

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
CITRUS COUNTY DISTRICT SCHOOL BOARD
FIDUCIARY FUNDS [PRIVATE-PURPOSE TRUST FUNDS
AND AGENCY FUNDS (INTERNAL ACCOUNTS)]
CITRUS COUNTY, FLORIDA**

JUNE 30, 2018

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
CITRUS COUNTY DISTRICT SCHOOL BOARD
FIDUCIARY FUNDS [PRIVATE-PURPOSE TRUST FUNDS
AND AGENCY FUNDS (INTERNAL ACCOUNTS)]**

CITRUS COUNTY, FLORIDA

JUNE 30, 2018

TABLE OF CONTENTS

Independent Auditors' Report	1-2
Statement of Fiduciary Net Position	3
Statement of Changes in Fiduciary Net Position	4
Note to Financial Statements	5-6
Supplementary Information:	
Schedule of Changes in Assets and Liabilities	
High Schools:	
Citrus High School	7
Crystal River High School.....	8
Lecanto High School	9
Middle Schools:	
Citrus Springs Middle School	10
Crystal River Middle School	11
Inverness Middle School	12
Lecanto Middle School	13
Elementary Schools:	
Central Ridge Elementary School	14
Citrus Springs Elementary School.....	15
Crystal River Primary School.....	16
Floral City Elementary School	17
Forest Ridge Elementary School	18
Hernando Elementary School.....	19
Homosassa Elementary School	20
Inverness Primary School.....	21
Lecanto Primary School	22
Pleasant Grove Elementary School	23
Rock Crusher Elementary School	24
Crest School.....	25
Marine Science Station	26
Withlacoochee Technical College	27

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
CITRUS COUNTY DISTRICT SCHOOL BOARD
FIDUCIARY FUNDS [PRIVATE-PURPOSE TRUST FUNDS
AND AGENCY FUNDS (INTERNAL ACCOUNTS)]**

CITRUS COUNTY, FLORIDA

JUNE 30, 2018

**TABLE OF CONTENTS
(Concluded)**

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 <i>Government Auditing Standards</i>.....	28-29
Schedule of Findings and Other Matters.....	30
District's Response Letter	31

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) [Private-Purpose Trust Funds (Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position) and Agency Funds (Statement of Fiduciary Net Position) (Internal Accounts)] as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's Fiduciary Funds 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 opinions 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 opinions.

Certified Public Accountants

P.O. Box 141270 • 222 N.E. 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461 • FAX (352) 378-2505
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872 • FAX (352) 732-0542
443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144 • FAX (850) 224-1762
5001 Lakewood Ranch Blvd. N., Suite 101 • Sarasota, Florida 34240 • (941) 907-0350 • FAX (941) 907-0309
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

INDEPENDENT AUDITORS' REPORT
(Concluded)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fiduciary Funds of the District, as of June 30, 2018, 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.

Emphasis of Matter

As discussed in Note 1 to Financial Statements, the accompanying financial statements include only the fiduciary net position and the changes of fiduciary net position of the Fiduciary Funds. The financial statements do not include other financial activities of the District and, accordingly, do not purport to, and do not present the fiduciary net position, or changes therein, of the District 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 opinions on the financial statements that collectively comprise the District's Fiduciary Funds. The information listed in the table of contents as supplementary information, consisting of the Schedules of Changes in Assets and Liabilities, 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 Fiduciary Funds and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the District's Fiduciary Funds or to the District's Fiduciary Fund's themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Changes in Assets and Liabilities are fairly stated in all material respects in relation to the District's Fiduciary Funds as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2018, on our consideration of the District's 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 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 District's 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 District's internal control over financial reporting and compliance.


