

Santa Rosa County District
School Board
School Internal Funds

Financial Statement and
Supplementary Information

June 30, 2013

Santa Rosa County District School Board
School Internal Funds
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INDEPENDENT AUDITOR'S REPORT

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To the Santa Rosa County District School Board
and Tim Wyrosdick, Superintendent of Schools
Milton, Florida

Report on the Financial Statement

We have audited the accompanying Statement of Fiduciary Net Assets of the Santa Rosa County District School Board School Internal Funds as of June 30, 2013, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions 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 statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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 Santa Rosa County District School Board School Internal Funds as of June 30, 2013, in conformity 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 Santa Rosa County District School Board's financial position as of June 30, 2013 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 Santa Rosa 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, 2013 are presented for purposes of additional analysis and are not a required part of the basic financial statement. The supplemental schedules of cash receipts and disbursements by school are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2013 on our consideration of the Santa Rosa County District School Board School Internal Funds' internal control over financial reporting and on our tests of its compliance with certain provisions of laws and regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Carr, Riggs & Ingram, L.L.C.

Miramar Beach, Florida
September 17, 2013

Santa Rosa County District School Board
School Internal Funds

Statement of Fiduciary Net Assets

<i>June 30,</i>	2013
Assets	
Cash and cash equivalents	\$ 2,846,874
Investments	20,000
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Total Assets	\$ 2,866,874
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Liabilities	
Accounts payable	\$ 265,139
Internal accounts payable	2,601,735
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Total Liabilities	\$ 2,866,874
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See accompanying notes to financial statement.

Santa Rosa County District School Board
School Internal Funds
Notes to Financial Statement

NOTE 1 - REPORTING ENTITY

The Santa Rosa County District School Board ("District") has direct responsibility for operation, control, and supervision of Santa Rosa County 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 Santa Rosa 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 Santa Rosa 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 six student activity/project classifications, although not all schools utilize all six classifications. These classifications are athletics, music, classes/clubs/departments, trust funds, school store 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 and Deposits

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.

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 (GASB), Statement Number 40, *Deposits and Investment Disclosures (An Amendment of GASB, Statement Number 3)*.

Santa Rosa County District School Board
School Internal Funds
Notes to Financial Statement

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District is authorized to invest in financial instruments as established by Section 218.415, Florida Statutes. The authorized investments include among others direct or indirect obligations which are secured by the United States Government; 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

All investments held at June 30, 2013, are reported at fair value, which approximates amortized cost. The following is a summary of the District's investments:

<i>June 30,</i>	2013	Credit Risk	Maturities
Certificates of deposit	\$ 20,000	n/a	8/23/2013

Custodial credit risk – For an investment, custodial credit risk is the risk that the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. At June 30, 2013, the investment listed above is not exposed to custodial credit risk because its 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.

NOTE 4 – ADDITIONAL SCHOOL INTERNAL FUNDS

During the school year ended June 30, 2013, the District segregated the internal funds for the Santa Rosa Adult School from those of Locklin Technical Center. As part of this segregation, the Santa Rosa Adult School received approximately \$36,000 from Locklin Technical Center for internal funds start up monies. The accompanying supplementary schedules include a new schedule for the Santa Rosa Adult School.

Supplementary Information

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

Elementary Schools:

Bagdad Elementary School
Bennett Russell Elementary School
Berryhill Elementary School
Chumuckla Elementary School
S.S. Dixon Intermediate School
S.S. Dixon Primary School
East Milton Elementary School
Gulf Breeze Elementary School
Holley-Navarre Intermediate School
Holley-Navarre Primary School
Jay Elementary School
Oriole Beach Elementary School
Pea Ridge Elementary School
W.H. Rhodes Elementary School
West Navarre Intermediate School
West Navarre Primary School

Middle Schools:

Avalon Middle School
Gulf Breeze Middle School
Hobbs Middle School
Holley-Navarre Middle School
King Middle School
Sims Middle School
Woodlawn Beach Middle School

High Schools:

Central School
Gulf Breeze High School
Jay High School
Milton High School
Navarre High School
Pace High School

Other Schools:

E.S.E. Internal Fund
Locklin Technical Center
Santa Rosa Adult School
T.R. Jackson Pre-K Center

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BAGDAD ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 66	\$ 970	\$ (847)	\$ -	\$ 189
Classes/Clubs/Departments	2,304	8,753	(7,884)	(24)	3,149
Trust Funds	17,212	12,509	(19,773)	(1,178)	8,770
General	1,050	11,489	(12,670)	1,202	1,071
TOTALS	\$ 20,632	\$ 33,721	\$ (41,174)	\$ -	\$ 13,179

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BENNETT RUSSELL ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 37	\$ 6,854	\$ (7,020)	\$ 219	\$ 90
Classes/Clubs/Departments	16,425	24,066	(36,945)	15,218	18,764
Trust Funds	11,990	35,599	(43,206)	869	5,252
School store	438	633	(480)	(30)	561
General	22,497	54,944	(37,056)	(16,276)	24,109
TOTALS	\$ 51,387	\$ 122,096	\$ (124,707)	\$ -	\$ 48,776

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
BERRYHILL ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 20,454	\$ 41,092	\$ (44,941)	\$ -	\$ 16,605
Trust Funds	10,224	10,210	(12,755)	380	8,059
General	15,443	12,032	(5,630)	(380)	21,465
TOTALS	\$ 46,121	\$ 63,334	\$ (63,326)	\$ -	\$ 46,129

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CHUMUCKLA ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Athletics	\$ 1,925	\$ 170	\$ (125)	\$ -	\$ 1,970
Music	246	1,239	(976)	(292)	217
Classes/Clubs/Departments	2,902	14,709	(15,340)	122	2,393
Trust Funds	2,299	5,762	(4,191)	(884)	2,986
General	7,789	4,148	(8,919)	1,054	4,072
TOTALS	\$ 15,161	\$ 26,028	\$ (29,551)	\$ -	\$ 11,638

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
S.S. DIXON INTERMEDIATE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 97	\$ 3,959	\$ (2,641)	\$ 431	\$ 1,846
Classes/Clubs/Departments	15,765	51,665	(48,478)	(193)	18,759
Trust Funds	5,281	52,309	(49,864)	(464)	7,262
General	10,288	32,827	(33,670)	226	9,671
TOTALS	\$ 31,431	\$ 140,760	\$ (134,653)	\$ -	\$ 37,538

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
S. S. DIXON PRIMARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 208	\$ 950	\$ (790)	\$ -	\$ 368
Classes/Clubs/Departments	9,864	35,276	(37,424)	144	7,860
Trust Funds	34,828	41,147	(54,894)	(82)	20,999
General	7,355	26,628	(26,266)	(62)	7,655
TOTALS	\$ 52,255	\$ 104,001	\$ (119,374)	\$ -	\$ 36,882

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
EAST MILTON ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 11,676	\$ 27,076	\$ (34,200)	\$ -	\$ 4,552
Trust Funds	19,793	12,710	(15,556)	-	16,947
School Store	394	-	-	-	394
General	2,223	5,102	(5,707)	-	1,618
TOTALS	\$ 34,086	\$ 44,888	\$ (55,463)	\$ -	\$ 23,511

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
GULF BREEZE ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 1,646	\$ 27,711	\$ (26,563)	\$ 415	\$ 3,209
Trust Funds	71,153	120,882	(112,757)	(415)	78,863
General	41,592	13,630	(5,435)	-	49,787
TOTALS	\$ 114,391	\$ 162,223	\$ (144,755)	\$ -	\$ 131,859

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
HOLLEY-NAVARRE INTERMEDIATE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 38,971	\$ 92,389	\$ (86,132)	\$ (33)	\$ 45,195
Trust Funds	10,459	40,235	(24,800)	-	25,894
General	885	2,700	(2,667)	33	951
TOTALS	\$ 50,315	\$ 135,324	\$ (113,599)	\$ -	\$ 72,040

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
HOLLEY-NAVARRE PRIMARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 294	\$ 952	\$ (741)	\$ 53	\$ 558
Classes/Clubs/Departments	20,360	35,891	(39,313)	278	17,216
Trust Funds	21,413	25,071	(16,744)	(2,983)	26,757
General	2,128	9,685	(13,067)	2,652	1,398
TOTALS	\$ 44,195	\$ 71,599	\$ (69,865)	\$ -	\$ 45,929

