

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

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**June 30, 2018**



**CRI** CARR  
RIGGS &  
INGRAM

CPAs and Advisors

[CRIcpa.com](http://CRIcpa.com)

**Okaloosa County District School Board  
School Internal Funds  
Table of Contents  
June 30, 2018**

**REPORT**

Independent Auditors' Report 1

**FINANCIAL STATEMENT**

Statement of Fiduciary Net Position 3

Notes to Financial Statement 4

*Supplementary Information:*

Listing of Schools 7

Supplemental Schedules of Cash Receipts and Disbursements 8

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* 45

Management Letter 47

Attestation Report on Compliance with Section 218.415 Florida Statutes 53



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

## **INDEPENDENT AUDITORS' REPORT**

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

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

### **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, 2018, and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statement**

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, 2018, 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, 2018 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, 2018, 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**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 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, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida  
September 19, 2018

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

<i>June 30,</i>	<b>2018</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 2,931,751
Investments	1,821,070
<hr/>	
Total assets	\$ 4,752,821
<hr/>	
<b>Liabilities</b>	
Accounts payable	\$ 91,321
Credit cards payable	43,101
Internal accounts payable	4,618,399
<hr/>	
Total liabilities	\$ 4,752,821
<hr/>	

*The accompanying notes are an integral part of this financial statement.*

**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:

<i>June 30,</i>	<b>2018</b>	<b>Credit Risk</b>	<b>Maturities</b>
Certificates of deposit	\$ 796,204	n/a	Various through February 2019
State Board of Administration Florida PRIME	<u>1,024,866</u>	S&P AAAM	39 days
<b>Total investments</b>	<b><u>\$ 1,821,070</u></b>		

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, 2018, 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.





## **Supplementary Information**

**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

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**ANTIOCH ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 798	\$ 2,829	\$ (2,226)	\$ (434)	\$ 967
<b>Classes</b>	466	40,705	(40,162)	49	1,058
<b>Clubs</b>	-	4,734	(36)	(3,425)	1,273
<b>Departments</b>	30,649	40,115	(29,981)	(3,512)	37,271
<b>Trust Funds</b>	19,906	55,533	(56,968)	9,785	28,256
<b>General</b>	19,848	13,999	(12,238)	(2,463)	19,146
<b>TOTALS</b>	\$ 71,667	\$ 157,915	\$ (141,611)	\$ -	\$ 87,971

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**BLUEWATER ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 3,047	\$ 20,185	\$ (10,570)	\$ (1,048)	\$ 11,614
<b>Classes</b>	1,309	43,925	(43,904)	(829)	501
<b>Departments</b>	12,250	28,558	(22,546)	(6,693)	11,569
<b>Trust Funds</b>	78,579	121,697	(148,245)	9,696	61,727
<b>General</b>	21,824	28,865	(27,046)	(1,126)	22,517
<b>TOTALS</b>	\$ 117,009	\$ 243,230	\$ (252,311)	\$ -	\$ 107,928

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**BOB SIKES ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 2,275	\$ 1,675	\$ (1,663)	\$ (221)	\$ 2,066
<b>Classes</b>	9,355	64,032	(59,988)	1,208	14,607
<b>Clubs</b>	1,371	28,337	(24,837)	(514)	4,357
<b>Departments</b>	4,775	15,936	(17,025)	(653)	3,033
<b>Trust Funds</b>	70,036	83,597	(77,433)	2,783	78,983
<b>General</b>	5,885	16,960	(12,239)	(2,603)	8,003
<b>TOTALS</b>	\$ 93,697	\$ 210,537	\$ (193,185)	\$ -	\$ 111,049

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**DESTIN ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 1,440	\$ 1,460	\$ (165)	\$ (1,141)	\$ 1,594
<b>Classes</b>	7,728	59,914	(71,648)	20,629	16,623
<b>Departments</b>	26,903	28,442	(20,228)	36	35,153
<b>Trust Funds</b>	97,086	196,310	(176,573)	(18,668)	98,155
<b>General</b>	50,460	29,809	(18,416)	(856)	60,997
<b>TOTALS</b>	\$ 183,617	\$ 315,935	\$ (287,030)	\$ -	\$ 212,522