December 19, 2018
Ocala, Florida

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA

ASSETS

	Agency Funds	Private- Purpose Trust Fund
Assets		
Cash and Cash Equivalents	\$ 2,546,446	\$ 123,246
Accounts Receivable, Net	76,577	0
Inventory	4,529	0
Total Assets	<u>2,627,552</u>	<u>123,246</u>

LIABILITIES

Liabilities		
Accounts Payable	43,889	0
Assets Held for Others	2,583,663	0
Total Liabilities	<u>2,627,552</u>	<u>0</u>
Net Position	<u>\$ 0</u>	<u>\$ 123,246</u>

See accompanying note.

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

ASSETS		Private-Purpose Trust Fund
Additions		
Contributions:		
Individuals and Organizations	\$	41,607
Total Additions		<u>41,607</u>
 Deductions		
Scholarships Awarded		<u>(47,079)</u>
Total Deductions		<u>(47,079)</u>
 Change in Net Position		(5,472)
 Net Position, July 1, 2017		<u>128,718</u>
 Net Position, June 30, 2018	\$	<u><u>123,246</u></u>

See accompanying note.

**NOTE TO FINANCIAL STATEMENTS
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Fiduciary Funds [Private-Purpose Trust Funds and Agency Funds (Internal Accounts)] of Citrus County District School Board (the District) have been prepared to conform to generally accepted accounting principles, as applied to governmental units. The Governmental Accounting Standards Board 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 Fiduciary Funds [Private-Purpose Trust Funds and Agency Funds (Internal Accounts)] of the schools within the District. 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 Fiduciary Funds are also included in the financial reporting entity of the District.

Within the Fiduciary Funds, 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 Withlacoochee Technical College. In the current year, the scholarship funds from Citrus High School were transferred to the District.
- *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.

NOTE TO FINANCIAL STATEMENTS
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA
(Concluded)

Note 1 - Summary of Significant Accounting Policies (Concluded)

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 Funds of the District are fully-insured or collateralized.

Accounts Receivable

The majority of the accounts receivables are recorded for tuition/fees and facility use that are earned and unpaid as of year-end. An allowance for uncollectible accounts was recorded for Withlacoochee Technical College receivables in the amount of \$28,529.

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 CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

	Citrus High School					
	Cash Balances			Transfer		Cash Balances
	July 1, 2017	Additions	Deductions	In	(Out)	June 30, 2018
Athletics	\$ 59,775	\$ 254,419	\$ (225,138)	\$ 42,164	\$ (44,930)	\$ 86,290
Music	194	150	(280)	0	0	64
Classes	9,230	55,502	(59,072)	802	(2,941)	3,521
Clubs	62,787	147,872	(153,550)	13,471	(9,351)	61,229
Departments	7,446	1,239	(1,606)	0	(87)	6,992
Trusts	22,775	24,084	(28,277)	1,451	(1,338)	18,695
General	18,105	231,610	(225,060)	5,625	(4,866)	25,414
Total Cash	<u>\$ 180,312</u>	<u>\$ 714,876</u>	<u>\$ (692,983)</u>	<u>\$ 63,513</u>	<u>\$ (63,513)</u>	202,205
Accounts Receivable	0	5,171	0	0	0	5,171
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	<u>0</u>
Assets Held for Others						<u>\$ 207,376</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Crystal River High School

	Cash			Transfer		Cash
	Balances					Balances
	July 1, 2017	Additions	Deductions	In	(Out)	June 30, 2018
Athletics	\$ 116,182	\$ 194,910	\$ (210,801)	\$ 49,334	\$ (50,375)	\$ 99,250
Music	3,940	9,368	(6,900)	396	(396)	6,408
Classes	69,321	109,961	(94,118)	2,924	(1,924)	86,164
Clubs	44,508	99,511	(66,395)	11,054	(14,078)	74,600
Departments	10,245	6,641	(5,656)	15	(315)	10,930
Trusts	24,593	41,203	(44,064)	4,347	(1,513)	24,566
General	23,558	310,974	(308,408)	2,599	(2,068)	26,655
Total Cash	<u>\$ 292,347</u>	<u>\$ 772,568</u>	<u>\$ (736,342)</u>	<u>\$ 70,669</u>	<u>\$ (70,669)</u>	328,573
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	(6,132)	(37,908)	6,132	0	0	<u>(37,908)</u>
Assets Held for Others						<u>\$ 290,665</u>