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
JAY ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 12,101	\$ 19,003	\$ (25,204)	\$ 87	\$ 5,987
Trust Funds	20,451	21,342	(22,528)	(1,008)	18,257
General	24,073	6,142	(12,151)	921	18,985
TOTALS	\$ 56,625	\$ 46,487	\$ (59,883)	\$ -	\$ 43,229

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
ORIOLE BEACH ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 10,729	\$ 48,040	\$ (53,430)	\$ 184	\$ 5,523
Trust Funds	17,039	67,546	(72,663)	(2,106)	9,816
General	916	34,781	(36,822)	1,922	797
TOTALS	\$ 28,684	\$ 150,367	\$ (162,915)	\$ -	\$ 16,136

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
PEA RIDGE ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 462	\$ 1,750	\$ (2,112)	\$ -	\$ 100
Classes/Clubs/Departments	8,986	26,063	(26,183)	110	8,976
Trust Funds	6,687	10,904	(6,564)	-	11,027
General	60,480	46,941	(67,554)	(110)	39,757
TOTALS	\$ 76,615	\$ 85,658	\$ (102,413)	\$ -	\$ 59,860

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
W. H. RHODES ELEMENTARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 120	\$ 350	\$ (463)	\$ -	\$ 7
Classes/Clubs/Departments	13,534	27,467	(28,750)	49	12,300
Trust Funds	2,655	5,431	(4,916)	-	3,170
School Store	1,061	887	(1,018)	-	930
General	27,404	6,905	(7,035)	(49)	27,225
TOTALS	\$ 44,774	\$ 41,040	\$ (42,182)	\$ -	\$ 43,632

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
WEST NAVARRE INTERMEDIATE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 1,087	\$ 1,935	\$ (2,658)	\$ -	\$ 364
Classes/Clubs/Departments	18,881	80,764	(78,453)	(355)	20,837
Trust Funds	26,391	32,233	(32,895)	393	26,122
General	2,153	49,136	(46,490)	(38)	4,761
TOTALS	\$ 48,512	\$ 164,068	\$ (160,496)	\$ -	\$ 52,084

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
WEST NAVARRE PRIMARY SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 9,476	\$ 38,646	\$ (40,262)	\$ 3,319	\$ 11,179
Trust Funds	50,787	71,953	(69,833)	(3,454)	49,453
General	19,463	22,813	(29,114)	135	13,297
TOTALS	\$ 79,726	\$ 133,412	\$ (139,209)	\$ -	\$ 73,929

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
AVALON MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ -	\$ 1,146	\$ (838)	\$ (153)	\$ 155
Classes/Clubs/Departments	24,272	48,565	(48,457)	(3,178)	21,202
Trust Funds	8,356	4,873	(6,433)	3,393	10,189
School store	166	-	-	-	166
General	32,607	3,882	(1,680)	(62)	34,747
TOTALS	\$ 65,401	\$ 58,466	\$ (57,408)	\$ -	\$ 66,459

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
GULF BREEZE MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 21,773	\$ 46,431	\$ (40,400)	\$ (504)	\$ 27,300
Classes/Clubs/Departments	48,873	72,064	(68,847)	504	52,594
Trust Funds	34,636	12,974	(27,092)	-	20,518
General	76,905	4,055	(4,277)	-	76,683
TOTALS	\$ 182,187	\$ 135,524	\$ (140,616)	\$ -	\$ 177,095

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
HOBBS MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 7,371	\$ 31,253	\$ (28,937)	\$ -	\$ 9,687
Classes/Clubs/Departments	9,726	34,694	(32,079)	-	12,341
Trust Funds	4,066	15,619	(12,131)	(100)	7,454
General	2,253	11,214	(12,546)	100	1,021
TOTALS	\$ 23,416	\$ 92,780	\$ (85,693)	\$ -	\$ 30,503