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**LULA J. EDGE ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 1,462	\$ 2,677	\$ (2,694)	\$ 103	\$ 1,548
<b>Classes</b>	13,292	19,602	(19,443)	15,547	28,998
<b>Clubs</b>	2,000	5,932	(893)	(4,999)	2,040
<b>Departments</b>	20,581	16,605	(6,650)	(1,649)	28,887
<b>Trust Funds</b>	28,433	64,901	(56,074)	(19,169)	18,091
<b>General</b>	19,770	5,094	(7,868)	10,167	27,163
<b>TOTALS</b>	\$ 85,538	\$ 114,811	\$ (93,622)	\$ -	\$ 106,727

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**ANNETTE P. EDWINS ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 13,781	\$ 16,816	\$ (16,066)	\$ (2,900)	\$ 11,631
<b>Classes</b>	934	6,439	(4,403)	(2,782)	188
<b>Clubs</b>	301	4,111	(3,139)	(782)	491
<b>Departments</b>	1,310	5,825	(5,096)	888	2,927
<b>Trust Funds</b>	6,480	18,676	(20,168)	5,725	10,713
<b>General</b>	22,249	4,797	(3,537)	(149)	23,360
<b>TOTALS</b>	\$ 45,055	\$ 56,664	\$ (52,409)	\$ -	\$ 49,310



**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**EGLIN ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 358	\$ 606	\$ (736)	\$ 100	\$ 328
<b>Classes</b>	8,929	28,637	(29,953)	60	7,673
<b>Clubs</b>	2,667	-	(3,543)	876	-
<b>Departments</b>	11,897	18,288	(15,195)	(80)	14,910
<b>Trust Funds</b>	18,287	31,773	(32,926)	(124)	17,010
<b>General</b>	23,520	15,748	(24,931)	(832)	13,505
<b>TOTALS</b>	\$ 65,658	\$ 95,052	\$ (107,284)	\$ -	\$ 53,426

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**ELLIOTT POINT ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 2,423	\$ 850	\$ (915)	\$ (466)	\$ 1,892
<b>Classes</b>	4,461	20,040	(18,639)	(511)	5,351
<b>Departments</b>	12,175	45,330	(28,790)	(14,398)	14,317
<b>Trust Funds</b>	6,164	30,988	(43,407)	17,239	10,984
<b>General</b>	15,090	4,988	(3,963)	(1,864)	14,251
<b>TOTALS</b>	\$ 40,313	\$ 102,196	\$ (95,714)	\$ -	\$ 46,795

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**FLOROSA ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ -	\$ 667	\$ (708)	\$ 41	\$ -
<b>Classes</b>	945	9,448	(7,664)	(859)	1,870
<b>Clubs</b>	2,365	2,595	(2,932)	-	2,028
<b>Departments</b>	4,377	12,044	(11,896)	(119)	4,406
<b>Trust Funds</b>	2,911	41,375	(31,278)	(8,247)	4,761
<b>General</b>	9,240	13,877	(23,456)	9,184	8,845
<b>TOTALS</b>	\$ 19,838	\$ 80,006	\$ (77,934)	\$ -	\$ 21,910

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**KENWOOD ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ -	\$ 1,755	\$ (1,109)	\$ 290	\$ 936
<b>Classes</b>	16,526	26,593	(32,912)	4,537	14,744
<b>Clubs</b>	2,471	3,101	(2,721)	265	3,116
<b>Departments</b>	27,416	24,362	(24,778)	(2,939)	24,061
<b>Trust Funds</b>	11,670	66,644	(56,703)	(580)	21,031
<b>General</b>	20,134	14,604	(8,896)	(1,573)	24,269
<b>TOTALS</b>	\$ 78,217	\$ 137,059	\$ (127,119)	\$ -	\$ 88,157

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**LONGWOOD ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 698	\$ 336	\$ (477)	\$ 34	\$ 591
<b>Classes</b>	21,636	12,859	(15,003)	1,185	20,677
<b>Departments</b>	7,440	18,970	(19,238)	(100)	7,072
<b>Trust Funds</b>	8,604	26,857	(29,371)	1,238	7,328
<b>General</b>	8,944	4,221	(5,003)	(2,357)	5,805
<b>TOTALS</b>	\$ 47,322	\$ 63,243	\$ (69,092)	\$ -	\$ 41,473

