,738		11,108		(9,367)	78		7,557
General		5,047		5,647		(4,983)	(774)		4,937
TOTALS	\$	55,229	\$	187,352	\$	(182,034)	\$ -	\$	60,547

ADDIE R. LEWIS SCHOOL

	Inv	estments y 1, 2016	F	Receipts	Disl	bursements	Tı	Net ransfers	Inv	ash and estments e 30, 2017
Athletics	\$	31,635	\$	58,692	\$	(44,552)	\$	(3,953)	\$	41,822
Music		4,284		16,291		(15,109)		(929)		4,537
Classes		3,350		13,161		(13,071)		(13)		3,427
Clubs		4,611		19,083		(15,904)		(2,169)		5,621
Departments		13,383		13,555		(13,523)		(1,597)		11,818
Trust Funds		26,367		42,553		(52,812)		8,960		25,068
General		10,966		10,781		(6,158)		(299)		15,290
TOTALS	\$	94,596	\$	174,116	\$	(161,129)	\$	-	\$	107,583

LANCE C. RICHBOURG SCHOOL

	Inv	Cash and vestments ly 1, 2016	R	eceipts	Disk	oursements	Tra	Net ansfers	Inv	ash and restments e 30, 2017
				221		(6.400)	_	(0.10)		
Classes	\$	7,721	\$	881	\$	(6,422)	\$	(343)	\$	1,837
Departments		3,159		3,644		(4,828)		55		2,030
Trust Funds		120,421		4,350		(4,685)		465		120,551
General		2,237		2,449		(2,194)		(177)		2,315
TOTALS	\$	133,538	\$	11,324	\$	(18,129)	\$	-	\$	126,733

OKALOOSA STEMM ACADEMY

	Inv	estments						Net	Inv	estments
	Jul	y 1, 2016	R	eceipts	Disk	oursements	<u>Tı</u>	ransfers	June	30, 2017
Classes	\$	305	\$	4,560	\$	(3,256)	\$	(554)	\$	1,055
Clubs		1,127		4,200		(3,972)		-		1,355
Departments		31		863		-		-		894
Trust Funds		19,454		35,677		(44,828)		9,635		19,938
Field Trips		21		11,630		(858)		(9,316)		1,477
General		2,108		778		(1,810)		235		1,311
TOTALS	\$	23,046	\$	57,708	\$	(54,724)	\$	-	\$	26,030

SILVER SANDS SCHOOL

	Inv	ash and restments ly 1, 2016	R	eceipts	Disl	bursements	т	Net ransfers	Inv	ash and estments e 30, 2017
Athletics	\$	1,858	\$	806	\$	(1,404)	\$	(28)	\$	1,232
Music		18	•	-		(62)		64		20
Classes		15,597		6,673		(4,611)		(4,116)		13,543
Clubs		645		748		(783)		-		610
Departments		722		250		(77)		(513)		382
Trust Funds		146,187		59,652		(60,487)		15,307		160,659
General		43,076		21,452		(33,289)		(10,714)		20,525
TOTALS	\$	208,103	\$	89,581	\$	(100,713)	\$	-	\$	196,971

SOUTHSIDE PRIMARY SCHOOL

	Inve	ash and estments y 1, 2016	D	eceipts	Nich	oursements	т.	Net ansfers	Inve	estments as 30, 2017
	July	y 1, 2010	IV.	eceipts	DISK	ursements	- 11	ansiers	Julie	30, 2017
Music	\$	161	\$	1,032	\$	(1,887)	\$	1,332	\$	638
Classes		4,527		17,317		(9,464)		(7,172)		5,208
Departments		1,753		15,974		(13,515)		(2,204)		2,008
Trust Funds		1,121		10,962		(24,208)		15,253		3,128
General		7,482		33,214		(25,263)		(7,209)		8,224
						<u> </u>				
TOTALS	\$	15,044	\$	78,499	\$	(74,337)	\$	-	\$	19,206



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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 Mary Beth Jackson, Superintendent of Schools Fort Walton Beach, Florida

We have audited, 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, the Statement of Fiduciary Net Position of the Okaloosa County District School Board School Internal Funds (hereinafter referred to as the "District") as of June 30, 2017, and the related notes to the financial statement, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 5, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Management Letter as items MLC 2017-01 through MLC 2017-05.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CARR, RIGGS & INGRAM, LLC

Can, Rigge & Ingram, L.L.C.

Miramar Beach, Florida January 5, 2018



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MANAGEMENT LETTER

To the Okaloosa County District School Board and Mary Beth Jackson, Superintendent of Schools Fort Walton Beach, Florida

Report on the Financial Statements

We have audited the Statement of Fiduciary Net Position of the Okaloosa County District School Board's School Internal Funds ("District") as of June 30, 2017, and have issued our report thereon dated January 5, 2018.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.800, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' 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* and our Independent Accountant's Report in accordance with Chapter 10.800, Rules of the Auditor General. Disclosures in those reports which are dated January 5, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

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 annual financial audit report.

