



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

## **FINANCIAL STATEMENTS**

**June 30, 2022**





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## **INDEPENDENT AUDITORS' REPORT**

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

### **Opinions**

We have audited the accompanying financial statements of the School Internal Funds, Okaloosa County District School Board ("District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School Internal Funds, Okaloosa County District School Board as of June 30, 2022, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Emphasis of Matter – School Internal Funds**

As discussed in Note 1, the financial statements present only the School Internal Funds, Okaloosa County District School Board and do not purport to, and do not, present fairly the District's financial position as of June 30, 2022, the changes in its financial position, or, where applicable, its 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.

### **Emphasis of Matter – Additional Accounting Guidance**

As discussed in Note 1 to the financial statements, the Okaloosa County District School Board previously implemented Government Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. During the current year, additional non-authoritative guidance became available, and the District modified its presentation of the School Internal Funds. As a result, the School Internal Funds are now presented as a special revenue fund. The change in presentation did not affect beginning fund balance or net position. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Other Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements of the School Internal Funds, Okaloosa County District School Board. The accompanying supplemental schedules of cash receipts and disbursements by school for the year ended June 30, 2022, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, 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 statements as a whole.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022, on our consideration of the School Internal Funds, Okaloosa County District School Board's 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 School Internal Funds, Okaloosa County District School Board's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive script.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida  
December 15, 2022

**Okaloosa County District School Board  
School Internal Funds  
Special Revenue Fund – Balance Sheet**

<i>June 30,</i>	<b>2022</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 5,343,224
Investments	538,893
<hr/>	
Total assets	\$ 5,882,117
<hr/>	
<b>Liabilities</b>	
Accounts payable	\$ 32,994
Credit cards payable	98,170
<hr/>	
Total liabilities	131,164
<hr/>	
<b>Fund Balance</b>	
Restricted for special revenue	5,750,953
<hr/>	
Total liabilities and fund balance	\$ 5,882,117
<hr/>	

*The accompanying notes are an integral part of these financial statements.*

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

**Special Revenue Fund – Statement of Revenue, Expenditures and Changes in Fund Balance**

<i>For the year ended June 30,</i>	<b>2022</b>
<b>Revenue</b>	
Athletics	\$ 4,751,040
Music	1,403,997
Classes	1,470,289
Clubs	609,437
Departments	842,196
Trusts	2,436,890
General	641,037
Total revenue	12,154,886
<b>Expenditures</b>	
Athletics	3,428,390
Music	1,134,151
Classes	1,433,947
Clubs	411,739
Departments	574,697
Trusts	4,108,138
General	475,853
Total expenditures	11,566,915
<b>Net change in fund balance</b>	587,971
<b>Fund balance, beginning of year</b>	5,162,982
<b>Fund balance, end of year</b>	\$ 5,750,953

*The accompanying notes are an integral part of these financial statements.*

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

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***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.

***Fund Financial Statements***

These financial statements present 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***

The financial statement of the School internal funds have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units.

In accordance with GAAP and non-authoritative guidance provided by the Florida Department of Education, the District accounts for its student activity accounts as a special revenue 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, revenue 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.

***Cash and Cash Equivalents***

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

***Investments***

Investments for the District are reported at fair value (generally based on quoted market prices) except for the position in the State Treasurer's Investment Pool (Pool). The State Treasurer's Investment Pool meets all of the specified criteria in Section 150: Investments to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the District's position in the pool is equal to the value of the pooled shares.

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

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 15, 2022, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in the financial statements.

**NOTE 2: DETAILED NOTES ON ALL FUNDS**

***Deposits and Investments***

As of June 30, 2022, a portion of the District's bank balances is covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the District pursuant to Section 280.08, Florida Statutes.

The investment program is established in accordance with the District's investment policy and Section 218.45, Florida Statutes, which allows the District to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

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. For financial statement reporting purposes, the investment in Florida PRIME is shown as a cash equivalent.

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

**NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)**

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.

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

<i>June 30,</i>	<b>2022</b>	<b>Credit Risk</b>	<b>Maturities</b>
Certificates of deposit	<b>\$ 538,893</b>	n/a	Various through February 2024
<b>Total investments</b>	<b>\$ 538,893</b>		

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.

*Interest rate risk* – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. 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.

*Credit risk* – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The District's investment policy does not specifically address credit risk.

*Concentration risk* – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The District's investment policy does not address concentration risk.

## **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 Technical College  
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 Revenue and Expenditures**

**ANTIOCH ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 614	\$ 2,622	\$ (207)	\$ (2,390)	\$ 639
<b>Classes</b>	26,928	30,513	(30,590)	(25,740)	1,111
<b>Clubs</b>	5,000	5,985	(6,049)	-	4,936
<b>Departments</b>	66,053	102,273	(57,914)	(7,230)	103,182
<b>Trust Funds</b>	22,283	64,382	(96,108)	39,457	30,014
<b>General</b>	8,915	7,123	(5,172)	(4,097)	6,769
<b>TOTALS</b>	<u>\$ 129,793</u>	<u>\$ 212,898</u>	<u>\$ (196,040)</u>	<u>\$ -</u>	<u>\$ 146,651</u>

**BLUEWATER ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 13,011	\$ 2,237	\$ (7,310)	\$ 390	\$ 8,328
<b>Classes</b>	3,195	21,414	(21,757)	(1,148)	1,704
<b>Departments</b>	10,080	17,931	(16,270)	(1,600)	10,141
<b>Trust Funds</b>	80,897	216,179	(184,197)	11,888	124,767
<b>General</b>	32,271	26,987	(23,973)	(9,530)	25,755
<b>TOTALS</b>	<u>\$ 139,454</u>	<u>\$ 284,748</u>	<u>\$ (253,507)</u>	<u>\$ -</u>	<u>\$ 170,695</u>

**Okaloosa County District School Board**  
**School Internal Funds**  
**Schedule of Revenue and Expenditures**

**BOB SIKES ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 32	\$ -	\$ (17)	\$ -	\$ 15
<b>Classes</b>	16,035	39,129	(36,532)	(1,259)	17,373
<b>Clubs</b>	9,355	983	(1,031)	-	9,307
<b>Departments</b>	13,459	7,956	(7,193)	(774)	13,448
<b>Trust Funds</b>	106,580	54,875	(44,811)	5,869	122,513
<b>General</b>	17,407	18,263	(15,719)	(3,836)	16,115
<b>TOTALS</b>	\$ 162,868	\$ 121,206	\$ (105,303)	\$ -	\$ 178,771

**DESTIN ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 3,370	\$ 1,553	\$ (216)	\$ (122)	\$ 4,585
<b>Classes</b>	27,106	67,454	(184,364)	121,785	31,981
<b>Departments</b>	63,930	15,461	(27,628)	(13,611)	38,152
<b>Trust Funds</b>	189,198	182,054	(108,687)	(84,374)	178,191
<b>General</b>	64,926	14,551	(22,884)	(23,678)	32,915
<b>TOTALS</b>	\$ 348,530	\$ 281,073	\$ (343,779)	\$ -	\$ 285,824

