

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
CITRUS COUNTY DISTRICT SCHOOL BOARD
INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

JUNE 30, 2015

**FINANCIAL STATEMENTS
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CITRUS COUNTY DISTRICT SCHOOL BOARD
INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

JUNE 30, 2015

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**FINANCIAL STATEMENTS
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CITRUS COUNTY DISTRICT SCHOOL BOARD
INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

JUNE 30, 2015

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INDEPENDENT AUDITORS' REPORT

Citrus County District School Board
Citrus County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Citrus County District School Board's (the District) Internal Accounts (the Internal Accounts) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's Internal Accounts as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the 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 statements are 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 audit opinion.

Certified Public Accountants

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Citrus County District School Board
Citrus County, Florida

INDEPENDENT AUDITORS' REPORT
(Continued)

Report on the Financial Statements (Concluded)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Internal Accounts of the District, as of June 30, 2015, and the respective changes in the financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 of the Notes to Financial Statements, the accompanying financial statements include only the fiduciary net position of the Internal Accounts. The financial statements do not include other financial activities of the District School Board and, accordingly, do not purport to, and do not present the fiduciary net position, or changes therein, of the District School Board in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's Internal Accounts. The information listed in the table of contents as supplementary information, consisting of the Schedules of Assets Held for Others, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the District's Internal Accounts and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the District's Internal Accounts or to the District's Internal Accounts themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Assets Held for Others is fairly stated in all material respects in relation to the District's Internal Accounts as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2016, on our consideration of the Internal Accounts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, 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 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 Internal Accounts' internal control over financial reporting and compliance.


January 25, 2016

Ocala, Florida

STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA

	ASSETS	
	Private- Purpose Trust Fund	Agency Funds
	<u> </u>	<u> </u>
Assets		
Cash and Equivalents	\$ 219,747	\$ 2,180,559
Accounts Receivable	0	55,399
Inventory	0	6,667
	<u> </u>	<u> </u>
Total Assets	<u>219,747</u>	<u>2,242,625</u>
	LIABILITIES	
Liabilities		
Accounts Payable	0	2,500
Assets Held for Others	0	2,240,125
	<u> </u>	<u> </u>
Total Liabilities	<u>0</u>	<u>2,242,625</u>
Net Position	<u>\$ 219,747</u>	<u>\$ 0</u>

See accompanying note.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA

ASSETS

Additions	
Contributions	\$ 7,718
Deductions	
Scholarships	<u>(12,334)</u>
Change in Net Position	(4,616)
Net Position, July 1, 2014	<u>224,363</u>
Net Position, June 30, 2015	<u><u>\$ 219,747</u></u>

See accompanying note.

**NOTES TO FINANCIAL STATEMENT
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Student Activity Fund - Internal Accounts of Citrus County District School Board (the District) have been prepared to conform to generally accepted accounting principles (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Pursuant to Florida Statutes, Section 1001.51(11)(f), the Superintendent of Schools is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education. The following is a summary of the more significant of these policies:

Reporting Entity

The accompanying financial statements include the effects of activity relating exclusively to the Internal Accounts of the schools within the District (the Internal Accounts). The financial statements do not include other financial activities of the District. Therefore, the accompanying financial statements do not purport to, and do not, present the net position, or changes therein, of the District in accordance with accounting principles generally accepted in the United States of America.

The Internal Accounts are also included in the financial reporting entity of the District.

Within the Internal Accounts, the District reports the following fiduciary fund types:

- *Private-Purpose Trust Fund*—to account for various endowments, the earnings of which are held in trust for scholarships to students from Citrus High School.
- *Agency Funds*—to account for resources of the schools' internal funds, which are used to administer monies, collected at the District's schools in connection with student, athletic, class, and club activities. The fund is made up of all of the internal account activity of the District's twenty-three elementary, middle, and high schools, as well as other internal accounts for special schools and programs, and are unbudgeted public funds under the control and supervision of the District, with individual school principals having day-to-day responsibility over their respective schools, as required by the Red Book.

The collection and disbursement of internal accounts is performed in accordance with Florida Statutes, School Board rules, and the Financial and Program Cost Accounting and Reporting for Florida Schools manual, published by the Florida Department of Education.

The District accounts for student activity funds in an agency fund because the fund is custodial in nature and does not measure the results of operations.

Measurement Focus and Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting.

