

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

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

June 30, 2019



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

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**Okaloosa County District School Board
School Internal Funds
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June 30, 2019**

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INDEPENDENT AUDITORS' REPORT

To the Okaloosa County District School Board
and Marcus Chambers, Superintendent of Schools
Fort Walton Beach, Florida

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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, 2019, 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, 2019, 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, 2019 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, 2019, 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 November 18, 2019, 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 solely 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 effectiveness of the Okaloosa County District School Board School Internal Funds 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
November 18, 2019

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

<i>June 30,</i>	2019
Assets	
Cash and cash equivalents	\$ 3,025,763
Investments	1,760,880
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Total assets	\$ 4,786,643
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Liabilities	
Accounts payable	\$ 40,323
Credit cards payable	51,413
Internal accounts payable	4,694,907
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Total liabilities	\$ 4,786,643
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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>	2019	Credit Risk	Maturities
Certificates of deposit	\$ 786,760	n/a	Various through February 2020
State Board of Administration Florida PRIME	974,120	S&P AAAM	28 days
Total investments	\$ 1,760,880		

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, 2019, 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
Okaloosa Applied Technical College and CHOICE High School
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, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 967	\$ 2,675	\$ (173)	\$ (3,124)	\$ 345
Classes	1,058	31,814	(34,884)	3,321	1,309
Clubs	1,273	2,682	-	-	3,955
Departments	37,271	103,464	(59,859)	(12,518)	68,358
Trust Funds	28,256	50,808	(68,405)	16,471	27,130
General	19,146	9,989	(7,074)	(4,150)	17,911
TOTALS	\$ 87,971	\$ 201,432	\$ (170,395)	\$ -	\$ 119,008

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

BLUEWATER ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 11,614	\$ 11,873	\$ (7,384)	\$ (2,199)	\$ 13,904
Classes	501	39,478	(36,554)	(1,906)	1,519
Departments	11,569	23,045	(16,413)	(8,916)	9,285
Trust Funds	61,727	155,343	(168,223)	13,424	62,271
General	22,517	27,039	(18,967)	(403)	30,186
TOTALS	\$ 107,928	\$ 256,778	\$ (247,541)	\$ -	\$ 117,165

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

BOB SIKES ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 2,066	\$ 1,025	\$ (1,764)	\$ (496)	\$ 831
Classes	14,607	52,887	(52,209)	(2,737)	12,548
Clubs	4,357	21,666	(13,401)	(23)	12,599
Departments	3,033	9,160	(6,850)	(1,347)	3,996
Trust Funds	78,983	78,395	(69,580)	4,792	92,590
General	8,003	16,408	(13,923)	(189)	10,299
TOTALS	\$ 111,049	\$ 179,541	\$ (157,727)	\$ -	\$ 132,863

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

DESTIN ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 1,594	\$ 1,072	\$ (710)	\$ (338)	\$ 1,618
Classes	16,623	64,552	(73,507)	17,690	25,358
Departments	35,153	33,076	(15,916)	6,666	58,979
Trust Funds	98,155	195,957	(142,800)	(17,025)	134,287
General	60,997	26,371	(19,252)	(6,993)	61,123
TOTALS	\$ 212,522	\$ 321,028	\$ (252,185)	\$ -	\$ 281,365

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

LULA J. EDGE ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 1,548	\$ 2,748	\$ (3,083)	\$ 72	\$ 1,285
Classes	28,998	19,088	(18,613)	(18,294)	11,179
Clubs	2,040	5,490	(726)	-	6,804
Departments	28,887	15,309	(28,908)	3,468	18,756
Trust Funds	18,091	52,016	(54,167)	9,420	25,360
General	27,163	8,536	(21,035)	5,334	19,998
TOTALS	\$ 106,727	\$ 103,187	\$ (126,532)	\$ -	\$ 83,382

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

ANNETTE P. EDWINS ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 11,631	\$ 17,411	\$ (12,036)	\$ (5,073)	\$ 11,933
Classes	188	6,150	(2,623)	(2,972)	743
Clubs	491	3,649	(2,602)	(563)	975
Departments	2,927	2,580	(2,387)	(454)	2,666
Trust Funds	10,713	15,946	(27,228)	12,417	11,848
General	23,360	16,083	(17,885)	(3,355)	18,203
TOTALS	\$ 49,310	\$ 61,819	\$ (64,761)	\$ -	\$ 46,368