**Okaloosa County District School Board**  
**School Internal Funds**  
**Schedule of Revenue and Expenditures**

**LULA J. EDGE ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 1,276	\$ 3,112	\$ (1,583)	\$ (1,256)	\$ 1,549
<b>Classes</b>	8,268	26,120	(18,445)	(10,848)	5,095
<b>Clubs</b>	4,909	9,837	(12,076)	690	3,360
<b>Departments</b>	13,090	16,248	(11,485)	(3,507)	14,346
<b>Trust Funds</b>	22,159	34,810	(42,606)	11,389	25,752
<b>General</b>	12,643	4,324	(2,644)	3,532	17,855
<b>TOTALS</b>	<b>\$ 62,345</b>	<b>\$ 94,451</b>	<b>\$ (88,839)</b>	<b>\$ -</b>	<b>\$ 67,957</b>

**ANNETTE P. EDWINS ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 7,936	\$ 1,885	\$ (2,902)	\$ (294)	\$ 6,625
<b>Classes</b>	547	-	-	(235)	312
<b>Clubs</b>	2,288	2,285	(1,874)	(1,135)	1,564
<b>Departments</b>	3,960	3,004	(1,544)	(1,614)	3,806
<b>Trust Funds</b>	10,782	15,909	(29,635)	14,544	11,600
<b>General</b>	21,794	26,197	(7,182)	(11,266)	29,543
<b>TOTALS</b>	<b>\$ 47,307</b>	<b>\$ 49,280</b>	<b>\$ (43,137)</b>	<b>\$ -</b>	<b>\$ 53,450</b>

**Okaloosa County District School Board**  
**School Internal Funds**  
**Schedule of Revenue and Expenditures**

**EGLIN ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 695	\$ -	\$ -	\$ (173)	\$ 522
<b>Classes</b>	9,230	20,211	(16,018)	(7,307)	6,116
<b>Departments</b>	14,745	16,215	(12,312)	(1,236)	17,412
<b>Trust Funds</b>	13,255	19,805	(35,882)	12,757	9,935
<b>General</b>	9,512	16,494	(6,953)	(4,041)	15,012
<b>TOTALS</b>	<u>\$ 47,437</u>	<u>\$ 72,725</u>	<u>\$ (71,165)</u>	<u>\$ -</u>	<u>\$ 48,997</u>

**ELLIOTT POINT ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 2,803	\$ 368	\$ (368)	\$ (46)	\$ 2,757
<b>Classes</b>	5,789	11,710	(8,809)	(1,512)	7,178
<b>Departments</b>	15,952	34,524	(19,912)	(16,443)	14,121
<b>Trust Funds</b>	7,420	23,098	(40,595)	16,416	6,339
<b>General</b>	6,648	4,811	(2,668)	1,585	10,376
<b>TOTALS</b>	<u>\$ 38,612</u>	<u>\$ 74,511</u>	<u>\$ (72,352)</u>	<u>\$ -</u>	<u>\$ 40,771</u>

**Okaloosa County District School Board**  
**School Internal Funds**  
**Schedule of Revenue and Expenditures**

**FLOROSA ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 517	\$ 819	\$ (983)	\$ -	\$ 353
<b>Classes</b>	932	3,841	(3,998)	(81)	694
<b>Clubs</b>	912	404	(641)	(111)	564
<b>Departments</b>	1,606	13,630	(11,413)	(980)	2,843
<b>Trust Funds</b>	3,892	36,071	(28,385)	(7,041)	4,537
<b>General</b>	25,162	11,750	(25,167)	8,213	19,958
<b>TOTALS</b>	<b>\$ 33,021</b>	<b>\$ 66,515</b>	<b>\$ (70,587)</b>	<b>\$ -</b>	<b>\$ 28,949</b>

**KENWOOD ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 146	\$ -	\$ -	\$ -	\$ 146
<b>Classes</b>	14,139	21,483	(20,768)	(5,089)	9,765
<b>Clubs</b>	3,158	2,905	(556)	(452)	5,055
<b>Departments</b>	23,685	27,208	(21,259)	(5,132)	24,502
<b>Trust Funds</b>	35,188	47,375	(64,422)	17,227	35,368
<b>General</b>	33,210	13,817	(13,243)	(6,554)	27,230
<b>TOTALS</b>	<b>\$ 109,526</b>	<b>\$ 112,788</b>	<b>\$ (120,248)</b>	<b>\$ -</b>	<b>\$ 102,066</b>

**Okaloosa County District School Board**  
**School Internal Funds**  
**Schedule of Revenue and Expenditures**

**LONGWOOD ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 1,093	\$ 535	\$ -	\$ (451)	\$ 1,177
<b>Classes</b>	10,265	4,216	(2,826)	(1,806)	9,849
<b>Departments</b>	2,856	15,267	(12,137)	(1,692)	4,294
<b>Trust Funds</b>	9,816	27,817	(31,746)	8,004	13,891
<b>General</b>	8,063	5,447	(1,341)	(4,055)	8,114
<b>TOTALS</b>	<u>\$ 32,093</u>	<u>\$ 53,282</u>	<u>\$ (48,050)</u>	<u>\$ -</u>	<u>\$ 37,325</u>

**MARY ESTHER ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Classes</b>	\$ 745	\$ 5,316	\$ (1,172)	\$ (4,234)	\$ 655
<b>Clubs</b>	1,099	403	(100)	(290)	1,112
<b>Departments</b>	3,503	9,143	(4,643)	(4,871)	3,132
<b>Trust Funds</b>	11,273	34,962	(43,878)	9,818	12,175
<b>General</b>	1,292	8,706	(4,592)	(371)	5,035
<b>TOTALS</b>	<u>\$ 17,964</u>	<u>\$ 58,530</u>	<u>\$ (54,385)</u>	<u>\$ -</u>	<u>\$ 22,109</u>

**Okaloosa County District School Board**  
**School Internal Funds**  
**Schedule of Revenue and Expenditures**

**NORTHWOOD ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Classes</b>	\$ 6,174	\$ 11,809	\$ (9,875)	\$ (1,378)	\$ 6,730
<b>Departments</b>	12,258	38,319	(26,519)	(5,304)	18,754
<b>Trust Funds</b>	12,681	26,053	(44,614)	18,948	13,068
<b>General</b>	26,746	8,524	(11,442)	(12,266)	11,562
<b>TOTALS</b>	\$ 57,859	\$ 84,705	\$ (92,450)	\$ -	\$ 50,114

**JAMES E. PLEW ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 102	\$ 2,158	\$ (844)	\$ (1,100)	\$ 316
<b>Classes</b>	13,531	39,796	(26,395)	(20,814)	6,118
<b>Departments</b>	19,944	20,246	(24,259)	(5,856)	10,075
<b>Trust Funds</b>	10,385	35,638	(64,542)	32,354	13,835
<b>General</b>	90,089	10,818	(4,155)	(4,584)	92,168
<b>TOTALS</b>	\$ 134,051	\$ 108,656	\$ (120,195)	\$ -	\$ 122,512