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
HOLLEY-NAVARRE MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 3,170	\$ 13,767	\$ (13,875)	\$ -	\$ 3,062
Classes/Clubs/Departments	6,914	66,707	(64,672)	(4)	8,945
Trust Funds	5,717	9,626	(11,488)	4	3,859
General	2,781	2,685	(4,835)	-	631
TOTALS	\$ 18,582	\$ 92,785	\$ (94,870)	\$ -	\$ 16,497

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
KING MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 931	\$ 11,251	\$ (9,426)	\$ (335)	\$ 2,421
Classes/Clubs/Departments	19,116	66,352	(70,778)	(1,297)	13,393
Trust Funds	11,716	16,618	(15,596)	296	13,034
School Store	175	457	(136)	-	496
General	4,052	1,096	(2,889)	1,336	3,595
TOTALS	\$ 35,990	\$ 95,774	\$ (98,825)	\$ -	\$ 32,939

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SIMS MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 4,051	\$ 60,589	\$ (65,348)	\$ 1,711	\$ 1,003
Classes/Clubs/Departments	32,519	94,831	(93,104)	(1,694)	32,552
Trust Funds	19,448	9,226	(12,733)	-	15,941
General	64,350	10,488	(24,262)	(17)	50,559
TOTALS	\$ 120,368	\$ 175,134	\$ (195,447)	\$ -	\$ 100,055

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
WOODLAWN BEACH MIDDLE SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Music	\$ 29,420	\$ 35,537	\$ (53,901)	\$ 10,498	\$ 21,554
Classes/Clubs/Departments	37,175	135,909	(127,701)	(10,498)	34,885
Trust Funds	15,615	14,984	(13,806)	-	16,793
School Store	45	-	-	(45)	-
General	10,785	17,659	(19,093)	45	9,396
TOTALS	\$ 93,040	\$ 204,089	\$ (214,501)	\$ -	\$ 82,628

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
CENTRAL SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Athletics	\$ 37,941	\$ 111,683	\$ (89,413)	\$ (3,049)	\$ 57,162
Music	827	3,138	(3,594)	(49)	322
Classes/Clubs/Departments	29,151	54,360	(56,074)	106	27,543
Trust Funds	9,014	22,862	(23,668)	1,147	9,355
School Store	397	348	(145)	(9)	591
General	13,991	1,518	(1,922)	1,854	15,441
TOTALS	\$ 91,321	\$ 193,909	\$ (174,816)	\$ -	\$ 110,414

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
GULF BREEZE HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Athletics	\$ 78,806	\$ 297,748	\$ (298,243)	\$ 969	\$ 79,280
Music	-	2,611	(6,510)	3,899	-
Classes/Clubs/Departments	83,790	267,650	(280,109)	13,566	84,897
Trust Funds	123,817	123,456	(136,662)	(3,541)	107,070
School Store	125	-	-	(125)	-
General	26,185	71,604	(45,347)	(14,768)	37,674
TOTALS	\$ 312,723	\$ 763,069	\$ (766,871)	\$ -	\$ 308,921

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
JAY HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Athletics	\$ 25,676	\$ 162,649	\$ (163,175)	\$ -	\$ 25,150
Music	1,219	16,903	(16,530)	-	1,592
Classes/Clubs/Departments	46,043	85,767	(92,298)	1,770	41,282
Trust Funds	34,974	62,286	(9,695)	-	87,565
General	53,541	4,578	(9,133)	(1,770)	47,216
TOTALS	\$ 161,453	\$ 332,183	\$ (290,831)	\$ -	\$ 202,805

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
MILTON HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Athletics	\$ 55,390	\$ 279,676	\$ (249,686)	\$ (7,019)	\$ 78,361
Music	9,943	245,138	(241,955)	167	13,293
Classes/Clubs/Departments	54,609	266,932	(248,895)	1,779	74,425
Trust Funds	107,332	100,150	(103,607)	5,779	109,654
General	4,620	23,098	(19,320)	(706)	7,692
TOTALS	\$ 231,894	\$ 914,994	\$ (863,463)	\$ -	\$ 283,425