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

EGLIN ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 328	\$ 872	\$ (771)	\$ (125)	\$ 304
Classes	7,673	29,804	(23,427)	(8,923)	5,127
Clubs	-	-	-	-	-
Departments	14,910	13,361	(10,742)	(1,893)	15,636
Trust Funds	17,010	32,229	(48,197)	11,052	12,094
General	13,505	12,932	(15,354)	(111)	10,972
TOTALS	\$ 53,426	\$ 89,198	\$ (98,491)	\$ -	\$ 44,133

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

ELLIOTT POINT ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 1,892	\$ 805	\$ (1,366)	\$ 382	\$ 1,713
Classes	5,351	21,476	(17,124)	(3,526)	6,177
Departments	14,317	40,618	(32,288)	(9,626)	13,021
Trust Funds	10,984	25,184	(46,428)	15,200	4,940
General	14,251	4,451	(6,411)	(2,430)	9,861
TOTALS	\$ 46,795	\$ 92,534	\$ (103,617)	\$ -	\$ 35,712

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

FLOROSA ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ -	\$ 1,276	\$ (1,313)	\$ 37	\$ -
Classes	1,870	11,622	(10,146)	(1,804)	1,542
Clubs	2,028	2,903	(2,925)	(97)	1,909
Departments	4,406	8,787	(8,071)	(1,160)	3,962
Trust Funds	4,761	37,226	(38,298)	(228)	3,461
General	8,845	11,466	(18,405)	3,252	5,158
TOTALS	\$ 21,910	\$ 73,280	\$ (79,158)	\$ -	\$ 16,032

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

KENWOOD ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 936	\$ 405	\$ -	\$ (1,195)	\$ 146
Classes	14,744	23,402	(24,631)	253	13,768
Clubs	3,116	2,440	(2,691)	90	2,955
Departments	24,061	22,034	(15,922)	(4,565)	25,608
Trust Funds	21,031	59,208	(56,461)	7,167	30,945
General	24,269	16,161	(9,645)	(1,750)	29,035
TOTALS	\$ 88,157	\$ 123,650	\$ (109,350)	\$ -	\$ 102,457

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

LONGWOOD ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 591	\$ 318	\$ -	\$ (356)	\$ 553
Classes	20,677	11,458	(11,048)	(3,781)	17,306
Departments	7,072	18,278	(17,470)	(3,336)	4,544
Trust Funds	7,328	39,439	(48,333)	8,431	6,865
General	5,805	4,659	(3,517)	(958)	5,989
TOTALS	\$ 41,473	\$ 74,152	\$ (80,368)	\$ -	\$ 35,257

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

MARY ESTHER ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Classes	\$ 1,117	\$ 12,137	\$ (7,423)	\$ (5,325)	\$ 506
Clubs	1,789	3,730	(3,963)	(436)	1,120
Departments	3,926	6,622	(5,138)	(1,740)	3,670
Trust Funds	23,877	63,671	(74,798)	8,880	21,630
General	2,871	6,663	(6,156)	(1,379)	1,999
TOTALS	\$ 33,580	\$ 92,823	\$ (97,478)	\$ -	\$ 28,925

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

NORTHWOOD ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ -	\$ -	\$ -	\$ -	\$ -
Classes	7,613	53,566	(52,323)	(3,063)	5,793
Departments	7,798	26,551	(21,129)	(6,803)	6,417
Trust Funds	26,434	48,008	(56,871)	3,416	20,987
General	12,772	2,544	(11,238)	6,450	10,528
TOTALS	\$ 54,617	\$ 130,669	\$ (141,561)	\$ -	\$ 43,725