**Okaloosa County District School Board**  
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**RIVERSIDE ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 605	\$ 1,077	\$ -	\$ (550)	\$ 1,132
<b>Classes</b>	2,175	21,463	(15,999)	6	7,645
<b>Clubs</b>	2,197	1,946	(1,591)	-	2,552
<b>Departments</b>	7,459	34,107	(27,439)	(2,245)	11,882
<b>Trust Funds</b>	14,787	37,949	(41,843)	5,409	16,302
<b>General</b>	12,047	8,166	(4,582)	(2,620)	13,011
<b>TOTALS</b>	<b>\$ 39,270</b>	<b>\$ 104,708</b>	<b>\$ (91,454)</b>	<b>\$ -</b>	<b>\$ 52,524</b>

**SHALIMAR ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 354	\$ 457	\$ (175)	\$ (634)	\$ 2
<b>Classes</b>	1,166	13,796	(14,795)	1,782	1,949
<b>Clubs</b>	606	1,107	(781)	-	932
<b>Departments</b>	1,809	17,705	(12,757)	(1,760)	4,997
<b>Trust Funds</b>	63,608	53,267	(62,437)	20,878	75,316
<b>General</b>	17,209	19,363	(11,515)	(20,266)	4,791
<b>TOTALS</b>	<b>\$ 84,752</b>	<b>\$ 105,695</b>	<b>\$ (102,460)</b>	<b>\$ -</b>	<b>\$ 87,987</b>



**Okaloosa County District School Board**  
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**WALKER ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 2,775	\$ 4,574	\$ (916)	\$ (3,455)	\$ 2,978
<b>Classes</b>	10,766	5,195	(14,624)	6,414	7,751
<b>Clubs</b>	-	9,721	(7,129)	(2,592)	-
<b>Departments</b>	4,892	16,759	(14,832)	(1,954)	4,865
<b>Trust Funds</b>	22,259	63,928	(62,843)	(1,241)	22,103
<b>General</b>	6,609	7,191	(6,820)	2,828	9,808
<b>TOTALS</b>	<b>\$ 47,301</b>	<b>\$ 107,368</b>	<b>\$ (107,164)</b>	<b>\$ -</b>	<b>\$ 47,505</b>

**WRIGHT ELEMENTARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Music</b>	\$ 253	\$ 512	\$ -	\$ (94)	\$ 671
<b>Classes</b>	9,219	2,291	(2,265)	(17)	9,228
<b>Clubs</b>	1,342	2,286	(2,194)	521	1,955
<b>Departments</b>	14,386	6,929	(6,551)	(2,509)	12,255
<b>Trust Funds</b>	26,683	24,562	(33,266)	5,726	23,705
<b>General</b>	4,684	3,532	(2,602)	(3,627)	1,987
<b>TOTALS</b>	<b>\$ 56,567</b>	<b>\$ 40,112</b>	<b>\$ (46,878)</b>	<b>\$ -</b>	<b>\$ 49,801</b>

**Okaloosa County District School Board**  
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**MAX BRUNER, JR. MIDDLE SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 19,235	\$ 108,712	\$ (87,104)	\$ (21,738)	\$ 19,105
<b>Music</b>	22,537	16,736	(7,482)	(2,604)	29,187
<b>Classes</b>	55	-	-	-	55
<b>Clubs</b>	9,339	18,604	(6,792)	(10,958)	10,193
<b>Departments</b>	2,443	3,378	(1,027)	(2,292)	2,502
<b>Trust Funds</b>	3,602	20,416	(62,688)	40,728	2,058
<b>General</b>	1,569	6,523	(2,564)	(3,136)	2,392
<b>TOTALS</b>	\$ 58,780	\$ 174,369	\$ (167,657)	\$ -	\$ 65,492

**DAVIDSON MIDDLE SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 43,833	\$ 148,722	\$ (102,835)	\$ (18,703)	\$ 71,017
<b>Music</b>	44,117	58,028	(48,286)	(1,374)	52,485
<b>Classes</b>	1,482	1,520	(918)	(812)	1,272
<b>Clubs</b>	20,244	9,507	(3,040)	(3,038)	23,673
<b>Departments</b>	15,778	9,575	(7,365)	(5,640)	12,348
<b>Trust Funds</b>	12,363	46,463	(73,665)	27,085	12,246
<b>General</b>	11,450	14,416	(16,916)	2,482	11,432
<b>TOTALS</b>	\$ 149,267	\$ 288,231	\$ (253,025)	\$ -	\$ 184,473

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**DESTIN MIDDLE SCHOOL AT REGATTA BAY**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 108,458	\$ 326,992	\$ (264,516)	\$ (49,121)	\$ 121,813
<b>Music</b>	34,665	59,714	(70,385)	(3,870)	20,124
<b>Classes</b>	17,536	14,994	(7,667)	(3,483)	21,380
<b>Clubs</b>	10,826	5,111	(2,885)	(672)	12,380
<b>Departments</b>	4,037	20,863	(17,793)	(2,732)	4,375
<b>Trust Funds</b>	5,269	36,147	(96,442)	63,261	8,235
<b>General</b>	5,132	7,129	(3,423)	(3,383)	5,455
<b>TOTALS</b>	<u>\$ 185,923</u>	<u>\$ 470,950</u>	<u>\$ (463,111)</u>	<u>\$ -</u>	<u>\$ 193,762</u>

**CLIFFORD MEIGS MIDDLE SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 43,563	\$ 123,851	\$ (70,684)	\$ (34,299)	\$ 62,431
<b>Music</b>	5,885	23,086	(18,150)	(3,052)	7,769
<b>Classes</b>	1,661	2,060	(2,084)	1,766	3,403
<b>Clubs</b>	4,421	7,969	(4,847)	(1,977)	5,566
<b>Departments</b>	8,057	36,589	(20,289)	(18,323)	6,034
<b>Trust Funds</b>	990	14,829	(77,426)	64,487	2,880
<b>General</b>	3,580	14,488	(8,044)	(8,602)	1,422
<b>TOTALS</b>	<u>\$ 68,157</u>	<u>\$ 222,872</u>	<u>\$ (201,524)</u>	<u>\$ -</u>	<u>\$ 89,505</u>

**Okaloosa County District School Board**  
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**W. C. PRYOR MIDDLE SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 62,048	\$ 146,411	\$ (109,322)	\$ (43,564)	\$ 55,573
<b>Music</b>	1,526	26,792	(17,442)	(8,957)	1,919
<b>Classes</b>	61,814	106,579	(92,814)	(20,821)	54,758
<b>Clubs</b>	4,663	6,039	(3,677)	(1,250)	5,775
<b>Departments</b>	2,238	2,605	(2,455)	(296)	2,092
<b>Trust Funds</b>	12,074	66,107	(149,423)	88,759	17,517
<b>General</b>	1,805	40,855	(13,124)	(13,871)	15,665
<b>TOTALS</b>	<b>\$ 146,168</b>	<b>\$ 395,388</b>	<b>\$ (388,257)</b>	<b>\$ -</b>	<b>\$ 153,299</b>