Cash and Cash Equivalents

Cash deposits and certificates of deposits are held by banks qualified as public depositories under Florida law. All deposits and certificates of deposits are insured by federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes; thus, all bank balances of the Student Activity Fund - Internal Accounts of the District are fully-insured or collateralized.

NOTES TO FINANCIAL STATEMENT
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA
(Concluded)

Note 1 - Summary of Significant Accounting Policies (Concluded)

Accounts Receivable

Receivables are recorded for tuition and facility use for Withlacoochee Technical College (WTC) that is earned and unpaid as of year-end. In addition receivables for the Marine Science Station (MSS) are related to a camp that was run on the premises at year-end. An allowance was not recorded for WTC or MSS.

Inventory

Inventory consists of various school supplies and is reported at cost under the first-in first-out method.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

SUPPLEMENTARY INFORMATION

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

	Citrus High School					Balances June 30, 2015
	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	
Athletics	\$ 68,991	\$ 228,158	\$ (231,458)	\$ 17,876	\$ (19,731)	\$ 63,836
Music	12	298	(463)	153	0	0
Classes	7,107	65,104	(69,517)	5,041	(321)	7,414
Clubs	51,295	136,216	(145,322)	2,944	(7,845)	37,288
Departments	6,747	4,021	(3,337)	0	(105)	7,326
Trusts	11,418	31,236	(20,531)	10,610	(86)	32,647
General	39,346	45,617	(34,227)	5,649	(16,016)	40,369
Total Cash	<u>\$ 184,916</u>	<u>\$ 510,650</u>	<u>\$ (504,855)</u>	<u>\$ 42,273</u>	<u>\$ (44,104)</u>	188,880
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u>188,880</u>
Private Purpose Trust Fund	<u>\$ 224,363</u>	<u>\$ 5,886</u>	<u>\$ (12,333)</u>	<u>\$ 1,831</u>	<u>\$ 0</u>	219,747
Total Assets Held for Others						<u>\$ 408,627</u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Crystal River High School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Athletics	\$ 83,173	\$ 214,265	\$ (218,964)	\$ 35,582	\$ (36,430)	\$ 77,626
Music	3,699	8,823	(10,328)	0	0	2,194
Classes	43,182	64,638	(66,029)	10,960	(13,297)	39,454
Clubs	66,185	44,800	(78,480)	3,415	(4,038)	31,882
Departments	9,494	11,972	(11,930)	488	(370)	9,654
Trusts	19,419	37,096	(45,568)	2,957	(728)	13,176
General	24,203	51,310	(49,950)	5,375	(3,914)	27,024
Total Cash	\$ 249,355	\$ 432,904	\$ (481,249)	\$ 58,777	\$ (58,777)	201,010
Accounts Receivable						0
Inventory						5,000
Accounts Payable						0
Assets Held for Others						\$ 206,010

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Lecanto High School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Athletics	\$ 57,677	\$ 176,998	\$ (184,786)	\$ 23,086	\$ (29,911)	\$ 43,064
Music	7,270	76,962	(75,313)	130	(812)	8,237
Classes	15,366	33,395	(30,913)	4,965	(7,359)	15,454
Clubs	30,386	102,500	(92,856)	1,408	(7,670)	33,768
Departments	23,689	35,178	(51,378)	20,422	(66)	27,845
Trusts	13,609	20,578	(16,186)	15	(365)	17,651
General	24,527	59,181	(56,315)	4,643	(8,486)	23,550
Total Cash	\$ 172,524	\$ 504,792	\$ (507,747)	\$ 54,669	\$ (54,669)	169,569
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 169,569

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Citrus Springs Middle School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Athletics	\$ 13,661	\$ 13,452	\$ (19,928)	\$ 8,292	\$ (8,481)	\$ 6,996
Music	704	5,136	(5,752)	0	0	88
Classes	3,518	1,191	(3,015)	207	(207)	1,694
Clubs	2,212	638	(2,068)	332	(20)	1,094
Departments	13,106	15,427	(18,670)	1,343	(540)	10,666
Trusts	18,092	16,712	(22,760)	1,633	(1,965)	11,712
General	25,610	32,714	(32,554)	458	(1,052)	25,176
Total Cash	<u>\$ 76,903</u>	<u>\$ 85,270</u>	<u>\$ (104,747)</u>	<u>\$ 12,265</u>	<u>\$ (12,265)</u>	57,426
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u><u>\$ 57,426</u></u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Citrus River Middle School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Athletics	\$ 27,161	\$ 33,138	\$ (35,311)	\$ 1,900	\$ (1,900)	\$ 24,988
Music	195	4,126	(1,242)	0	0	3,079
Classes	15,355	9,949	(10,674)	0	(124)	14,506
Clubs	15,005	16,497	(20,732)	2,875	(542)	13,103
Departments	10,909	1,868	(3,853)	4,877	0	13,801
Trusts	8,564	10,037	(7,777)	141	(17)	10,948
General	44,878	35,404	(30,135)	0	(7,210)	42,937
Total Cash	\$ 122,067	\$ 111,019	\$ (109,724)	\$ 9,793	\$ (9,793)	123,362
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 123,362