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

JAMES E. PLEW ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 875	\$ 840	\$ (551)	\$ (488)	\$ 676
Classes	15,926	59,575	(52,509)	(7,347)	15,645
Clubs	3,727	7,529	(7,351)	-	3,905
Departments	15,980	22,027	(27,170)	4,646	15,483
Trust Funds	14,013	60,114	(59,444)	6,681	21,364
General	57,776	12,959	(5,713)	(3,492)	61,530
TOTALS	\$ 108,297	\$ 163,044	\$ (152,738)	\$ -	\$ 118,603

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

RIVERSIDE ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 170	\$ 785	\$ -	\$ -	\$ 955
Classes	2,392	25,025	(22,387)	(2,126)	2,904
Clubs	2,043	2,090	(1,446)	(918)	1,769
Departments	2,875	43,188	(37,564)	(770)	7,729
Trust Funds	10,988	45,767	(49,895)	5,904	12,764
General	20,406	7,137	(8,400)	(2,090)	17,053
TOTALS	\$ 38,874	\$ 123,992	\$ (119,692)	\$ -	\$ 43,174

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

SHALIMAR ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 34	\$ 403	\$ (343)	\$ (26)	\$ 68
Classes	1,721	19,201	(18,503)	(321)	2,098
Clubs	694	1,242	(1,633)	(71)	232
Departments	6,248	24,027	(16,217)	(8,559)	5,499
Trust Funds	42,121	62,811	(76,646)	21,535	49,821
General	26,801	14,147	(11,451)	(12,558)	16,939
TOTALS	\$ 77,619	\$ 121,831	\$ (124,793)	\$ -	\$ 74,657

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

WALKER ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 329	\$ 2,655	\$ (2,103)	\$ (612)	\$ 269
Classes	4,734	17,895	(22,783)	4,844	4,690
Clubs	3,521	7,275	(5,682)	(4,500)	614
Departments	4,462	25,425	(22,030)	(4,012)	3,845
Trust Funds	12,466	52,603	(45,876)	(3,351)	15,842
General	20,859	604	(9,729)	7,631	19,365
TOTALS	\$ 46,371	\$ 106,457	\$ (108,203)	\$ -	\$ 44,625

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

WRIGHT ELEMENTARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 422	\$ 172	\$ (76)	\$ (230)	\$ 288
Classes	6,504	29,300	(25,899)	(3,214)	6,691
Clubs	1,522	3,480	(2,944)	(194)	1,864
Departments	11,913	12,101	(10,260)	(2,733)	11,021
Trust Funds	26,448	29,854	(37,099)	8,630	27,833
General	7,767	3,160	(5,098)	(2,259)	3,570
TOTALS	\$ 54,576	\$ 78,067	\$ (81,376)	\$ -	\$ 51,267

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

MAX BRUNER, JR. MIDDLE SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 21,575	\$ 103,510	\$ (101,261)	\$ (11,666)	\$ 12,158
Music	24,393	54,747	(48,142)	(4,915)	26,083
Classes	1,013	104,405	(100,133)	(4,225)	1,060
Clubs	25,091	28,287	(25,830)	(10,462)	17,086
Departments	8,228	18,020	(13,086)	(6,028)	7,134
Trust Funds	3,650	17,264	(58,947)	39,515	1,482
General	3,631	12,373	(10,866)	(2,219)	2,919
TOTALS	\$ 87,581	\$ 338,606	\$ (358,265)	\$ -	\$ 67,922

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

DAVIDSON MIDDLE SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 46,794	\$ 157,606	\$ (151,055)	\$ (10,629)	\$ 42,716
Music	33,748	63,357	(52,458)	(3,076)	41,571
Classes	2,986	15,326	(15,967)	(88)	2,257
Clubs	14,372	50,723	(40,543)	(10,295)	14,257
Departments	10,554	26,033	(16,534)	(2,939)	17,114
Trust Funds	14,876	39,626	(71,115)	26,398	9,785
General	17,025	6,347	(8,702)	629	15,299
TOTALS	\$ 140,355	\$ 359,018	\$ (356,374)	\$ -	\$ 142,999