**C. W. RUCKEL MIDDLE SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 141,372	\$ 261,438	\$ (244,556)	\$ (13,649)	\$ 144,605
<b>Music</b>	55,817	131,819	(98,812)	(21,857)	66,967
<b>Classes</b>	10,124	20,822	(16,742)	-	14,204
<b>Clubs</b>	23,246	10,379	(3,797)	(3,568)	26,260
<b>Departments</b>	31,730	41,891	(28,205)	(16,664)	28,752
<b>Trust Funds</b>	39,167	77,064	(112,254)	46,039	50,016
<b>General</b>	17,184	12,280	(11,361)	9,699	27,802
<b>TOTALS</b>	<b>\$ 318,640</b>	<b>\$ 555,693</b>	<b>\$ (515,727)</b>	<b>\$ -</b>	<b>\$ 358,606</b>

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**SHOAL RIVER MIDDLE SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 34,241	\$ 83,135	\$ (80,867)	\$ (4,387)	\$ 32,122
<b>Music</b>	16,568	36,919	(25,682)	(16,060)	11,745
<b>Classes</b>	5,133	5,655	(4,461)	(1,618)	4,709
<b>Clubs</b>	4,722	10,294	(6,914)	(2,903)	5,199
<b>Departments</b>	8,632	9,633	(3,832)	(410)	14,023
<b>Trust Funds</b>	2,851	20,385	(46,249)	26,427	3,414
<b>General</b>	565	20,906	(18,231)	(1,049)	2,191
<b>TOTALS</b>	\$ 72,712	\$ 186,927	\$ (186,236)	\$ -	\$ 73,403

**CHOCTAWHATCHEE SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 2,074	\$ 558,113	\$ (280,478)	\$ (242,149)	\$ 37,560
<b>Music</b>	4,649	155,801	(94,391)	(63,364)	2,695
<b>Classes</b>	762	19,575	(15,591)	(3,879)	867
<b>Clubs</b>	2,544	77,280	(75,104)	396	5,116
<b>Departments</b>	1,508	26,644	(13,913)	(8,961)	5,278
<b>Trust Funds</b>	2,457	51,127	(384,316)	334,223	3,491
<b>General</b>	2,319	43,715	(26,306)	(16,266)	3,462
<b>TOTALS</b>	\$ 16,313	\$ 932,255	\$ (890,099)	\$ -	\$ 58,469

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**CRESTVIEW SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 131,457	\$ 533,405	\$ (424,366)	\$ (37,163)	\$ 203,333
<b>Music</b>	20,407	182,893	(141,980)	(31,310)	30,010
<b>Classes</b>	9,145	7,864	(9,516)	880	8,373
<b>Clubs</b>	96,185	135,219	(104,762)	(11,995)	114,647
<b>Departments</b>	33,166	30,286	(26,048)	(5,364)	32,040
<b>Trust Funds</b>	79,419	86,247	(173,600)	85,314	77,380
<b>General</b>	13,736	14,862	(10,240)	(362)	17,996
<b>TOTALS</b>	<u>\$ 383,515</u>	<u>\$ 990,776</u>	<u>\$ (890,512)</u>	<u>\$ -</u>	<u>\$ 483,779</u>

**FORT WALTON BEACH SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 207,082	\$ 875,049	\$ (611,422)	\$ (194,816)	\$ 275,893
<b>Music</b>	34,004	263,536	(219,019)	(51,062)	27,459
<b>Classes</b>	1,236	13,376	(8,867)	164	5,909
<b>Clubs</b>	52,298	100,395	(47,604)	(27,003)	78,086
<b>Departments</b>	23,120	35,114	(24,449)	(10,419)	23,366
<b>Trust Funds</b>	56,747	52,546	(346,063)	288,375	51,605
<b>General</b>	14,384	30,506	(28,456)	(5,239)	11,195
<b>TOTALS</b>	<u>\$ 388,871</u>	<u>\$ 1,370,522</u>	<u>\$ (1,285,880)</u>	<u>\$ -</u>	<u>\$ 473,513</u>

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**NICEVILLE SENIOR HIGH SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 312,902	\$ 1,207,617	\$ (864,145)	\$ (230,569)	\$ 425,805
<b>Music</b>	113,271	338,852	(311,944)	(35,193)	104,986
<b>Classes</b>	4,074	3,490	(553)	(1,449)	5,562
<b>Clubs</b>	66,899	132,056	(73,247)	(59,911)	65,797
<b>Departments</b>	82,412	124,161	(69,505)	(48,028)	89,040
<b>Trust Funds</b>	291,260	142,936	(500,287)	367,921	301,830
<b>General</b>	8,203	16,849	(20,220)	7,229	12,061
<b>TOTALS</b>	<b>\$ 879,021</b>	<b>\$ 1,965,961</b>	<b>\$ (1,839,901)</b>	<b>\$ -</b>	<b>\$ 1,005,081</b>

**BAKER SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 87,963	\$ 248,500	\$ (202,639)	\$ (46,657)	\$ 87,167
<b>Music</b>	47,506	75,160	(54,776)	(29,104)	38,786
<b>Classes</b>	27,995	54,178	(38,550)	(14,806)	28,817
<b>Clubs</b>	14,649	39,192	(30,650)	(8,897)	14,294
<b>Departments</b>	20,456	46,134	(17,487)	(28,297)	20,806
<b>Trust Funds</b>	28,723	45,923	(172,127)	133,973	36,492
<b>General</b>	9,924	16,825	(3,962)	(6,212)	16,575
<b>TOTALS</b>	<b>\$ 237,216</b>	<b>\$ 525,912</b>	<b>\$ (520,191)</b>	<b>\$ -</b>	<b>\$ 242,937</b>

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**OKALOOSA TECHNICAL COLLEGE**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Health</b>					
<b>Occupations</b>	\$ 55,592	\$ 113,235	\$ (108,199)	\$ 4,513	\$ 65,141
<b>Industrial</b>					
<b>Education</b>	301,334	607,157	(408,204)	(164,139)	336,148
<b>Business/</b>					
<b>Office</b>	84,058	44,011	(5,918)	(29,206)	92,945
<b>Culinary Arts</b>	19,447	25,195	(11,156)	(7,788)	25,698
<b>Misc. Classes</b>	14,609	17,026	(233,644)	205,677	3,668
<b>Trust Funds</b>	6,843	604,869	(601,808)	9,851	19,755
<b>General</b>	17,050	136,667	(117,085)	(18,908)	17,724
<b>TOTALS</b>	\$ 498,933	\$ 1,548,160	\$ (1,486,014)	\$ -	\$ 561,079

**LAUREL HILL SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 20,840	\$ 85,643	\$ (59,686)	\$ (17,436)	\$ 29,361
<b>Music</b>	21	-	-	-	21
<b>Classes</b>	18,031	38,208	(23,361)	(19,443)	13,435
<b>Clubs</b>	5,873	13,258	(11,449)	(1,880)	5,802
<b>Departments</b>	4,482	6,093	(615)	(4,640)	5,320
<b>Trust Funds</b>	11,075	15,378	(58,594)	45,558	13,417
<b>General</b>	5,755	4,334	(2,040)	(2,159)	5,890
<b>TOTALS</b>	\$ 66,077	\$ 162,914	\$ (155,745)	\$ -	\$ 73,246