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**MARY ESTHER ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Classes</b>	\$ 587	\$ 13,776	\$ (12,555)	\$ (691)	\$ 1,117
<b>Clubs</b>	1,232	3,463	(2,042)	(864)	1,789
<b>Departments</b>	2,084	16,970	(13,166)	(1,962)	3,926
<b>Trust Funds</b>	28,947	65,413	(73,734)	3,251	23,877
<b>General</b>	2,446	6,294	(6,135)	266	2,871
<b>TOTALS</b>	\$ 35,296	\$ 105,916	\$ (107,632)	\$ -	\$ 33,580

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**NORTHWOOD ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 1,540	\$ -	\$ -	\$ (1,540)	\$ -
<b>Classes</b>	11,520	39,080	(41,051)	(1,936)	7,613
<b>Departments</b>	4,723	32,973	(25,120)	(4,778)	7,798
<b>Trust Funds</b>	24,955	52,964	(52,549)	1,064	26,434
<b>General</b>	15,087	2,964	(12,469)	7,190	12,772
<b>TOTALS</b>	\$ 57,825	\$ 127,981	\$ (131,189)	\$ -	\$ 54,617

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**JAMES E. PLEW ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 1,253	\$ 999	\$ (579)	\$ (798)	\$ 875
<b>Classes</b>	18,951	76,704	(66,760)	(12,969)	15,926
<b>Clubs</b>	3,535	7,248	(7,056)	-	3,727
<b>Departments</b>	10,018	30,334	(24,544)	172	15,980
<b>Trust Funds</b>	20,415	49,646	(71,717)	15,669	14,013
<b>General</b>	55,740	10,866	(6,756)	(2,074)	57,776
<b>TOTALS</b>	\$ 109,912	\$ 175,797	\$ (177,412)	\$ -	\$ 108,297



**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**RIVERSIDE ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 1,104	\$ 145	\$ (801)	\$ (278)	\$ 170
<b>Classes</b>	1,457	31,566	(25,753)	(4,878)	2,392
<b>Clubs</b>	2,483	2,905	(2,036)	(1,309)	2,043
<b>Departments</b>	4,942	26,089	(25,396)	(2,760)	2,875
<b>Trust Funds</b>	10,401	38,591	(45,399)	7,395	10,988
<b>General</b>	12,634	9,662	(3,720)	1,830	20,406
<b>TOTALS</b>	\$ 33,021	\$ 108,958	\$ (103,105)	\$ -	\$ 38,874

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**SHALIMAR ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 47	\$ 511	\$ (524)	\$ -	\$ 34
<b>Classes</b>	1,339	14,312	(15,480)	1,550	1,721
<b>Clubs</b>	741	1,460	(1,281)	(226)	694
<b>Departments</b>	5,683	30,749	(22,151)	(8,033)	6,248
<b>Trust Funds</b>	41,405	70,215	(79,357)	9,858	42,121
<b>General</b>	17,438	22,658	(10,146)	(3,149)	26,801
<b>TOTALS</b>	\$ 66,653	\$ 139,905	\$ (128,939)	\$ -	\$ 77,619

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**WALKER ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 1,089	\$ 3,027	\$ (3,314)	\$ (473)	\$ 329
<b>Classes</b>	2,084	31,454	(37,815)	9,011	4,734
<b>Clubs</b>	4,562	7,741	(5,261)	(3,521)	3,521
<b>Departments</b>	1,929	29,564	(30,971)	3,940	4,462
<b>Trust Funds</b>	15,539	69,074	(63,276)	(8,871)	12,466
<b>General</b>	24,055	7,089	(10,199)	(86)	20,859
<b>TOTALS</b>	\$ 49,258	\$ 147,949	\$ (150,836)	\$ -	\$ 46,371

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**WRIGHT ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 623	\$ 5,197	\$ (2,122)	\$ (3,276)	\$ 422
<b>Classes</b>	5,768	28,041	(28,951)	1,646	6,504
<b>Clubs</b>	1,015	3,452	(2,350)	(595)	1,522
<b>Departments</b>	8,319	15,233	(13,979)	2,340	11,913
<b>Trust Funds</b>	28,980	32,644	(35,898)	722	26,448
<b>General</b>	10,224	4,187	(5,807)	(837)	7,767
<b>TOTALS</b>	\$ 54,929	\$ 88,754	\$ (89,107)	\$ -	\$ 54,576