**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, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 85,884	\$ 256,844	\$ (234,180)	\$ (11,367)	\$ 97,181
Music	48,959	79,417	(86,139)	(1,967)	40,270
Classes	21,996	21,117	(18,716)	(3,725)	20,672
Clubs	14,406	28,267	(21,069)	(505)	21,099
Departments	5,340	21,660	(19,168)	(2,912)	4,920
Trust Funds	14,641	35,894	(60,597)	25,380	15,318
General	8,895	21,033	(14,814)	(4,904)	10,210
TOTALS	\$ 200,121	\$ 464,232	\$ (454,683)	\$ -	\$ 209,670

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

CLIFFORD MEIGS MIDDLE SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 35,194	\$ 105,912	\$ (91,476)	\$ (10,671)	\$ 38,959
Music	10,370	27,553	(30,014)	(2,945)	4,964
Classes	3,565	6,643	(6,669)	(47)	3,492
Clubs	10,894	11,049	(8,148)	(4,409)	9,386
Departments	3,020	8,846	(6,803)	(3,504)	1,559
Trust Funds	2,717	12,334	(34,623)	22,536	2,964
General	5,438	6,332	(9,723)	(960)	1,087
TOTALS	\$ 71,198	\$ 178,669	\$ (187,456)	\$ -	\$ 62,411

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

W. C. PRYOR MIDDLE SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 50,162	\$ 125,145	\$ (108,537)	\$ (23,107)	\$ 43,663
Music	2,608	20,081	(18,742)	(3,240)	707
Classes	3,333	77,421	(72,636)	(3,665)	4,453
Clubs	14,888	9,541	(11,737)	(5,962)	6,730
Departments	5,012	8,495	(6,841)	(2,466)	4,200
Trust Funds	6,536	56,073	(82,433)	30,097	10,273
General	2,684	2,158	(8,886)	8,343	4,299
TOTALS	\$ 85,223	\$ 298,914	\$ (309,812)	\$ -	\$ 74,325

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

C. W. RUCKEL MIDDLE SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 118,329	\$ 250,659	\$ (216,944)	\$ (4,322)	\$ 147,722
Music	67,028	187,103	(190,955)	(10,396)	52,780
Classes	17,802	18,791	(18,858)	(2,993)	14,742
Clubs	26,677	10,592	(6,872)	(849)	29,548
Departments	16,182	103,658	(78,122)	(2,666)	39,052
Trust Funds	47,130	53,910	(74,700)	15,996	42,336
General	13,396	10,733	(17,763)	5,230	11,596
TOTALS	\$ 306,544	\$ 635,446	\$ (604,214)	\$ -	\$ 337,776

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

SHOAL RIVER MIDDLE SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 35,272	\$ 84,691	\$ (75,589)	\$ (6,652)	\$ 37,722
Music	8,679	71,485	(65,267)	(2,738)	12,159
Classes	1,570	55,483	(51,367)	(382)	5,304
Clubs	2,376	11,709	(10,432)	(1,037)	2,616
Departments	5,574	13,073	(8,759)	(1,380)	8,508
Trust Funds	4,071	59,781	(76,023)	13,976	1,805
General	2,315	10,700	(9,548)	(1,787)	1,680
TOTALS	\$ 59,857	\$ 306,922	\$ (296,985)	\$ -	\$ 69,794

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

CHOCTAWHATCHEE SENIOR HIGH SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 16,306	\$ 539,720	\$ (460,193)	\$ (63,778)	\$ 32,055
Music	18,761	278,207	(270,144)	(26,606)	218
Classes	3,325	15,548	(9,854)	(5,496)	3,523
Clubs	17,976	95,679	(87,526)	(7,774)	18,355
Departments	9,651	33,187	(27,275)	(7,852)	7,711
Trust Funds	13,151	111,732	(230,890)	115,064	9,057
General	5,638	24,132	(22,388)	(3,558)	3,824
TOTALS	\$ 84,808	\$ 1,098,205	\$ (1,108,270)	\$ -	\$ 74,743

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

CRESTVIEW SENIOR HIGH SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 118,341	\$ 538,413	\$ (528,171)	\$ (35,001)	\$ 93,582
Music	3,971	255,781	(226,032)	(14,917)	18,803
Classes	8,511	66,483	(63,917)	(3,512)	7,565
Clubs	73,047	147,265	(131,868)	(11,195)	77,249
Departments	27,394	36,254	(24,909)	(8,116)	30,623
Trust Funds	46,177	74,094	(150,127)	75,562	45,706
General	19,846	15,662	(14,600)	(2,821)	18,087
TOTALS	\$ 297,287	\$ 1,133,952	\$ (1,139,624)	\$ -	\$ 291,615