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Inverness Middle School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Athletics	\$ 26,876	\$ 48,196	\$ (47,224)	\$ 1,320	\$ (2,094)	\$ 27,074
Music	3,434	7,382	(8,867)	0	(170)	1,779
Classes	447	5,313	(4,763)	1,238	(1,197)	1,038
Clubs	31,400	30,964	(33,416)	946	(1,948)	27,946
Departments	2,345	2,673	(1,998)	7	(76)	2,951
Trusts	5,490	7,637	(12,166)	7,253	(237)	7,977
General	21,581	39,817	(23,835)	0	(5,042)	32,521
Total Cash	\$ 91,573	\$ 141,982	\$ (132,269)	\$ 10,764	\$ (10,764)	101,286
Accounts Receivable						0
Inventory						0
Accounts Payable						(2,500)
Assets Held for Others						\$ 98,786

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Lecanto Middle School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Athletics	\$ 27,597	\$ 29,139	\$ (27,610)	\$ 7,528	\$ (8,829)	\$ 27,825
Music	7,873	18,356	(20,084)	3,878	(4,075)	5,948
Classes	5,757	2,365	(2,548)	100	0	5,674
Clubs	20,138	22,120	(28,183)	3,514	(2,455)	15,134
Departments	4,860	15,540	(15,990)	465	(109)	4,766
Trusts	4,058	16,104	(14,726)	426	(965)	4,897
General	7,554	21,286	(20,697)	2,032	(1,510)	8,665
Total Cash	\$ 77,837	\$ 124,910	\$ (129,838)	\$ 17,943	\$ (17,943)	72,909
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 72,909

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Central Ridge Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Classes	\$ 1,042	\$ 3,862	\$ (5,013)	\$ 3,212	\$ (1,849)	\$ 1,254
Clubs	5,202	7,735	(7,069)	0	0	5,868
Departments	2,100	2,482	(2,751)	739	0	2,570
Trusts	7,693	2,849	(3,081)	1,075	(262)	8,274
General	7,356	30,634	(20,258)	0	(2,915)	14,817
Total Cash	<u>\$ 23,393</u>	<u>\$ 47,562</u>	<u>\$ (38,172)</u>	<u>\$ 5,026</u>	<u>\$ (5,026)</u>	32,783
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u><u>\$ 32,783</u></u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Citrus Springs Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer		Balances June 30, 2015
				In	(Out)	
Music	\$ 1,110	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,110
Classes	105	2,117	(1,749)	298	(298)	473
Clubs	4,267	9,550	(8,218)	237	0	5,836
Departments	3,841	6,293	(6,520)	0	0	3,614
Trusts	5,374	41,354	(37,735)	912	(912)	8,993
General	25,167	20,722	(24,463)	4,440	(4,677)	21,189
Total Cash	\$ 39,864	\$ 80,036	\$ (78,685)	\$ 5,887	\$ (5,887)	41,215
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						<u>\$ 41,215</u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Crystal River Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Music	\$ 91	\$ 0	\$ 0	\$ 0	\$ 0	\$ 91
Classes	2,858	1,478	(1,270)	141	(140)	3,067
Clubs	2,182	2,002	(6,441)	3,463	0	1,206
Departments	1,850	590	(795)	0	0	1,645
Trusts	4,312	6,692	(6,572)	0	(504)	3,928
General	28,064	12,432	(6,430)	38	(2,998)	31,106
Total Cash	\$ 39,357	\$ 23,194	\$ (21,508)	\$ 3,642	\$ (3,642)	41,043
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 41,043

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Floral City Elementary School