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**ADDIE R. LEWIS SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 38,671	\$ 42,562	\$ (25,740)	\$ (10,472)	\$ 45,021
<b>Music</b>	4,868	12,752	(10,281)	(1,142)	6,197
<b>Classes</b>	2,208	2,511	(1,400)	(1,222)	2,097
<b>Clubs</b>	8,760	4,653	(2,170)	(1,337)	9,906
<b>Departments</b>	10,603	15,171	(11,533)	(3,565)	10,676
<b>Trust Funds</b>	18,726	59,027	(71,384)	26,325	32,694
<b>General</b>	18,349	10,590	(7,366)	(8,587)	12,986
<b>TOTALS</b>	\$ 102,185	\$ 147,266	\$ (129,874)	\$ -	\$ 119,577

**LANCE C. RICHBOURG SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Classes</b>	\$ 2,864	\$ 4,354	\$ (1,620)	\$ (61)	\$ 5,537
<b>Departments</b>	5,673	1,584	-	(1,776)	5,481
<b>Trust Funds</b>	6,615	7,312	(7,049)	61	6,939
<b>General</b>	2,910	6,140	(2,450)	1,776	8,376
<b>TOTALS</b>	\$ 18,062	\$ 19,390	\$ (11,119)	\$ -	\$ 26,333

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**OKALOOSA STEMM ACADEMY**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Classes</b>	\$ 2,790	\$ 7,633	\$ (4,969)	\$ (5,074)	\$ 380
<b>Clubs</b>	2,092	1,034	(289)	(120)	2,717
<b>Departments</b>	710	5,057	(4,451)	-	1,316
<b>Trust Funds</b>	27,346	43,700	(49,746)	3,204	24,504
<b>General</b>	536	1,386	(1,507)	1,990	2,405
<b>TOTALS</b>	<b>\$ 33,474</b>	<b>\$ 58,810</b>	<b>\$ (60,962)</b>	<b>\$ -</b>	<b>\$ 31,322</b>

**SILVER SANDS SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Athletics</b>	\$ 725	\$ 890	\$ (30)	\$ 265	\$ 1,850
<b>Music</b>	94	-	-	-	94
<b>Classes</b>	9,356	6,254	(3,579)	(2,572)	9,459
<b>Clubs</b>	689	585	(490)	-	784
<b>Departments</b>	2,780	1,903	(638)	(1,007)	3,038
<b>Trust Funds</b>	65,973	18,719	(52,319)	11,517	43,890
<b>General</b>	189	22,820	(7,904)	(8,203)	6,902
<b>TOTALS</b>	<b>\$ 79,806</b>	<b>\$ 51,171</b>	<b>\$ (64,960)</b>	<b>\$ -</b>	<b>\$ 66,017</b>

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**SOUTHSIDE PRIMARY SCHOOL**

	Cash and Investments July 1, 2021	Revenue	Expenditures	Net Transfers	Cash and Investments June 30, 2022
<b>Classes</b>	\$ 4,928	\$ 8,835	\$ (4,902)	\$ (4,036)	\$ 4,825
<b>Departments</b>	4,616	12,590	(9,025)	(1,921)	6,260
<b>Trust Funds</b>	10,916	28,961	(34,675)	4,613	9,815
<b>General</b>	4,290	3,682	(2,000)	1,344	7,316
<b>TOTALS</b>	\$ 24,750	\$ 54,068	\$ (50,602)	\$ -	\$ 28,216

**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 financial statements of the School Internal Funds, Okaloosa County District School Board ("District") as of June 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, 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 statements are 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 2022-01 through MLC 2022-20.

## **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  
December 15, 2022

## **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 financial statements of the School Internal Funds Okaloosa County District School Board ("District") as of and for the year ended June 30, 2022, and have issued our report thereon dated December 15, 2022.

### **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 on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.800, Rules of the Auditor General. Disclosures in those reports which are dated December 15, 2022, 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 2022-01 through MLC 2022-20 starting on page 34 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. In connection with our audit, we determined that the District maintained on its web site the information specified in Section 1011.035, Florida Statutes.

### **Additional Matters**

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

### **Purpose of this Letter**

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

*Carr, Riggs & Ingram, LLC*

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida  
December 15, 2022

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Destin Elementary 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 2022-01	IP	Receipt Documentation  Chapter 8 of the Red Book, Section III, 1.4(d) provides guidance on the process of receipts. That section requires that “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 2 instances out of a sample of 15 where the deposit summary or slip was missing. The amounts noted on the monies collected forms (MCFs) did not agree to the amount shown on the bank statement. No information was available to reconcile the differences.	We recommend the school ensure all monies collected are deposited and attach the deposit summary or slip to the monies collected form(s) totaling the amount of the deposit. This will ensure compliance of Red Book Section III 1.4(d) and indicate all monies collected are deposited to the school’s bank account.	See management’s response at the end of the report.



**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Destin Elementary 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 2022-02	IP	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.142 provides guidance on the process for disbursements. The section requires that “any expenditure that a teacher or sponsor wishes to make must be requested on this [check requisition] form”.</p>	During our audit, we noted 4 instances out of a sample of 15 disbursements in which certain amounts did not have an applicable check requisition form.	We recommend the school ensure all expenditures include the corresponding invoice with the Check Requisition/Transfer Form. This will document compliance with Section 1.142 of the policy manual and indicate the expenditures have proper authorization.	See management’s response at the end of the report.

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Destin Elementary 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 2022-03	IP	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.026(5) provides guidance on the process for disbursements. The section requires that “disbursements must be made from original invoice only.” In addition, Chapter 8 of the Red Book, Section I, 1.8 states that sound business practices should be observed in expending all transactions.</p>	During our audit, we noted 2 instances out of a sample of 15 disbursements in which vendor invoices were missing.	We recommend the school ensure all expenditures include the corresponding invoice with the Check Requisition/Transfer Form. This will document compliance with Section 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 – Eglin 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-04	D	Disbursement Documentation  Chapter 8 of the Red Book, Section I, 1.8 provides guidance on the process of disbursements. It requires that “sound business practices should be observed in expending all transactions”. This includes obtaining proper approval prior to paying an invoice.	During our audit, we noted 2 instances out of a sample of 15 where the invoices were paid prior to approval. Both instances related to the payment of a monthly credit card statement.	We recommend proper approval is indicated on the check requisition form prior to the processing of the disbursement. This will document compliance with Chapter 8 of the Red Book, Section I, 1.8 and indicate the expenditures have proper authorization prior to payment.	See management’s response at the end of the report.

**Okaloosa County District School Board**  
**School Internal Funds**  
**Management Letter Comment – Edge Elementary School, Lula J.**

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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-05	D	Disbursement Documentation  Chapter 8 of the Red Book, Section I, 1.8 provides guidance on the process of disbursements. It requires that “sound business practices should be observed in expending all transactions”. This includes obtaining proper approval prior to paying an invoice.	During our audit, we noted 2 instances out of a sample of 10 where the invoices were paid prior to approval. Both instances related to the payment of a monthly credit card statement.	We recommend proper approval is indicated on the check requisition form prior to the processing of the disbursement. This will document compliance with Chapter 8 of the Red Book, Section I, 1.8 and indicate the expenditures have proper authorization prior to payment.	See management’s response at the end of the report.