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
NAVARRE HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Athletics	\$ 31,528	\$ 256,220	\$ (262,629)	\$ (1,250)	\$ 23,869
Music	9,324	113,788	(119,521)	151	3,742
Classes/Clubs/Departments	88,103	244,940	(247,083)	(1,688)	84,272
Trust Funds	111,936	108,773	(125,801)	2,941	97,849
School Store	2,309	1,251	(2,713)	(32)	815
General	8,551	6,194	(8,134)	(122)	6,489
TOTALS	\$ 251,751	\$ 731,166	\$ (765,881)	\$ -	\$ 217,036

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
PACE HIGH SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Athletics	\$ 128,937	\$ 471,190	\$ (487,680)	\$ 3,052	\$ 115,499
Music	12,994	222,829	(215,148)	(795)	19,880
Classes/Clubs/Departments	102,569	404,338	(401,663)	(5,772)	99,472
Trust Funds	55,789	108,418	(99,359)	(1,586)	63,262
General	4,681	52,478	(50,784)	5,101	11,476
TOTALS	\$ 304,970	\$ 1,259,253	\$ (1,254,634)	\$ -	\$ 309,589

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
E. S. E. INTERNAL FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Trust Funds	\$ 8,986	\$ 1,619	\$ (4,002)	\$ -	\$ 6,603
General	1,105	9	(27)	-	1,087
TOTALS	\$ 10,091	\$ 1,628	\$ (4,029)	\$ -	\$ 7,690

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
LOCKLIN TECHNICAL CENTER
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 30,189	\$ 307,700	\$ (384,617)	\$ 60,481	\$ 13,753
Trust Funds	67,852	430,653	(394,024)	(72,042)	32,439
School Store	3,071	30,463	(34,695)	14,137	12,976
General	25,984	1,568	(6,762)	(2,576)	18,214
TOTALS	\$ 127,096	\$ 770,384	\$ (820,098)	\$ -	\$ 77,382

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
SANTA ROSA ADULT SCHOOL
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ -	\$ 27,002	\$ (11,176)	\$ 204	\$ 16,030
Trust Funds	-	50,080	(25,416)	(204)	24,460
School Store	-	2,674	(950)	-	1,724
General	-	394	(246)	-	148
TOTALS	\$ -	\$ 80,150	\$ (37,788)	\$ -	\$ 42,362

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD
SCHOOL INTERNAL FUNDS
T. R. JACKSON PRE-K CENTER
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 2013

	Cash Balances July 1, 2012	Receipts	Disbursements	Net Transfers	Cash Balances June 30, 2013
Classes/Clubs/Departments	\$ 1,366	\$ -	\$ -	\$ -	\$ 1,366
Trust Funds	1,457	2,138	(2,803)	-	792
General	42,515	1,571	(1,521)	-	42,565
TOTALS	\$ 45,338	\$ 3,709	\$ (4,324)	\$ -	\$ 44,723

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Santa Rosa County District School Board
and Tim Wyrosdick, Superintendent of Schools
Milton, 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 Assets of the Santa Rosa County District School Board School Internal Funds (hereinafter referred to as the "District") as of June 30, 2013, and the related notes to the financial statement, and have issued our report thereon dated September 17, 2013.

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* and which are described in the accompanying Management Letter, MLC 2013-1.

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.

Miramar Beach, Florida
September 17, 2013

MANAGEMENT LETTER

To the Santa Rosa County District School Board
and Tim Wyrosdick, Superintendent of Schools
Milton, Florida

We have audited the Statement of Fiduciary Net Assets of the Santa Rosa County District School Board School Internal Funds ("District") as of June 30, 2013, and have issued our report thereon dated September 17, 2013.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in this report which is dated September 17, 2013, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.800, Rules of the Auditor General, which governs the conduct of district school board audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's report:

Section 10.804(1)(f)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

Section 10.804(1)(f)2., Rules of the Auditor General, requires a statement be included as to whether or not the district school board has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Section 10.804(1)(f)3., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes.

Section 10.804(1)(f)4., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we noted certain items as discussed further in Exhibit B on page 44 following this letter.