**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, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 137,343	\$ 788,163	\$ (630,641)	\$ (102,305)	\$ 192,560
Music	28,463	259,209	(222,086)	(39,250)	26,336
Classes	3,322	13,644	(12,503)	(934)	3,529
Clubs	41,522	233,487	(198,414)	(19,524)	57,071
Departments	27,290	71,251	(44,844)	(23,258)	30,439
Trust Funds	30,456	61,531	(227,353)	183,656	48,290
General	23,391	21,251	(35,314)	1,615	10,943
TOTALS	\$ 291,787	\$ 1,448,536	\$ (1,371,155)	\$ -	\$ 369,168

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

NICEVILLE SENIOR HIGH SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 331,906	\$ 1,024,310	\$ (762,739)	\$ (218,705)	\$ 374,772
Music	156,531	539,480	(510,590)	(63,484)	121,937
Classes	4,104	7,358	(6,235)	(1,332)	3,895
Clubs	80,355	171,509	(94,713)	(66,504)	90,647
Departments	83,116	128,163	(91,669)	(34,716)	84,894
Trust Funds	159,662	141,586	(492,097)	389,091	198,242
General	24,234	22,616	(30,538)	(4,350)	11,962
TOTALS	\$ 839,908	\$ 2,035,022	\$ (1,988,581)	\$ -	\$ 886,349

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

BAKER SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 61,431	\$ 336,230	\$ (267,488)	\$ (71,124)	\$ 59,049
Music	10,505	109,183	(67,952)	(15,996)	35,740
Classes	32,143	82,841	(67,825)	(17,637)	29,522
Clubs	16,147	67,969	(28,026)	(20,992)	35,098
Departments	21,692	45,001	(22,953)	(17,930)	25,810
Trust Funds	51,539	55,555	(232,713)	154,777	29,158
General	19,083	15,516	(6,658)	(11,098)	16,843
TOTALS	\$ 212,540	\$ 712,295	\$ (693,615)	\$ -	\$ 231,220

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

OKALOOSA APPLIED TECHNICAL COLLEGE and CHOICE HIGH SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Health					
Occupations	\$ 106,932	\$ 110,861	\$ (164,926)	\$ (17,425)	\$ 35,442
Industrial					
Education	153,413	308,014	(274,944)	(70,856)	115,627
Business/					
Office	5,756	15,991	(12,734)	(6,726)	2,287
Culinary Arts	313	19,253	(11,086)	(2,190)	6,290
Misc. Classes	8,224	7,957	(103,905)	100,348	12,624
Trust Funds	19,844	572,658	(577,294)	6,686	21,894
General	12,701	33,289	(26,101)	(9,837)	10,052
TOTALS	\$ 307,183	\$ 1,068,023	\$ (1,170,990)	\$ -	\$ 204,216

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

LAUREL HILL SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 29,698	\$ 138,798	\$ (130,777)	\$ (15,767)	\$ 21,952
Music	1,189	1,850	(1,108)	(1,053)	878
Classes	7,035	60,672	(42,486)	(14,550)	10,671
Clubs	9,062	19,308	(18,851)	(3,472)	6,047
Departments	11,567	8,271	(9,305)	(5,838)	4,695
Trust Funds	10,451	10,104	(55,111)	42,969	8,413
General	3,764	6,611	(5,127)	(2,289)	2,959
TOTALS	\$ 72,766	\$ 245,614	\$ (262,765)	\$ -	\$ 55,615

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

ADDIE R. LEWIS SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 43,424	\$ 45,486	\$ (36,383)	\$ (8,534)	\$ 43,993
Music	3,052	18,427	(19,559)	(918)	1,002
Classes	2,407	73,539	(69,604)	(3,950)	2,392
Clubs	6,383	13,931	(9,131)	(2,023)	9,160
Departments	13,438	17,957	(16,337)	(2,306)	12,752
Trust Funds	22,573	21,939	(45,410)	18,807	17,909
General	19,292	10,374	(10,348)	(1,076)	18,242
TOTALS	\$ 110,569	\$ 201,653	\$ (206,772)	\$ -	\$ 105,450