	<u>Cash Balances July 1, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disburse- ments</u>	<u>Transfer In</u>	<u>Transfer (Out)</u>	<u>Balances June 30, 2015</u>
Classes	\$ 6,281	\$ 5,403	\$ (8,211)	\$ 3,178	\$ (1,046)	\$ 5,605
Clubs	262	580	(632)	0	0	210
Departments	1,044	1,094	(2,047)	597	(462)	226
Trusts	1,855	5,044	(6,222)	733	(88)	1,322
General	7,707	15,439	(12,416)	723	(3,635)	7,818
Total Cash	<u>\$ 17,149</u>	<u>\$ 27,560</u>	<u>\$ (29,528)</u>	<u>\$ 5,231</u>	<u>\$ (5,231)</u>	15,181
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u>\$ 15,181</u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Forest Ridge Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Music	\$ 289	\$ 540	\$ (445)	\$ 354	\$ 0	\$ 738
Classes	8,766	21,728	(20,029)	808	(1,900)	9,373
Clubs	563	722	(945)	631	0	971
Departments	3,136	0	(3,288)	2,699	0	2,547
Trusts	9,593	5,908	(5,345)	2,006	0	12,162
General	45,486	33,201	(26,291)	(4,598)	0	47,798
Total Cash	\$ 67,833	\$ 62,099	\$ (56,343)	\$ 1,900	\$ (1,900)	73,589
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 73,589

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Hernando Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Classes	\$ 2,769	\$ 15,273	\$ (16,177)	\$ 1,187	\$ (1,218)	\$ 1,834
Clubs	9,834	7,877	(10,480)	469	(155)	7,545
Departments	2,274	1,597	(1,629)	0	0	2,242
Trusts	12,586	388	(325)	0	(283)	12,366
General	30,406	4,462	(2,171)	1,441	(1,441)	32,697
Total Cash	\$ 57,869	\$ 29,597	\$ (30,782)	\$ 3,097	\$ (3,097)	56,684
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 56,684

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Homosassa Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Music	\$ 409	\$ 877	\$ (701)	\$ 0	\$ (230)	\$ 355
Classes	2,739	200	(926)	0	0	2,013
Clubs	5,489	5,353	(2,267)	0	(3,038)	5,537
Departments	3,113	985	(1,042)	0	0	3,056
Trusts	17,148	9,156	(11,535)	3,268	0	18,037
General	12,531	3,632	(9,490)	0	0	6,673
Total Cash	<u>\$ 41,429</u>	<u>\$ 20,203</u>	<u>\$ (25,961)</u>	<u>\$ 3,268</u>	<u>\$ (3,268)</u>	35,671
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u>\$ 35,671</u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Inverness Primary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Music	\$ 45	\$ 12,521	\$ (11,628)	\$ 0	\$ 0	\$ 938
Classes	10,896	24,212	(22,849)	259	(411)	12,107
Clubs	14	917	(604)	0	0	327
Departments	2,104	0	(3,811)	2,501	0	794
Trusts	3,229	2,527	(2,214)	806	0	4,348
General	16,708	34,850	(26,010)	15,267	(18,422)	22,393
Total Cash	<u>\$ 32,996</u>	<u>\$ 75,027</u>	<u>\$ (67,116)</u>	<u>\$ 18,833</u>	<u>\$ (18,833)</u>	40,907
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u>\$ 40,907</u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Lecanto Primary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Music	\$ 199	\$ 0	\$ 0	\$ 0	\$ 0	\$ 199
Classes	436	2,000	(2,062)	0	(51)	323
Clubs	3,457	6,300	(6,140)	0	0	3,617
Departments	1,485	1,321	(251)	0	0	2,555
Trusts	4,941	46	(2,587)	491	(1,609)	1,282
General	6,204	6,972	(7,061)	1,660	(491)	7,284
Total Cash	\$ 16,722	\$ 16,639	\$ (18,101)	\$ 2,151	\$ (2,151)	15,260
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 15,260

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Pleasant Grove Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Classes	\$ 6,825	\$ 33,757	\$ (33,897)	\$ 0	\$ 0	\$ 6,685
Clubs	5,872	10,057	(9,789)	745	0	6,885
Departments	11,564	6,126	(6,733)	0	0	10,957
Trusts	22,383	7,140	(6,021)	100	0	23,602
General	12,805	15,446	(14,453)	993	(1,838)	12,953
Total Cash	\$ 59,449	\$ 72,526	\$ (70,893)	\$ 1,838	\$ (1,838)	61,082
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 61,082