Section 10.804(1)(f)5., Rules of the Auditor General, requires that we address fraud, noncompliance with provisions of laws or regulations and contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements

that is less than material but warrant the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Pursuant to Sections 10.804(1)(f)6.a. and 10.805(6), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.804(1)(f)7., Rules of the Auditor General, requires the auditor to state whether or not the district school board complied with transparency requirements (Section 1011.035, Florida Statutes, provides that district school boards include 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 complied with transparency requirements.

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, 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.

Miramar Beach, Florida
September 17, 2013

Santa Rosa County District School Board
School Internal Funds
Exhibit B – Management Letter Comment

MLC 2013-1: PAYMENT OF INVOICES

The *Red Book, Chapter 8, Section 1, Paragraph 8* states, “Sound business practices should be observed in all transactions.” One such sound business practice is that the payee and amount on the check and the check requisition should generally be the same as that noted on the vendor invoice or other supporting documentation. If a difference happens to occur, the appropriate person should note the reason for the difference and what the correct amount for payment is.

- During our current audit, we noted two different schools that had a number of transactions where either information did not agree between the check, check requisition, and vendor invoice or the vendor invoice was missing. We could not find additional information in the supporting documents that reconciled the differences. We noted 2 instances out of a total sample of 60 in which the amount on the check and check requisition did not agree to the amount on the invoice. In addition, we noted 2 instances in which the invoice was missing. Finally, we noted 4 instances in which the school did not receive acknowledgement that a donation was received by the recipient organization.

Recommendation

We recommend that the school obtain an invoice or a letter/receipt of acknowledgement for donations from the recipient organization for every disbursement. The check requisitions should be filled out and the payee and amounts generally should agree to the invoice. In the event that a different amount is to be paid, adequate documentation on the invoice or the check requisition should be presented to reconcile why and how the amount being requested was determined. This will help ensure that disbursements are not over or under paid or paid to the incorrect vendor.

Management's Responses



GULF BREEZE HIGH SCHOOL

Jason W. Weeks
Principal

Daniel F. Brothers
Assistant Principal
Rebecca L. Brown
Assistant Principal
Jon Watts
Assistant Principal

675 Gulf Breeze Parkway • Gulf Breeze, FL 32561 • (850) 916-4100 • FAX (850) 916-4109

July 30, 2013

Re: July 2013 Audit Issues

At Gulf Breeze High School during the internal funds audit process for the fiscal year ending June 30, 2013, it was brought to our attention that there were five instances that were either not in compliance with local school board policy or State regulations and requirements:

- 1) Check #34777 – Donation to Relay for Life had a check requisition and PO, but invoice attached did not have a dollar amount.
- 2) Check #34810 – Donation to OBE had a check requisition and PO, but did not have a paid receipt from OBE.
- 3) Check #34702 – Donation to American Cancer Society from National Honor Society had a check requisition and a PO, but did not have paperwork to support the donation.
- 4) Check #34873A – Donation to Relay for Life had a check requisition, a PO, and a donation receipt. The receipt was signed by Ashley Jernigan who is a SRCBSB employee. A SRCBSB employee cannot sign the donation receipt.
- 5) Check #34283 – Payment to Mark Krikorian Soccer Academy in the amount of \$7,200.00 had a check requisition and a PO, but did not have an invoice or receipt for payment. It did have a letter from Mark Krikorian inviting GBHS to attend the camp that stated a \$2,000.00 deposit was needed, which does not match the amount of the check.

In the future, Gulf Breeze High School will pay closer attention to make sure check requisitions have the appropriate supporting documentation reflecting the amount of the check requisition through invoices or paid receipts from organizations receiving donations. If the check requisition does not agree because a partial payment has been made, the proper documentation will be attached.

Jason Weeks
Principal

Holley Navarre Intermediate School
1936 Navarre School
Navarre, FL 32566
Phone (850)936-6020 Fax (850)936-6026

*Liz West
Principal*

*Nancy Haupt
Assistant Principal*

From: Williams, Karen [<mailto:WilliamsK@mail.santarosa.k12.fl.us>]

Sent: Wednesday, September 18, 2013 9:00 AM

To: Katerina M. Eckert

Subject: RE: Audit Response

I read your recommendation and I will make sure that all invoices and check requisitions agree. I will also have invoices for every item that has been paid.

*Katerina M. Eckert
Principal*