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

LANCE C. RICHBURG SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Classes	\$ 2,820	\$ 3,666	\$ (3,546)	\$ (606)	\$ 2,334
Departments	3,178	7,348	(3,152)	(1,909)	5,465
Trust Funds	5,034	4,456	(7,498)	7,251	9,243
General	2,856	7,349	(2,829)	(4,736)	2,640
TOTALS	\$ 13,888	\$ 22,819	\$ (17,025)	\$ -	\$ 19,682

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

OKALOOSA STEMM ACADEMY

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Classes	\$ 3,443	\$ 13,084	\$ (2,934)	\$ (8,343)	\$ 5,250
Clubs	1,388	4,140	(4,046)	-	1,482
Departments	34	9,978	(657)	(9,195)	160
Trust Funds	25,317	53,926	(79,015)	27,165	27,393
Field Trips	8,683	-	-	(8,683)	-
General	2,387	1,143	(1,266)	(944)	1,320
TOTALS	\$ 41,252	\$ 82,271	\$ (87,918)	\$ -	\$ 35,605

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

SILVER SANDS SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Athletics	\$ 1,108	\$ 2,180	\$ (532)	\$ (1,434)	\$ 1,322
Music	382	-	-	(132)	250
Classes	13,779	4,102	(4,308)	(1,632)	11,941
Clubs	149	847	(320)	(108)	568
Departments	485	20	(240)	172	437
Trust Funds	151,624	32,529	(91,416)	460	93,197
General	188	8,847	(8,511)	2,674	3,198
TOTALS	\$ 167,715	\$ 48,525	\$ (105,327)	\$ -	\$ 110,913

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

SOUTHSIDE PRIMARY SCHOOL

	Cash and Investments July 1, 2018	Receipts	Disbursements	Net Transfers	Cash and Investments June 30, 2019
Music	\$ 974	\$ -	\$ -	\$ (974)	\$ -
Classes	4,879	16,598	(10,891)	(3,724)	6,862
Departments	1,660	12,235	(8,546)	(3,410)	1,939
Trust Funds	4,343	31,590	(46,413)	14,451	3,971
General	9,181	5,537	(2,695)	(6,343)	5,680
TOTALS	\$ 21,037	\$ 65,960	\$ (68,545)	\$ -	\$ 18,452



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**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 Marcus Chambers, 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, 2019, and the related notes to the financial statement, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 18, 2019.

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 2019-01 through MLC 2019-07.

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
November 18, 2019



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MANAGEMENT LETTER

To the Okaloosa County District School Board
and Marcus Chambers, 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, 2019, and have issued our report thereon dated November 18, 2019.

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 November 18, 2019, 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 2019-01 through MLC 2019-07 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
November 18, 2019

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

Management Letter Comment – Annette P. Edwins Elementary School

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

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2019-01	D	<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 that 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 2 instances out of a sample of 10 where the Check Requisition / Transfer Form was approved after the Purchasing Card statement was paid.</p>	<p>We recommend the school have a Check Requisition/Transfer Form appropriately signed and approved 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 – Clifford Meigs Middle School**

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

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2019-02	D	Disbursement Documentation The Okaloosa County School District Internal Account Manual, Section 1.026(3) and 1.026(5) provides guidance on the process for disbursements. Any expenditure that a teacher or sponsor wishes to make must include the required backup documentation. The section states that it requires the “invoices will be marked “PAID” immediately upon making remittance” and “disbursements must be made from original invoice only.”	During our audit, we noted a total of 2 instances out of a sample of 15 where no backup documentation was found to substantiate Purchasing Card transactions.	We recommend the school ensure each Purchasing Card charge is accompanied by appropriate supporting documentation such as receipts, invoices or website order confirmations. This will document compliance with Section 1.026(3) and 1.026(5) of the policy manual and indicate the expenditures have proper backup documentation.	See management’s response at the end of the report.