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Rock Crusher Elementary School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer		Balances June 30, 2015
				In	(Out)	
Music	\$ 991	\$ 1,551	\$ (1,568)	\$ 337	\$ (337)	\$ 974
Classes	13,649	29,466	(27,556)	60	0	15,619
Clubs	2,451	639	(1,989)	2,000	(60)	3,041
Departments	5,317	1,019	(1,302)	0	0	5,034
Trusts	7,601	690	(3,850)	2,500	0	6,941
General	57,056	10,016	(7,571)	0	(4,500)	55,001
Total Cash	<u>\$ 87,065</u>	<u>\$ 43,381</u>	<u>\$ (43,836)</u>	<u>\$ 4,897</u>	<u>\$ (4,897)</u>	86,610
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u><u>\$ 86,610</u></u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Crest School

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Classes	\$ 2,524	\$ 1,453	\$ (1,932)	\$ 182	\$ (635)	\$ 1,592
Clubs	3,127	1,675	(2,291)	0	(500)	2,011
Trusts	7,708	19,904	(7,805)	118	(955)	18,970
General	5,690	7,633	(14,124)	2,345	(555)	989
Total Cash	<u>\$ 19,049</u>	<u>\$ 30,665</u>	<u>\$ (26,152)</u>	<u>\$ 2,645</u>	<u>\$ (2,645)</u>	23,562
Accounts Receivable						0
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u><u>\$ 23,562</u></u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Marine Science Station

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer		Balances June 30, 2015
				In	(Out)	
Classes	\$ 63,182	\$ 51,976	\$ (65,583)	\$ 840	\$ (700)	\$ 49,715
Clubs	60	177	(44)	0	0	193
Trusts	62,809	10,544	(56,991)	5,000	(4,300)	17,062
General	5,655	42,744	(41,406)	3,741	(4,581)	6,153
Total Cash	<u>\$ 131,706</u>	<u>\$ 105,441</u>	<u>\$ (164,024)</u>	<u>\$ 9,581</u>	<u>\$ (9,581)</u>	73,123
Accounts Receivable						9,240
Inventory						0
Accounts Payable						<u>0</u>
Assets Held for Others						<u>\$ 82,363</u>

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Renaissance Center

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer In	Transfer (Out)	Balances June 30, 2015
Classes	\$ 193	\$ 0	\$ 0	\$ 0	\$ 0	\$ 193
Clubs	63	0	0	0	0	63
Trusts	275	0	0	0	0	275
General	3,786	0	(53)	0	0	3,733
Total Cash	\$ 4,317	\$ 0	\$ (53)	\$ 0	\$ 0	4,264
Accounts Receivable						0
Inventory						0
Accounts Payable						0
Assets Held for Others						\$ 4,264

**SCHEDULE OF ASSETS HELD FOR OTHERS
FOR THE YEAR ENDED JUNE 30, 2015
CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
CITRUS COUNTY, FLORIDA**

Withlacoochee Technical College

	Cash Balances July 1, 2014	Cash Receipts	Cash Disburse- ments	Transfer		Balances June 30, 2015
				In	(Out)	
Classes	\$ 51,857	\$ 938,126	\$ (975,547)	\$ 4,290	\$ (4,298)	\$ 14,428
Clubs	8,857	18,735	(12,533)	722	(2,425)	13,356
Trusts	151,670	117,905	(157,269)	6,282	0	118,588
General	497,234	138,744	(112,636)	3,513	(8,084)	518,771
Total Cash	\$ 709,618	\$ 1,213,510	\$ (1,257,985)	\$ 14,807	\$ (14,807)	665,143
Accounts Receivable						46,159
Inventory						1,667
Accounts Payable						0
Assets Held for Others						\$ 712,969

OTHER REPORTS

**INDEPENDENT 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***

Citrus County District School Board
Citrus County, Florida

We have audited, in accordance with the 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 Internal Accounts (Internal Accounts) of the Citrus County School Board District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Internal Accounts of the District and have issued our report thereon dated January 25, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Internal Accounts' 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 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 a 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and other matters that we consider to be significant deficiencies as 2013-001 and 2015-001.

Certified Public Accountants

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MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

Citrus County District School Board
Citrus County, Florida

**INDEPENDENT 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*
(Concluded)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Internal Accounts' 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this 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.