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**MAX BRUNER, JR. MIDDLE SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 24,396	\$ 99,031	\$ (91,822)	\$ (10,030)	\$ 21,575
<b>Music</b>	33,743	102,365	(110,342)	(1,373)	24,393
<b>Classes</b>	544	60,041	(59,422)	(150)	1,013
<b>Clubs</b>	23,265	34,786	(28,608)	(4,352)	25,091
<b>Departments</b>	6,439	11,342	(8,598)	(955)	8,228
<b>Trust Funds</b>	2,338	19,713	(38,933)	20,532	3,650
<b>General</b>	5,906	14,336	(12,939)	(3,672)	3,631
<b>TOTALS</b>	\$ 96,631	\$ 341,614	\$ (350,664)	\$ -	\$ 87,581

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**DAVIDSON MIDDLE SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 44,240	\$ 128,746	\$ (121,307)	\$ (4,885)	\$ 46,794
<b>Music</b>	34,433	56,716	(55,242)	(2,159)	33,748
<b>Classes</b>	1,864	68,081	(62,775)	(4,184)	2,986
<b>Clubs</b>	13,310	49,841	(43,301)	(5,478)	14,372
<b>Departments</b>	12,137	22,659	(22,187)	(2,055)	10,554
<b>Trust Funds</b>	14,940	35,795	(51,314)	15,455	14,876
<b>General</b>	15,657	6,128	(8,066)	3,306	17,025
<b>TOTALS</b>	\$ 136,581	\$ 367,966	\$ (364,192)	\$ -	\$ 140,355

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**DESTIN MIDDLE SCHOOL AT REGATTA BAY**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 65,670	\$ 232,714	\$ (206,076)	\$ (6,424)	\$ 85,884
<b>Music</b>	43,146	34,771	(28,429)	(529)	48,959
<b>Classes</b>	24,010	24,795	(24,107)	(2,702)	21,996
<b>Clubs</b>	8,501	26,584	(20,309)	(370)	14,406
<b>Departments</b>	7,426	16,864	(16,930)	(2,020)	5,340
<b>Trust Funds</b>	14,344	33,929	(48,067)	14,435	14,641
<b>General</b>	26,989	4,322	(20,026)	(2,390)	8,895
<b>TOTALS</b>	\$ 190,086	\$ 373,979	\$ (363,944)	\$ -	\$ 200,121

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**CLIFFORD MEIGS MIDDLE SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 32,698	\$ 102,191	\$ (97,544)	\$ (2,151)	\$ 35,194
<b>Music</b>	8,179	28,765	(26,332)	(242)	10,370
<b>Classes</b>	3,497	747	(679)	-	3,565
<b>Clubs</b>	8,176	7,542	(4,319)	(505)	10,894
<b>Departments</b>	3,443	10,709	(9,669)	(1,463)	3,020
<b>Trust Funds</b>	3,525	11,075	(16,400)	4,517	2,717
<b>General</b>	8,004	8,941	(11,351)	(156)	5,438
<b>TOTALS</b>	\$ 67,522	\$ 169,970	\$ (166,294)	\$ -	\$ 71,198



**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**W. C. PRYOR MIDDLE SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 45,726	\$ 120,922	\$ (99,243)	\$ (17,243)	\$ 50,162
<b>Music</b>	3,777	20,938	(19,239)	(2,868)	2,608
<b>Classes</b>	3,619	95,698	(93,307)	(2,677)	3,333
<b>Clubs</b>	6,612	20,701	(6,885)	(5,540)	14,888
<b>Departments</b>	7,052	9,450	(8,316)	(3,174)	5,012
<b>Trust Funds</b>	14,164	47,941	(77,513)	21,944	6,536
<b>General</b>	9,238	3,269	(19,381)	9,558	2,684
<b>TOTALS</b>	\$ 90,188	\$ 318,919	\$ (323,884)	\$ -	\$ 85,223

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**C. W. RUCKEL MIDDLE SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 96,685	\$ 241,343	\$ (219,413)	\$ (286)	\$ 118,329
<b>Music</b>	69,512	173,680	(171,818)	(4,346)	67,028
<b>Classes</b>	14,838	13,933	(10,698)	(271)	17,802
<b>Clubs</b>	26,581	10,698	(10,106)	(496)	26,677
<b>Departments</b>	11,208	117,073	(109,117)	(2,982)	16,182
<b>Trust Funds</b>	34,431	69,649	(64,769)	7,819	47,130
<b>General</b>	33,966	13,937	(35,069)	562	13,396
<b>TOTALS</b>	\$ 287,221	\$ 640,313	\$ (620,990)	\$ -	\$ 306,544