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

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

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2019-03	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. 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.	During our audit, we noted a total of 5 instances out of the same sample of 10 where the Ticket Seller’s forms did not include separate signatures for both the ticket seller and 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. 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 – Choctawhatchee High School**

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

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2019-04	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 a total of 3 instances out of the same sample of 20 where the Ticket Seller’s forms did not include separate signatures for both the ticket seller and ticket taker/witness.</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 – Fort Walton Beach High School**

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

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2019-05	IP	Disbursement Documentation The Okaloosa County School District Internal Account Manual, Section 1.026(3) provides guidance on the process for disbursements. Any expenditure that a teacher or sponsor wishes to make must include the required backup documentation. The section states that it requires the “invoices will be marked “PAID” immediately upon making remittance.”	During our audit, we noted a total of 3 instances out of a sample of 25 where the invoices were not stamped “PAID”.	We recommend the school ensure all expenditures include the corresponding invoice stamped “PAID” with the Check Requisition/Transfer Form. This will document compliance with Section 1.026(3) of the policy manual and indicate the expenditures have proper backup documentation.	See management’s response at the end of the report.

**Okaloosa County District School Board
School Internal Funds
Management Letter Comment – Fort Walton Beach High School**

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

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2019-06	D	<p>Receipt Documentation</p> <p>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 in the bank at a minimum any time more than \$500 is received.” In addition, the Red Book Chapter 8, Section III(1.4)(b) states “collections made outside of the school office must be turned in to the school office no later than the next business day.”</p>	<p>During our audit, we noted a total of 3 instances out of a sample of 25 where the teacher/sponsor date was more than one day prior to the bookkeeper date on the monies collected forms. In each case amounts exceeded the \$500 threshold.</p>	<p>We recommend the school sponsor turn in all monies collected the same day of the sponsored event or the next business day if the event ends after school hours. Additionally, we recommend the monies collected are deposited as soon as the total monies received reaches \$500, and if the bookkeeper is not able to make it to the bank for a deposit the drop safe is used and “DROP SAFE” is marked on the monies collected form. This will document compliance with Section 1.009(2) of the policy manual and Section III(1.4)(b) of the Red book and will indicate the receipts are correctly accounted for.</p>	<p>See management’s response at the end of the report.</p>

**Okaloosa County District School Board
School Internal Funds
Management Letter Comment – Lance C. Richbourg School**

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

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2019-07	D	Disbursement Documentation The Okaloosa County School District Internal Account Manual, Section 1.026(3) and 1.026(5) provides guidance on the process for disbursements. Any expenditure that a teacher or sponsor wishes to make must include the required backup documentation. The section states that it requires the “invoices will be marked “PAID” immediately upon making remittance” and “disbursements must be made from original invoice only.”	During our audit, we noted a total of 2 instances out of a sample of 15 where no backup documentation was found to substantiate Purchasing Card transactions.	We recommend the school ensure each Purchasing Card charge is accompanied by appropriate supporting documentation such as receipts, invoices or website order confirmations. This will document compliance with Section 1.026(3) and 1.026(5) of the policy manual and indicate the expenditures have proper backup documentation.	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 Marcus Chambers, 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, 2019. 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, 2019.

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.

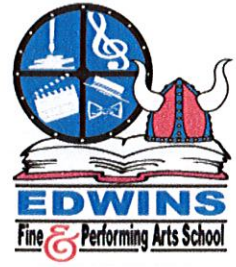
CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
November 18, 2019



*Annette P. Edwins Elementary
Fine and Performing Arts School*

*7 Wright Parkway, SW
Fort Walton Beach, Florida 32548-5277
(850)-833-3333 FAX: 833-3480*



Gwen Morris, Principal

October 15, 2019

RE: Internal Audit Findings Detail

To Whom It May Concern:

All internal Visa expenditures will have an appropriately signed Check Requisition/Transfer form that is dated and approved prior to the Regions statement being paid. This will document compliance with Section 1.142 (1) of the policy manual and indicate the expenditures have proper teacher/sponsor and principal authorization.