Financial Condition and Management

Section 10.804(1)(f)2., Rules of the Auditor General, requires us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify 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)5.a. and 10.805(7), Rules of the Auditor General, we applied financial condition assessment procedures for the District. 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)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we identified certain matters which are described as items MLC 2017-01 through MLC 2017-05 starting on page 49 following this letter.

Transparency

Section 10.804(1)(f)6., Rules of the Auditor General, requires that we communicate the results of our determination as to whether the District maintains on its web site the information specified in Section 1011.035, Florida Statutes. (Section 1011.035, Florida Statutes, provides that district school boards shall prominently post on their Web site a plain language version of each proposed, tentative, and official budget that describes each budget item in terms that are easily understandable to the public). In connection with our audit, we determined that the District maintained on its web site the information specified in Section 1011.035, Florida Statutes.

Additional Matters

Section 10.804(1)(f)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the District School Board members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CARR, RIGGS & INGRAM, LLC

Can, Rigge & Ingram, L.L.C.

Miramar Beach, Florida January 5, 2018

Okaloosa County District School Board School Internal Funds Management Letter Comment – Baker School

IP =	D =	SD =	MW =
Improvement Point	Control Deficiency	Significant Deficiency	Material Weakness

CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2017-01	IP	Activity Event Ticket Seller's Report The Okaloosa County School District Internal Account Manual, Section 1.130(1) states "ticket sellers will be accompanied, at a minimum, by one ticket taker per seller." The current Activity Event Ticket Seller's Report has places for both the ticket seller and a ticket taker/witness to sign the report certifying it is true and accurate in every detail.	During our audit, we noted a total of 2 instances out of a sample of 20 where the Ticket Seller's Report did not include a signature identifying a ticket taker/witness.	We recommend the school assign at least one ticket taker for each ticket seller at an event. The Ticket Seller's Report should be signed by the appropriate ticket taker/witness at the event. This signature will document compliance with Section 1.130(1) of the policy manual and indicate the dual control over assets has been maintained.	See management's response at the end of the report.

Okaloosa County District School Board School Internal Funds Management Letter Comment – Bruner Middle School

IP =	D =	SD =	MW =
Improvement Point	Control Deficiency	Significant Deficiency	Material Weakness

CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2017-02	IP	Activity Event Ticket Seller's Report The Okaloosa County School District Internal Account Manual, Section 1.130(1) states "ticket sellers will be accompanied, at a minimum, by one ticket taker per seller." The current Activity Event Ticket Seller's Report has places for both the ticket seller and a ticket taker/witness to sign the report certifying it is true and accurate in every detail.	During our audit, we noted a total of 4 instances out of a sample of 10 where the Ticket Seller's Report did not include a signature identifying a ticket taker/witness. Two of the reports identified the ticket taker/witness as N/A.	We recommend the school assign at least one ticket taker for each ticket seller at an event. The Ticket Seller's Report should be signed by the appropriate ticket taker/witness at the event. This signature will document compliance with Section 1.130(1) of the policy manual and indicate the dual control over assets has been maintained.	See management's response at the end of the report.

Okaloosa County District School Board School Internal Funds Management Letter Comment – Niceville High School

IP =	D =	SD =	MW =
Improvement Point	Control Deficiency	Significant Deficiency	Material Weakness

CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2017-03	IP	Activity Event Ticket Seller's Report The Okaloosa County School District Internal Account Manual, Section 1.130(1) states "ticket sellers will be accompanied, at a minimum, by one ticket taker per seller." The current Activity Event Ticket Seller's Report has places for both the ticket seller and a ticket taker/witness to sign the report certifying it is true and accurate in every detail. In addition, Section 1.130(3) states "the ticket seller will sign acknowledging receipt of the change fund and tickets." The Ticket Seller's Report has a place for the ticket seller to sign acknowledging receipt.	During our audit, we noted a total of 2 instances out of a sample of 10 where the Ticket Seller's Report did not include a signature identifying a ticket taker/witness. In addition, we noted a total of 5 instances out of the same sample of 10 where the receipt of tickets was not acknowledged by signature or initials.	We recommend the school assign at least one ticket taker for each ticket seller at an event. The Ticket Seller's Report should be signed by the appropriate ticket taker/witness at the event. This signature will document compliance with Section 1.130(1) of the policy manual and indicate the dual control over assets has been maintained. In addition, we recommend the ticket seller appropriately sign or initial the Ticket Seller's Report verifying the total amount of change and beginning ticket numbers upon receipt. This will document compliance with Section 1.130(3) of the policy manual.	See management's response at the end of the report.