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Kenwood 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-06	D	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.026(3) provides guidance on the process for disbursements. The section requires that “invoices will be marked “PAID” immediately upon making remittance.”</p>	During our audit, we noted a total of 2 instances out of a sample of 15 in which the supporting documentation was not stamped paid.	We recommend the school ensure all expenditure invoices be stamped “PAID”. This will document compliance with Section 1.026(3) of the policy manual and reduce the risk that invoices are paid multiple times.	See management’s response at the end of the report.

**Okaloosa County District School Board**  
**School Internal Funds**  
**Management Letter Comment – Kenwood 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-07	IP	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.008(1) provides guidance on the process for disbursements. The section requires that “all checks must be signed with two signatures as prescribed by the School Board”.</p>	During our audit, we noted 2 instances out of a sample of 15 where checks did not have dual signatures.	We recommend the school ensure all checks have two signatures. This will document compliance with Section 1.008(1) 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 – Kenwood Elementary 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 2022-08	IP	Receipt Documentation  Red Book Chapter 8, Section III, 1.4(d) provides guidance on the process of receipts. It states that “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 2 instances out of a sample of 15 where the amount per the deposit summary did not equal the amount deposited per the deposit slip.	We recommend the school ensure all monies collected are deposited. This will ensure compliance of Red Book Chapter 8, Section III, 1.4(d) and indicate all monies are deposited to the school’s bank account.	See management’s response at the end of the report.

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Longwood Elementary 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 2022-09	D	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.026(3) provides guidance on the process for disbursements. The section requires that “invoices will be marked “PAID” immediately upon making remittance.”</p>	During our audit, we noted a total of 5 instances out of a sample of 15 in which the supporting documentation was not stamped paid.	We recommend the school ensure all expenditure invoices be stamped “PAID”. This will document compliance with Section 1.026(3) of the policy manual and reduce the risk that invoices are paid multiple times.	See management’s response at the end of the report.



**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Longwood Elementary 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 2022-10	IP	Receipt Documentation  Red Book Chapter 8, Section III, 1.4(b) provides guidance on the process for receipts. The section requires that “collections made outside of the school office must be turned in to the school office no later than the next business day”.	During our audit, we noted 3 instances out of a sample of 15 where the monies collected form was not appropriately dated by the bookkeeper. A fourth instance was noted where the monies collected form was dated by the bookkeeper after the deposit date.	We recommend the school bookkeeper date the monies collected form when the money is received. This will ensure compliance of Red Book Chapter 8, Section III, 1.4(b) and indicate the receipts are correctly accounted for.	See management’s response at the end of the report.

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Walker Elementary 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 2022-11	D	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.026(3) provides guidance on the process for disbursements. The section requires that “invoices will be marked “PAID” immediately upon making remittance.”</p>	During our audit, we noted a total of 3 instances out of a sample of 29 in which the supporting documentation was not stamped paid.	We recommend the school ensure all expenditure invoices be stamped “PAID”. This will document compliance with Section 1.026(3) of the policy manual and reduce the risk that invoices are paid multiple times.	See management’s response at the end of the report.

**Okaloosa County District School Board**  
**School Internal Funds**  
**Management Letter Comment – Bruner 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-12	D	<p>Disbursement Documentation</p> <p>Chapter 8 of the Red Book, Section I, 1.8 provides guidance on the process of disbursements. It requires that “sound business practices should be observed in expending all transactions”. This includes obtaining proper approval prior to paying an invoice.</p>	During our audit, we noted 2 instances out of a sample of 10 where the invoices were paid prior to approval. Both instances related to the payment of a monthly credit card statement.	<p>We recommend proper approval is indicated on the check requisition form prior to the processing of the disbursement. This will document compliance with Chapter 8 of the Red Book, Section I, 1.8 and indicate the expenditures have proper authorization prior to payment.</p>	See management’s response at the end of the report.

**Okaloosa County District School Board**  
**School Internal Funds**  
**Management Letter Comment – Bruner Middle 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 2022-13	IP	Disbursement Documentation  Chapter 8 of the Red Book, Section III, 2.3(b) provides guidance on the process of disbursements. It states, “The sponsor of each club or organization is responsible for providing adequate financial documents and records to the principal and is responsible for retaining duplicates of said documents and records.	During our audit, we noted a total of 2 instances out of a sample of 20 where the check requisition for payment was not signed or approved by the principal.	We recommend approval of the check requisition form should be approved by the principal prior to payment. This will ensure compliance with Chapter 8 of the Red Book, Section III, 2.3.(b) and ensure approval of disbursements.	See management’s response at the end of the report.

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Davidson Middle 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 2022-14	D	Disbursement Documentation  Chapter 8 of the Red Book, Section I, 1.8 provides guidance on the process of disbursements. It requires that “sound business practices should be observed in expending all transactions”. This includes obtaining proper approval prior to paying an invoice.	During our audit, we noted 2 instances out of a sample of 15 where the invoices were paid prior to approval. Both instances related to the payment of a monthly credit card statement.	We recommend proper approval is indicated on the check requisition form prior to the processing of the disbursement. This will document compliance with Chapter 8 of the Red Book, Section I, 1.8 and indicate the expenditures have proper authorization prior to payment.	See management’s response at the end of the report.

**Okaloosa County District School Board**  
**School Internal Funds**  
**Management Letter Comment – Destin 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-15	D	Disbursement Documentation  Chapter 8 of the Red Book, Section I, 1.8 provides guidance on the process of disbursements. It requires that “sound business practices should be observed in expending all transactions”. This includes obtaining proper approval prior to paying an invoice.	During our audit, we noted 2 instances out of a sample of 10 where the invoices were paid prior to approval. Both instances related to the payment of a monthly credit card statement.	We recommend proper approval is indicated on the check requisition form prior to the processing of the disbursement. This will document compliance with Chapter 8 of the Red Book, Section I, 1.8 and indicate the expenditures have proper authorization prior to payment.	See management’s response at the end of the report.

**Okaloosa County District School Board**  
**School Internal Funds**  
**Management Letter Comment – Baker 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-16	IP	<p>Receipt Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.009(2) provides guidance on the process for receipts. The section requires that “money collected must be deposited intact in the bank at a minimum any time more than \$1,000 is received.”</p>	During our audit, we noted a total of 2 instances out of a sample of 19 where the monies collected form documentation did not reflect that collections were turned in to the school office by the next business day.	We recommend the school sponsor turn in all monies collected the same day of the sponsored event and that these monies be deposited timely. This will document compliance with Section 1.009(2) of the policy manual and will reduce the risk of theft or loss related to receipt collection.	See management’s response at the end of the report.