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**SHOAL RIVER MIDDLE SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 30,876	\$ 91,286	\$ (81,899)	\$ (4,991)	\$ 35,272
<b>Music</b>	8,437	81,447	(73,426)	(7,779)	8,679
<b>Classes</b>	778	40,682	(40,522)	632	1,570
<b>Clubs</b>	3,274	10,054	(7,692)	(3,260)	2,376
<b>Departments</b>	8,914	14,980	(12,966)	(5,354)	5,574
<b>Trust Funds</b>	3,509	50,254	(70,219)	20,527	4,071
<b>General</b>	3,304	9,449	(10,663)	225	2,315
<b>TOTALS</b>	\$ 59,092	\$ 298,152	\$ (297,387)	\$ -	\$ 59,857

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**CHOCTAWHATCHEE SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 26,459	\$ 623,198	\$ (628,612)	\$ (4,739)	\$ 16,306
<b>Music</b>	39,711	301,479	(294,678)	(27,751)	18,761
<b>Classes</b>	1,151	21,154	(22,220)	3,240	3,325
<b>Clubs</b>	16,116	85,987	(91,833)	7,706	17,976
<b>Departments</b>	13,000	29,075	(30,050)	(2,374)	9,651
<b>Trust Funds</b>	9,789	114,530	(152,666)	41,498	13,151
<b>General</b>	32,018	12,992	(21,792)	(17,580)	5,638
<b>TOTALS</b>	\$ 138,244	\$ 1,188,415	\$ (1,241,851)	\$ -	\$ 84,808

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**CRESTVIEW SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 75,129	\$ 613,141	\$ (540,743)	\$ (29,186)	\$ 118,341
<b>Music</b>	2,129	294,285	(280,468)	(11,975)	3,971
<b>Classes</b>	11,877	46,341	(48,261)	(1,446)	8,511
<b>Clubs</b>	65,287	121,160	(103,988)	(9,412)	73,047
<b>Departments</b>	29,513	34,269	(29,537)	(6,851)	27,394
<b>Trust Funds</b>	45,618	77,766	(130,937)	53,730	46,177
<b>General</b>	15,107	12,778	(13,179)	5,140	19,846
<b>TOTALS</b>	<b>\$ 244,660</b>	<b>\$ 1,199,740</b>	<b>\$ (1,147,113)</b>	<b>\$ -</b>	<b>\$ 297,287</b>

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**FORT WALTON BEACH SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 155,376	\$ 851,773	\$ (817,662)	\$ (52,144)	\$ 137,343
<b>Music</b>	72,482	254,600	(273,223)	(25,396)	28,463
<b>Classes</b>	2,800	13,319	(12,772)	(25)	3,322
<b>Clubs</b>	40,888	220,497	(208,866)	(10,997)	41,522
<b>Departments</b>	20,330	52,133	(36,147)	(9,026)	27,290
<b>Trust Funds</b>	44,486	42,313	(151,183)	94,840	30,456
<b>General</b>	11,304	41,790	(32,451)	2,748	23,391
<b>TOTALS</b>	\$ 347,666	\$ 1,476,425	\$ (1,532,304)	\$ -	\$ 291,787

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**NICEVILLE SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 323,497	\$ 916,261	\$ (778,146)	\$ (129,706)	\$ 331,906
<b>Music</b>	147,632	466,341	(422,536)	(34,906)	156,531
<b>Classes</b>	9,164	16,393	(17,154)	(4,299)	4,104
<b>Clubs</b>	81,837	225,677	(170,314)	(56,845)	80,355
<b>Departments</b>	81,075	106,273	(84,803)	(19,429)	83,116
<b>Trust Funds</b>	159,966	80,201	(321,755)	241,250	159,662
<b>General</b>	17,465	29,028	(26,194)	3,935	24,234
<b>TOTALS</b>	\$ 820,636	\$ 1,840,174	\$ (1,820,902)	\$ -	\$ 839,908

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**BAKER SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 49,006	\$ 318,625	\$ (271,990)	\$ (34,210)	\$ 61,431
<b>Music</b>	15,725	113,052	(97,977)	(20,295)	10,505
<b>Classes</b>	29,777	85,976	(68,965)	(14,645)	32,143
<b>Clubs</b>	15,080	41,694	(35,187)	(5,440)	16,147
<b>Departments</b>	24,415	41,241	(28,039)	(15,925)	21,692
<b>Trust Funds</b>	45,342	60,619	(143,700)	89,278	51,539
<b>General</b>	9,714	13,495	(5,363)	1,237	19,083
<b>TOTALS</b>	\$ 189,059	\$ 674,702	\$ (651,221)	\$ -	\$ 212,540