Sincerely,

Gwen Morris

Gwen Morris

"Continuing a Tradition of Excellence"

Tracey Lamb
Principal
Robert McElroy
Assistant Principal

MEIGS MIDDLE SCHOOL
Celebrating Community

Sarah Smith
Assistant Principal
Jennifer Barrow
School Counselor

October 18, 2019

To Whom It May Concern:

In November 2018, Meigs former School Bookkeeper retired and Ms. Dewees entered the position. During the transition and training period, Ms. Dewees was delayed in gaining access to our Regions account. Unfortunately, as a result, some documentation was misplaced. Ms. Dewees now has a defined system for collecting and filing documentation for all transactions. I do not anticipate this being a problem in future audits.

Sincerely,



Tracey Lamb
Principal

HOME OF THE WILDCATS

150 Richbourg Avenue ♦ Shalimar, FL 32579 ♦ 850-833-4301 ♦ 850-833-9392 (fax)

W. C. Pryor Middle School

Brooke Barron, Principal



October 21, 2019

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.

During our audit, we noted a total of 5 instances out of the same sample of 10 where the Ticket Seller's forms did not include separate signatures for both the ticket seller and 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. 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.

W.C. Pryor Middle School's Response:

We will now make sure that we have two people assigned to each event that will sign the ticket taker report.

A handwritten signature in blue ink that reads "Brooke Barron".

Brooke Barron
Principal

Choctawhatchee Senior High School

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

MICHELLE K. HECK, PRINCIPAL
(850) 833-3614 FAX (850) 833-3410

October 15, 2019

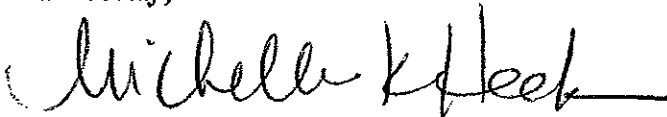
**Carr, Riggs & Ingram, LLC
189 Eglin Parkway
Fort Walton Beach, FL 32548**

This is a response to the findings on July 25, 2019.

We have a yearly workshop with the Coaches and explain the procedure for depositing and completing the paperwork for games. The findings were for the same sport Volleyball and the Volunteers did not read the Instructions attached to the ticket report. We have called in the Coach and explained again the procedures and the finding has been corrected.

If you have any further questions, please advise.

Sincerely,



**Michelle K. Heck
Principal
Choctaw High School**



JOHN SPOLSKI, Principal
Office Phone: (850) 833-3300
Fax: (850) 833-3332

Fort Walton Beach High School

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

To: Nicole Nabors CRI

From: J. Spolski

A handwritten signature in blue ink, appearing to be 'J. Spolski', written over a horizontal line.

cc: S. Oldenburg

A handwritten signature in blue ink, appearing to be 'Sandra Oldenburg', written over a horizontal line.

Date: 10-21-19

Re: Response to 2018-2019 Audit Finding

Upon conclusion of the FWBHS internal audit we received a report stating that our institution had two findings. This memo is evidence that we are aware of the findings and have made adjustments to ensure these do not occur in the future.

1. Invoices will be marked "PAID" by the bookkeeper or the backup bookkeeper once the signatures are acquired and the check is ready to be processed.
2. The audit revealed that dates on monies collected forms were not reconciling with the bookkeeper dates on the same forms. This process was reviewed and training was scheduled to ensure all future forms are in compliance. During 2019 preplanning, staff members received professional development regarding the monies collected process.

The collection and handling of funds and monies is important and it is our expectation that these findings will be rectified.

Richbourg School Fast Track North

500 Alabama Avenue
Crestview, FL 32536
850.689.5089

Principal
Amy Anderson

Assistant Principal
Vaneesa Harrington



12 December 2019

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

In response to Richbourg School's 2018-2019 year audit:

Finding – Disbursement Documentation

Response – A new bookkeeper is in place this year, and is aware of the necessity for insisting on receipts for credit card charges. Any staff who use a credit card go through a procedural review which includes the importance of keeping and turning in receipts.

Respectfully,

A handwritten signature in black ink, appearing to read 'Amy Williams Anderson'. The signature is fluid and cursive, with a prominent initial 'A'.

Amy Williams Anderson
Principal