Okaloosa County District School Board School Internal Funds Management Letter Comment – Niceville High School

IP =	D =	SD =	MW =
Improvement Point	Control Deficiency	Significant Deficiency	Material Weakness

CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2017-04	IP	Check Requisition/ Transfer Form The Okaloosa County School District Internal Account Manual, Section 1.142(1) provides guidance on the process for teachers or sponsors desiring to make an expenditure. Any expenditure that a teacher or sponsor wishes to make must be requested on the Check Requisition/ Transfer Form. The section states "the teacher of sponsor must sign the form." In addition, it requires the school principal "approve the request before any expenditure of School Activity Funds may be made."	During our audit, we noted a total of 3 instances related to 2 items out of a sample of 25 where the Check Requisition/ Transfer Form was not properly signed. One item did not contain a sponsor signature, and we noted one item, which had multiple requisitions, that did not have a principal signature on one requisition and did not have a sponsor signature on another.	We recommend the school have a Check Requisition/ Transfer Form appropriately completed and signed for each expenditure. This will document compliance with Section 1.142(1) of the policy manual and indicate the expenditures have proper teacher/sponsor and principal authorization.	See management's response at the end of the report.

Okaloosa County District School Board School Internal Funds Management Letter Comment – Niceville High School

IP =	D =	SD =	MW =
Improvement Point	Control Deficiency	Significant Deficiency	Material Weakness

CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2017-05	IP .	Expenditure Documentation The Red Book, Chapter 8, 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 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 document the correct amount for payment.	During our audit, we noted 4 instances out of a sample of 25 where the amount per the check, the amount per the Check Requisition/ Transfer Form, and the amount per the supporting information were different by minor amounts. The largest difference of the four was \$20.	We recommend the check, check requisition and supporting documentation be completed in such a way that the payee and amounts generally agree between the three. In the event that differences occur, adequate documentation on the invoice or check requisition should be presented to reconcile why and how the amounts being requested/paid were determined. This will help ensure that invoices are not over or under paid.	See management's response at the end of the report.



Carr, Riggs & Ingram, LLC Certified Public Accountants 500 Grand Boulevard Suite 210 Miramar Beach, Florida 32550

(850) 837-3141 (850) 654-4619 (fax) CRIcpa.com

INDEPENDENT ACCOUNTANTS' REPORT

To the Okaloosa County District School Board and Mary Beth Jackson, Superintendent of Schools Fort Walton Beach, Florida

We have examined Okaloosa County District School Board School Internal Funds' compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended June 30, 2017. Management of Okaloosa County District School Board School Internal Funds is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements during the year ended June 30, 2017.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

CARR, RIGGS & INGRAM, LLC

Cau, Rigge & Ingram, L.L.C.

Miramar Beach, Florida January 5, 2018 100 Years of Heademic Excellence with H Personal Touch

BAKER SCHOOL

Home of the Fightin' Gators

Okaloosa County's First Accredited School-1923

Jennifer Stewart Assistant Principal

Beth Geoghagan Guidance Counselor Michael J. Martello Principal

Shannon Boone Guidance Counselor Polly Brunson Guidance Counselor Victoria Hurley Assistant Principal

Karl Schroeder Dean of Students

December 15, 2017

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

In response to Baker School 2016-2017 audit.

- Finding- 2 instances out of a sample of 20 where the Ticket Seller's Report did not include a signature identifying a ticket taker/witness.
- Response-Coaches have been informed that in the future if they do not have 2 people to work their tickets they cannot open a gate and if they do open a gate with only one worker then they will receive a write up in their personnel file.

Sincerely,

Francesca Paul

Bookkeeper

Michael Martello

Principal



NICEVILLE HIGH SCHOOL

800 EAST JOHN SIMS PARKWAY
NICEVILLE, FLORIDA 32578
CHARLES MARELLO, PRINCIPAL



January 4, 2018

Carr, Rigs & Ingram, LLC 4460 Legendary Dr., Suite #100 Destin, Florida 32541

In response to Niceville High School's 2016-2017 year audit.

- Finding Missing signatures on the Ticket Seller's Report.
- Response We will make sure the coaches let their ticket people know the importance
 of filling out the Ticket Ledger completely. We will also have our principal's make sure
 all signature lines are signed when they collect the gates.
- Finding Check Requisition/Transfer Form was not properly signed.
- Response We will make sure to have all signatures on the form.
- Finding Difference in check and supporting documentation.
- Response We will make sure to proof checks before they are printed to make sure there are no errors.















Max Bruner, Jr. Middle School

Dr. Cynthia Hudson
Principal
Gary Taylor
Heather Graham-Williams
Assistant Principals



322 Holmes Blvd NW Fort Walton Beach, FL

850-833-3266 FAX: 850-833-3434

January 24, 2018

Alan Jowers, CPA, Partner Carr, Riggs & Ingram, LLC 189 Eglin Parkway NE, 2nd Floor Fort Walton Beach FL 32548

Dear Mr. Jowers,

In response to Bruner Middle School's 2016-2017 year audit.

- Finding-4 instances where the Ticket Seller's Report did not include a signature identifying a ticket taker/witness
- Response-During teacher pre-planning at the start of the school year, the Equity Committee will
 assign personnel for the position of Ticket Taker/Witness for all sporting events. All club sponsors
 will also be instructed to assign personnel to the task of ticket taker/witness for any event in which
 tickets are purchased and used.

Sincerely,

Cynthia Hudson, Ph.D.

Dr. april. Hudon

Principal