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Baker 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-17	D	Disbursement Documentation  Chapter 8 of the Red Book, Section I, 1.8 provides guidance on the process of disbursements. It requires that “sound business practices should be observed in expending all transactions”. This includes obtaining proper approval prior to paying an invoice.	During our audit, we noted 2 instances out of a sample of 10 where the invoices were paid prior to approval. Both instances related to the payment of a monthly credit card statement.	We recommend proper approval is indicated on the check requisition form prior to the processing of the disbursement. This will document compliance with Chapter 8 of the Red Book, Section I, 1.8 and indicate the expenditures have proper authorization prior to payment.	See management’s response at the end of the report.



**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Okaloosa Technical College**

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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-18	D	Disbursement Documentation  Chapter 8 of the Red Book, Section I, 1.8 provides guidance on the process of disbursements. It requires that “sound business practices should be observed in expending all transactions”. This includes obtaining proper approval prior to paying an invoice.	During our audit, we noted 4 instances out of a sample of 25 where the invoices were paid prior to approval. Two of the four instances related to the payment of a monthly credit card statement.	We recommend proper approval is indicated on the check requisition form prior to the processing of the disbursement. This will document compliance with Chapter 8 of the Red Book, Section I, 1.8 and indicate the expenditures have proper authorization prior to payment.	See management’s response at the end of the report.

**Okaloosa County District School Board  
School Internal Funds  
Management Letter Comment – Okaloosa Technical College**

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 2022-19	D	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.026(3) provides guidance on the process for disbursements. The section requires that “invoices will be marked “PAID” immediately upon making remittance.”</p>	During our audit, we noted a total of 3 instances out of a sample of 30 in which the supporting documentation was not stamped paid.	We recommend the school ensure all expenditure invoices be stamped “PAID”. This will document compliance with Section 1.026(3) of the policy manual and reduce the risk that invoices are paid multiple times.	See management’s response at the end of the report.

**Okaloosa County District School Board**  
**School Internal Funds**  
**Management Letter Comment – Silver Sands 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
CONTROL NUMBER	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
ML 2022-20	D	<p>Disbursement Documentation</p> <p>The Okaloosa County School District Internal Account Manual, Section 1.026(3) provides guidance on the process for disbursements. The section requires that “invoices will be marked “PAID” immediately upon making remittance.”</p>	During our audit, we noted a total of 3 instances out of a sample of 15 in which the supporting documentation was not stamped paid.	We recommend the school ensure all expenditure invoices be stamped “PAID”. This will document compliance with Section 1.026(3) of the policy manual and reduce the risk that invoices are paid multiple times.	See management’s response at the end of the report.

## INDEPENDENT ACCOUNTANTS' REPORT

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

We have examined the School Internal Funds, Okaloosa County District School Board's ("District's") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended June 30, 2022. 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, 2022.

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  
December 15, 2022



# Destin Elementary School

"Home of the Destin Dolphins"

630 Kelly Street ~Destin, FL 32541

Phone (850)833-4360 ~Fax (850)833-4370

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Amy Meyer

Principal

Jessica Brown

Asst. Principal

To whom it may concern:

We are aware of the findings of our bookkeeping audit. In the past year, we had 4 different bookkeepers. Two of which, had never been a bookkeeper before. The errors were caused by misunderstandings and lack of experience. We now have an experienced bookkeeper who has worked very hard to put processes in place to keep these mistakes from happening in the future. I feel very confident that we will grow over this next year and not repeat the same errors.

Sincerely,

Amy Meyer



# **EGLIN ELEMENTARY SCHOOL**

Ms. Lauren Seegars, Principal  
Mrs. Amy L. Church, Assistant Principal  
200 Gaffney Road, Eglin AFB, FL 32542  
(850) 833-4320 phone (850) 833-3671 fax  
[www.okaloosaschools.com/eglin](http://www.okaloosaschools.com/eglin)



Madison Kozlowski, CAM  
Senior Accountant  
Carr, Riggs & Ingram, LLC

500 Grand Boulevard  
Suite 210  
Miramar Beach, FL 32550

RE: Response to Internal Audit Findings FY 2021-2022

Dear Ms. Kozlowski,

Due to the findings noted by your audit of the Internal Funds on August 3<sup>rd</sup> 2022, it was noted that there were multiple instances of not having transfer requisition forms along with the paid invoice when we pay our Regions visa card monthly. Going forward we will ensure to have a transfer requisition form filled out properly to go along with the Regions card payment each month.

Sincerely,

Laureen Seegars, Principal

Melissa Bird, Bookkeeper

***SERVING THOSE WHO SERVE U.S.***



## Edge Elementary

"Home of the Tigers"

Mrs. Melissa Kearley, Principal  
Ms. Kathy Anderson, Assistant Principal

300 N. Highway 85  
Niceville, FL 32578  
Phone: (850) 833-4138  
Fax: (850) 833-3496

September 26, 2022

RE: Formal Response

To Whom It May Concern:

A check requisition/transfer form will be prepared and signed prior to processing the payment on our Regions Visa account.

Thank you,

A handwritten signature in blue ink that reads "Melissa Kearley".

Melissa Kearley

Principal

A handwritten signature in blue ink that reads "Sheila Floyd".

Sheila Floyd

Bookkeeper





**KENWOOD ELEMENTARY SCHOOL**

Where generations come to learn

15 Eagle Street NE

Fort Walton Beach, FL 32547

Phone 850-833-3570 Fax 850-833-3597

**Peggy Land Nehring**  
Principal

**Kristen O'Shea**  
Assistant Principal

**October 5, 2022**

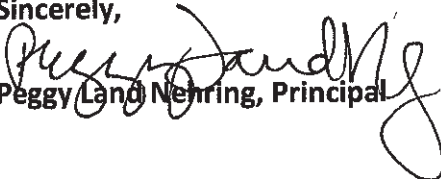
**Madison Kozlowski, CAM**  
Supervising Senior  
Carr, Riggs, Ingram, LLC  
500 Grand Boulevard  
Suite 210

**In response to Kenwood Elementary School's 2021-2022 school year audit:**

- **Finding-** 2 instances out of a sample of 15, where invoices were not stamped, "PAID".
- **Response-** The school will ensure that all expenditures have required backup documentation, including receipts and invoices that are stamped "PAID" upon remittance. Backup documentation will accompany the Check Requisition/Transfer forms.
- **Finding-** 2 instances out of a sample of 15, where checks did not have dual signatures.
- **Response-** Bookkeeper has been instructed that all checks have two signatures as prescribed by the School Board. This will ensure compliance with section 1.008(1) of the policy manual.
- **Finding-** 2 instances where the amount per the deposit summary did not equal the amount deposited per the deposit slip.
- **Response-** The bookkeeper will thoroughly go over the Monies Collected Forms to ensure that the deposit summary matches the deposit slip and is promptly deposited in the school's bank account. This will show compliance of Red Book Section III 1.4 (d).



Sincerely,

  
Peggy Land Nehring, Principal

LAUGH. LOVE.



LEARN.

## Longwood Elementary School

Home of the Leopards

Title I School

50 HOLLY AVENUE  
SHALIMAR, FLORIDA 32579  
(850) 833-4329  
FAX (850) 833-4336

E. Joey Chancellor  
Principal

Lisa Jones  
Assistant Principal

September 27, 2022

To whom it may concern:

For the 2022- 2023 school year audit there were findings that need to be corrected. We have reviewed the Okaloosa County School District Internal Account Manual and will do the following in the future to correct the findings:

Stamp PAID on all invoices and provide proper backup documentation.