**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**CHOICE HIGH SCHOOL and TECHNICAL CENTER**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Health</b>					
<b>Occupations</b>	\$ 86,036	\$ 128,128	\$ (102,332)	\$ (4,900)	\$ 106,932
<b>Industrial</b>					
<b>Education</b>	112,942	299,463	(219,032)	(39,960)	153,413
<b>Business/</b>					
<b>Office</b>	6,722	1,036	(1,929)	(73)	5,756
<b>Culinary Arts</b>	4,487	8,863	(13,648)	611	313
<b>Misc. Classes</b>	4,791	9,560	(52,293)	46,166	8,224
<b>Trust Funds</b>	3,329	375,415	(361,457)	2,557	19,844
<b>General</b>	10,587	21,488	(14,973)	(4,401)	12,701
<b>TOTALS</b>	\$ 228,894	\$ 843,953	\$ (765,664)	\$ -	\$ 307,183

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**LAUREL HILL SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 18,662	\$ 122,592	\$ (111,177)	\$ (379)	\$ 29,698
<b>Music</b>	993	2,096	(1,916)	16	1,189
<b>Classes</b>	7,263	18,854	(19,768)	686	7,035
<b>Clubs</b>	10,993	23,991	(26,070)	148	9,062
<b>Departments</b>	10,142	7,994	(6,569)	-	11,567
<b>Trust Funds</b>	7,557	11,257	(8,348)	(15)	10,451
<b>General</b>	4,937	4,999	(5,716)	(456)	3,764
<b>TOTALS</b>	\$ 60,547	\$ 191,783	\$ (179,564)	\$ -	\$ 72,766

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**ADDIE R. LEWIS SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 41,822	\$ 45,888	\$ (38,022)	\$ (6,264)	\$ 43,424
<b>Music</b>	4,537	17,802	(19,256)	(31)	3,052
<b>Classes</b>	3,427	14,975	(14,991)	(1,004)	2,407
<b>Clubs</b>	5,621	11,544	(7,480)	(3,302)	6,383
<b>Departments</b>	11,818	18,647	(15,132)	(1,895)	13,438
<b>Trust Funds</b>	25,068	21,708	(38,357)	14,154	22,573
<b>General</b>	15,290	12,430	(6,770)	(1,658)	19,292
<b>TOTALS</b>	\$ 107,583	\$ 142,994	\$ (140,008)	\$ -	\$ 110,569

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**LANCE C. RICHBOURG SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Classes</b>	\$ 1,837	\$ 3,851	\$ (2,409)	\$ (459)	\$ 2,820
<b>Departments</b>	2,030	3,954	(391)	(2,415)	3,178
<b>Trust Funds</b>	120,551	7,497	(127,019)	4,005	5,034
<b>General</b>	2,315	2,893	(1,221)	(1,131)	2,856
<b>TOTALS</b>	\$ 126,733	\$ 18,195	\$ (131,040)	\$ -	\$ 13,888

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**OKALOOSA STEMM ACADEMY**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Classes</b>	\$ 1,055	\$ 4,736	\$ (94)	\$ (2,254)	\$ 3,443
<b>Clubs</b>	1,355	4,830	(4,479)	(318)	1,388
<b>Departments</b>	894	1,190	(336)	(1,714)	34
<b>Trust Funds</b>	19,938	44,320	(44,948)	6,007	25,317
<b>Field Trips</b>	1,477	11,480	(1,127)	(3,147)	8,683
<b>General</b>	1,311	1,479	(1,829)	1,426	2,387
<b>TOTALS</b>	\$ 26,030	\$ 68,035	\$ (52,813)	\$ -	\$ 41,252

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**SILVER SANDS SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Athletics</b>	\$ 1,232	\$ 1,114	\$ (1,049)	\$ (189)	\$ 1,108
<b>Music</b>	20	-	(55)	417	382
<b>Classes</b>	13,543	4,860	(4,926)	302	13,779
<b>Clubs</b>	610	760	(1,113)	(108)	149
<b>Departments</b>	382	-	(224)	327	485
<b>Trust Funds</b>	160,659	19,673	(42,752)	14,044	151,624
<b>General</b>	20,525	8,962	(14,506)	(14,793)	188
<b>TOTALS</b>	\$ 196,971	\$ 35,369	\$ (64,625)	\$ -	\$ 167,715