Durvis, Gray and Company, LLP

January 25, 2016
Ocala, Florida

**CITRUS COUNTY DISTRICT SCHOOL BOARD INTERNAL ACCOUNTS
SCHEDULE OF FINDINGS AND OTHER MATTERS
FOR THE YEAR ENDED JUNE 30, 2015**

Significant Deficiencies

2013-001 ***Finding***

Because of a limited number of personnel, school employees who maintain accounting records also handle cash collections, cosign checks, and reconcile bank statement balances to the accounting records. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

Recommendation

Internal control over cash transactions would be strengthened if these duties were separated among employees. While we acknowledge that personnel may not always be available to permit such a separation of employee duties and responsibilities, we think it is important that you are made aware of this condition. We noted that some principals are reviewing bank reconciliations in order to help compensate for the lack of segregation of duties. We continue to encourage all principals to perform this review process. We further encourage the principals to require that the bank statements be routed to them unopened and that they examine the cancelled checks (or check copies) for alterations or unusual payees.

2015-001 ***Finding***

During the time of fieldwork, we noted that a confirmation for a certificate of deposit (CD) for one of the School's Internal Accounts was not received. The District contacted the Bank and was informed that the CD had been closed-out since 2007. The District has been including the balance of the CD in the Internal Accounts incorrectly and had never removed the balance from the Internal Account.

Recommendation

The District should continue to require reconciliation procedures for all cash and investment accounts performed on a timely monthly basis. Information and backup supporting documents including bank and investment statements should be reviewed by an individual other than the School's bookkeeper for verification. Additionally, documentation of all new or closed cash or investment accounts should be provided to the District management for review.

Other Matters

In addition to the significant deficiencies described above, our audit procedures disclosed the following immaterial instances of noncompliance at various schools, which are hereafter presented for your consideration. For schools that are not specifically identified, our audit procedures did not disclose other conditions that we feel should be brought to your attention.

Chapter 8, Section III of the Florida Department of Education's "Red Book" provides standards, practices, and procedures for Districts to govern internal accounts. Our audit procedures included the review of cash receipts and disbursements. We noted several instances of noncompliance with these standards, practices, and procedures as they related to the transactions of cash receipts and disbursements at the following schools:

Central Ridge Elementary, Citrus High, Citrus Springs Elementary, Citrus Springs Middle, Crest, Crystal River High, Crystal River Middle, Crystal River Primary, Floral City Elementary, Forest Ridge Elementary, Inverness Middle, Inverness Primary, Lecanto High, Pleasant Grove, Marine Science Station, and Withlacooche Technical College.

We recommend that the District's management continue to monitor and train accounting staff at the Schools to ensure compliance with the Red Books standards.



SANDRA "SAM" HIMMEL – SUPERINTENDENT OF SCHOOLS

*"Where Learning is the Expectation
And Caring is a Commitment"*

THOMAS KENNEDY
DISTRICT 1

VIRGINIA BRYANT
DISTRICT 2

DOUGLAS A. DODD
DISTRICT 3

VACANT
DISTRICT 4

LINDA B. POWERS
DISTRICT 5

January 25, 2016

Helen Y. Painter, CPA
Audit Partner
Purvis, Gray & Company
2347 SE 17th Street
Ocala, Florida 34471
Re: Citrus County Schools' Internal Account Audit

Dear Ms. Painter:

Regarding the above-referenced Audit, the District's Response is as follows:

Significant Deficiencies

2013-001 - Lack of Segregation of Accounting Duties

District's Response – The District acknowledges that due to staffing levels, duties cannot always be adequately separated. The District provides a compensating control of review to help mitigate any control issues. The District will encourage Principals to require that the bank statements be routed to them unopened and that they examine the cancelled checks (or check copies) for alteration or unusual payees.

2015-001 – Timeliness of recording transactions

District's Response – The CD has been removed and recorded as closed out to the appropriate school account. In addition District staff will continue to reviews each school's bank statement and monthly reconciliation for accuracy and verification. Additionally, documentation of all new or closed cash or investment accounts will be required to be sent to the District for review.

OTHER MATTERS – Immaterial instances

District's Response – The District will continue to reiterate standards, practices and procedures based on the Florida Department of Education's "Red Book" at annual trainings and through monthly e-mails to Bookkeepers.

Respectfully,

Tammy Wilson
Director of Finance