Correctly date the Monies Collected Forms. The bookkeeper will date the MCF when the money is received.

Thank you,

A handwritten signature in blue ink that reads "Laura McQueen". The script is fluid and cursive.

Laura McQueen, Bookkeeper

A handwritten signature in blue ink that reads "E. J. Chancellor". The script is fluid and cursive.

Ernest Chancellor, Principal

LORNA CARNLEY  
PRINCIPAL

## WALKER ELEMENTARY

2988 STILLWELL BLVD.  
CRESTVIEW, FL 32539  
PHONE (850) 689-7220  
FAX (850) 689-7654

MANDY LOPEZ  
ASSISTANT PRINCIPAL

BRENDA WILDE  
GUIDANCE COUNSELOR



Even in our darkest moments, There's light where you least expect it.

Walker School Be that Light!

August 19, 2022

To: Lauren M. Villarreal  
Carr, Rigs & Ingram,

I have gone over the findings with our bookkeepers and have made sure she is following the correct procedures to fix any future problems.

Disbursements – 3 out of 29 samples were not stamped paid.

- Reviewed the district policy and noted that she had the same similar findings in our audit from 2020-2021. The bookkeeper will ensure that all invoices are stamped paid.

In addition, may you please provide me the Receipts and Disbursements Detail with Beg. Yr. Balances with ending date 6/30/2022? I have attached the report provided last year as a reference.

- I have reviewed this with Mrs. Johnson and she has sent in the report.

Sincerely,

Lorna Carnley

Walker Principal

# Bruner Middle School

322 Holmes Blvd. NW, Fort Walton Beach, FL 32548; 850-833-3266

Mr. Gary Massey  
*Principal*

Mr. JC Cotton  
*Assistant Principal*

Ms. Jacqueline Colmon  
*Assistant Principal*



Ms. Amy Brewer  
*School Counselor*

Ms. Stacey Leeth  
*School Counselor*

October 5, 2022

Madison Kozlowski, CAM  
Carr, Riggs & Ingram, LLC  
500 Grand Blvd, Ste 210  
Miramar Beach FL 32550

In response to Bruner Middle School's 2021-2022 year audit:

- **Finding-**2 instances where invoices were paid prior to approval
- **Response-**The Bookkeeper will not accept invoices without the proper Check Requisition filled out with the current date and all applicable fields filled out completely. Once the request and invoice are turned in, it will be at that time that a check will be processed for disbursement.
- **Finding-**2 instances where the requisition for payment was not signed or approved by the principal
- **Response-**Once the Teacher/Sponsor turns in the completed Check Requisition and supporting documents to the Bookkeeper, she will then have the principal approve and sign the requisition before processing the disbursement.

With these changes we are confident that we can resolve these findings and not have them re-occur in the future.

Sincerely,

Gary Massey, Principal

April Briggs, Bookkeeper



# DAVIDSON MIDDLE SCHOOL

6261 Old Bethel Road

Crestview, FL 32536

850.683.7500 / 850.683.7523

**Holly Tew**

*Principal*

**Laura King**

*Assistant Principal*



**David Carnley**

*Assistant Principal*

**Tim Phillips**

*Dean of Students*

9/22/22

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

This is in response to our audit finding on July 26, 2022.

Following the Davidson Middle School internal audit, we received a report stating that our institution had one finding. We are aware on the finding and have made adjustments to ensure these do not occur in the future.

1. The finding was that a few invoices were paid prior to approval or review. The two invoices were Regions Credit Card statements being paid prior to the approval/review of the statement. We believe this happened because the Regions statement is due by the end of the month and the review of the statement is part of a monthly report that is completed the following month.

We have corrected this process so that the approval and review take place prior to the payment of the statement. We have also emailed all teachers and sponsors the procedures for approval and payment of invoices.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Holly Tew', written over the printed name and title.

Holly Tew  
Principal

A handwritten signature in blue ink, appearing to read 'Sheree Seymour', written over the printed name and title.

Sheree Seymour  
Bookkeeper



"Home of the Marlins"

Dr. Belinda Small  
4608 Legendary Marina Drive  
Destin, FL 32541  
Office 850-833-7655  
Fax 850 833-7677

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To whom it may concern,

In order to comply with the recommendation that the Principal sign off on Region's Visa Card payments, the following procedure will be followed:

Prior to making the Region's Visa payment, the statement along with a check/transfer request form will be provided to the Principal. The Principal will then review the statement and sign the request form granting permission for the payment to be made. The bookkeeper will then make the payment. The request form will be included in the internal funds monthly report.

Sincerely,

Elissa Torre  
Bookkeeper, Destin Middle School

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#### VISION STATEMENT

To ensure every student has a **successful future**, **DMS** creates a culture of **academic excellence** through positive **relationships, inclusion, & collaboration.**



*100 Years of Academic  
Excellence with  
A Personal Touch*

# BAKER SCHOOL

Okaloosa County's First Accredited School-1923

*Home of the Fightin' Gators*

Jennifer Stewart  
Assistant Principal

Michael J. Martello  
Principal

Victoria Hurley  
Assistant Principal

Polly Brunson  
Guidance Counselor

Shannon Boone  
Guidance Counselor

Angila Walker  
Guidance Counselor

Gary Taylor  
Assistant Principal

September 27, 2022

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

This is in response to the finding on July 31, 2022.

Upon conclusion of the Baker School internal audit we received a report stating that our institution had two findings. We are aware of the findings and have adjusted to ensure these do not occur in the future.

1. We will make sure that all deposit dates are correct.
2. We will make sure that invoices are not paid prior to approval.

Respectfully,



Michael Martello  
Principal





Director: Jon Williams

# OKALOOSA

## Technical College



August 3, 2022

In response to the Audit teams' findings, I have had a conversation with Ms. Nystrom, school bookkeeper and our plan of action is as follows:

- All Region visa receipts will be processed as in the past. Having making a change of the following: Principal will authorize payment through a check requisition form authorizing payment before the actual payment is authorized or paid by bookkeeper. Still keeping with Principal signing all check requisitions as transfers are performed throughout the month.
- Additional verification of all receipts stamped paid, prior to filing away for storage.

Thank you for this opportunity to help correct issues or concerns that will allow us to be as financially accountable as possible. If I can be of any other assistance please do not hesitate to inform

Thank you,

Jon Williams, Principal OTC





# Silver Sands School

349 Holmes Boulevard N.W.

Fort Walton Beach, Florida 32548

Phone (850) 833-3364

Fax (850) 833-3366

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To Whom it May Concern,

In response to the audit finding regarding the requirement for invoices to be marked "PAID", Ms. Christa Bass and I have worked on a system to ensure that the error will be eliminated. I (the principal) will review all the documents attached to the Check Requisition/Transfer Form as a way to double check for the PAID stamp on the invoices.

A handwritten signature in blue ink that reads "Stephanie Wheat".

Stephanie Wheat  
Principal  
Silver Sands School