**Okaloosa County District School Board  
School Internal Funds  
Schedule of Cash Receipts and Disbursements**

**SOUTHSIDE PRIMARY SCHOOL**

	Cash and Investments July 1, 2017	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2018
<b>Music</b>	\$ 638	\$ -	\$ (770)	\$ 1,106	\$ 974
<b>Classes</b>	5,208	20,038	(16,903)	(3,464)	4,879
<b>Departments</b>	2,008	12,190	(10,757)	(1,781)	1,660
<b>Trust Funds</b>	3,128	25,855	(30,268)	5,628	4,343
<b>General</b>	8,224	4,791	(2,345)	(1,489)	9,181
<b>TOTALS</b>	\$ 19,206	\$ 62,874	\$ (61,043)	\$ -	\$ 21,037

**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***

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, 2018, and the related notes to the financial statement, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 19, 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 2018-01 through MLC 2018-04.

## **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, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida  
September 19, 2018



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

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

## 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, 2018, and have issued our report thereon dated September 19, 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 September 19, 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 certain findings and recommendations made in the preceding annual financial audit report. Prior year findings 2017-03 and 2017-04 remained uncorrected and are noted as findings 2018-02 and 2018-03 in the current year. These items were not included in the second preceding 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 2018-01 through MLC 2018-04 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, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida  
September 19, 2018

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Ruckel Middle School, C.W.**

The following legend should be used in conjunction with reviewing the “Rating” of each of the identified internal control items:

<b>IP = Improvement Point</b>	<b>D = Control Deficiency</b>	<b>SD = Significant Deficiency</b>	<b>MW = Material Weakness</b>
-----------------------------------	-----------------------------------	--	-----------------------------------

<b>CONTROL NUMBER</b>	<b>RATING</b>	<b>AREA</b>	<b>ITEM NOTED</b>	<b>SUGGESTION</b>	<b>MANAGEMENT ACTION</b>
ML 2018-01	D	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 included only one signature identifying either a ticket seller or ticket taker/witness. The forms did not have both signatures.	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**

The following legend should be used in conjunction with reviewing the “Rating” of each of the identified internal control items:

<b>IP = Improvement Point</b>	<b>D = Control Deficiency</b>	<b>SD = Significant Deficiency</b>	<b>MW = Material Weakness</b>
-----------------------------------	-----------------------------------	--	-----------------------------------

<b>CONTROL NUMBER</b>	<b>RATING</b>	<b>AREA</b>	<b>ITEM NOTED</b>	<b>SUGGESTION</b>	<b>MANAGEMENT ACTION</b>
ML 2018-02	D	<p>Activity Event Ticket Seller’s Report</p> <p>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 Seller’s Report has a place for the ticket seller to sign acknowledging receipt.</p>	<p>During our audit, we noted several instances out of a sample of 20 where the Ticket Seller’s Report was not appropriately filled out. Three of the forms did not include separate signatures for both the ticket seller and ticket taker/witness. One form was not appropriately signed as being verified by the bookkeeper or designee. In addition, we noted a total of 5 instances out of the same sample of 20 where the receipt of tickets and initial change fund was not acknowledged by signature or initials.</p>	<p>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.</p>	<p>See management’s response at the end of the report.</p>

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

The following legend should be used in conjunction with reviewing the “Rating” of each of the identified internal control items:

<b>IP = Improvement Point</b>	<b>D = Control Deficiency</b>	<b>SD = Significant Deficiency</b>	<b>MW = Material Weakness</b>
-----------------------------------	-----------------------------------	--	-----------------------------------

<b>CONTROL NUMBER</b>	<b>RATING</b>	<b>AREA</b>	<b>ITEM NOTED</b>	<b>SUGGESTION</b>	<b>MANAGEMENT ACTION</b>
ML 2018-03	IP	<p>Check Requisition/ Transfer Form</p> <p>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 or 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.”</p>	<p>During our audit, we noted a total of 3 instances out of a sample of 40 where the Check Requisition/ Transfer Form was not properly signed. One item did not contain a sponsor signature and 2 items did not have a principal signature.</p>	<p>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.</p>	<p>See management’s response at the end of the report.</p>

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

The following legend should be used in conjunction with reviewing the “Rating” of each of the identified internal control items:

<b>IP = Improvement Point</b>	<b>D = Control Deficiency</b>	<b>SD = Significant Deficiency</b>	<b>MW = Material Weakness</b>
-----------------------------------	-----------------------------------	--	-----------------------------------

<b>CONTROL NUMBER</b>	<b>RATING</b>	<b>AREA</b>	<b>ITEM NOTED</b>	<b>SUGGESTION</b>	<b>MANAGEMENT ACTION</b>
ML 2018-04	IP	Receipt Documentation  The Okaloosa County School District Internal Account Manual, Section 1.009(2) provides guidance on the process for cash collections and deposits. Any money collected must be deposited intact and “all deposits must equal the total amount of money taken in and recorded on receipts for the period covered by the deposit.”	During our audit, we noted a total of 5 instances out of a sample of 40 where the deposit slip and journal total did not agree to the monies collected forms.	We recommend the school have a deposit slip and journal appropriately completed and reconciled for all monies collected. This will document compliance with Section 1.009(2) of the policy manual and indicate the receipts are correctly accounted for.	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)  
CRLcpa.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, 2018. 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, 2018.

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, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida  
September 19, 2018





## C.W. RUCKEL MIDDLE SCHOOL

---

PAUL WHIDDON

September 5, 2018

To Whom It May Concern:

C.W. Ruckel Middle School has always assigned two people at the gates when selling tickets. One is the ticket seller and the other is the ticket taker. We had emergencies on campus and teachers that signed up to work the booth had to be replaced with volunteers.

There is always a detailed training for those that sign up for that duty as well as a training for the people that volunteer to sale/take tickets. On those two dates the volunteers failed to sign.

Please see the attached form MIS 4004, we have changed the colors on the form so the important lines hopefully will pop out and catch the attention of those folks selling/taking tickets. We will continue to strive to do the very best that we can to make sure our workers follow procedures

Sincerely

A handwritten signature in black ink, appearing to read "Paul Whiddon", written over a horizontal line.

Paul MB Whiddon

Principal

Please fill out all highlighted areas.

SCHOOL DISTRICT OF OKALOOSA COUNTY, FLORIDA  
FINANCE DEPARTMENT

MIS 4004  
Rev. 01/17

ACTIVITY EVENT TICKET SELLER'S REPORT

C.W. RUCKEL MIDDLE SCHOOL

DATE

EVENT

TICKET STATION

Type of Ticket	Color and/or Description	Price Per Ticket [A]	First Number on Roll Before Sale [B]	Last Number on Roll Before Sale [C]	Tickets Rec'd By	First Number On Roll After Sale [D]	Quantity Sold * [E]	Value of Tickets Sold [A] x [E]	Bookkeeper Initials Indicating Verification
<b>Totals</b>									
Change Fund Amount: _____									
Rec'd By: _____									

Cash from Sales  
Difference (Over/Under)

I CERTIFY THAT THIS REPORT IS TRUE AND ACCURATE IN EVERY DETAIL.

Explanation of difference, if applicable:

How to Calculate Quantity Sold  
\* If tickets remain, [E] = [D] - [B].  
\* If all tickets are used, [E] = [C] - [B] + 1

TICKET SELLER \_\_\_\_\_ TICKET TAKER \_\_\_\_\_

FOR OFFICE USE ONLY:

DISPOSITION OF FORM:

1. Prepare form for each ticket seller, for all selling locations.
2. Original to be attached to Monies Collected Form (MIS 4002).
3. Copy to be given to activity or event sponsor.
4. Copy to be filed in Ticket Log.

Change Fund Returned \_\_\_\_\_ Amount \_\_\_\_\_ Receipt Number(s) \_\_\_\_\_ Date \_\_\_\_\_  
Ticket Sales Received \_\_\_\_\_  
Verified by: \_\_\_\_\_ Bookkeeper or Designee \_\_\_\_\_ Date \_\_\_\_\_



# NICEVILLE HIGH SCHOOL

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



August 31, 2018

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

In response to Niceville High School's 2017-2018 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 – Deposit slip and Journal total did not agree to the monies collected form.
- Response – We will make sure to notate change fund refund to the change fund on MCF.

Sincerely,

Charlie Marello  
Principal