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA

Lecanto High School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Athletics	\$ 94,903	\$ 241,414	\$ (227,501)	\$ 30,705	\$ (37,376)	\$ 102,145
Music	654	76,528	(70,203)	144	(892)	6,231
Classes	13,241	31,927	(27,248)	2,977	(9,073)	11,824
Clubs	47,126	76,809	(79,127)	799	(2,791)	42,816
Departments	13,058	45,231	(32,157)	10,893	(25)	37,000
Trusts	25,109	19,765	(20,719)	4,855	(280)	28,730
General	46,688	280,579	(307,867)	1,711	(1,647)	19,464
Total Cash	<u><u>\$ 240,779</u></u>	<u><u>\$ 772,253</u></u>	<u><u>\$ (764,822)</u></u>	<u><u>\$ 52,084</u></u>	<u><u>\$ (52,084)</u></u>	248,210
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	<u>0</u>
Assets Held for Others						<u><u>\$ 248,210</u></u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Citrus Springs Middle School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Athletics	\$ 11,579	\$ 20,426	\$ (23,343)	\$ 11,127	\$ (11,127)	\$ 8,662
Music	131	1,059	(593)	0	0	597
Classes	2,087	3,097	(3,099)	200	0	2,285
Clubs	1,980	2,601	(2,243)	0	0	2,338
Departments	14,853	3,040	(5,323)	0	(2,016)	10,554
Trusts	9,222	22,383	(23,742)	40	(236)	7,667
General	15,649	76,567	(77,814)	2,012	0	16,414
Total Cash	<u>\$ 55,501</u>	<u>\$ 129,173</u>	<u>\$ (136,157)</u>	<u>\$ 13,379</u>	<u>\$ (13,379)</u>	48,517
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	<u>0</u>
Assets Held for Others						<u>\$ 48,517</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Crystal River Middle School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Athletics	\$ 25,784	\$ 31,794	\$ (36,809)	\$ 223	\$ (223)	\$ 20,769
Music	3,142	18,824	(13,195)	0	0	8,771
Classes	16,611	33,992	(33,111)	2,113	(60)	19,545
Clubs	13,634	11,203	(12,003)	413	0	13,247
Departments	14,819	6,489	(5,914)	3,552	(198)	18,748
Trusts	12,630	15,047	(15,010)	60	(39)	12,688
General	42,225	161,785	(159,941)	169	(6,010)	38,228
Total Cash	<u>\$ 128,845</u>	<u>\$ 279,134</u>	<u>\$ (275,983)</u>	<u>\$ 6,530</u>	<u>\$ (6,530)</u>	131,996
Accounts Receivable	0	160	0	0	0	160
Inventory	0	1,643	0	0	0	1,643
Accounts Payable	0	(5,246)	0	0	0	<u>(5,246)</u>
Assets Held for Others						<u>\$ 128,553</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Inverness Middle School

	Cash			Transfer		Cash
	Balances	Additions	Deductions	In	(Out)	Balances
	July 1, 2017					June 30, 2018
Athletics	\$ 29,930	\$ 38,878	\$ (51,295)	\$ 2,240	\$ (2,076)	\$ 17,677
Music	5,402	14,992	(14,534)	1,144	(491)	6,513
Classes	6,021	23,886	(21,883)	201	(966)	7,259
Clubs	32,272	51,614	(49,057)	3,347	(4,841)	33,335
Departments	2,766	4,494	(5,030)	1,300	(71)	3,459
Trusts	7,527	8,223	(11,503)	2,305	(337)	6,215
General	15,851	126,539	(113,977)	952	(2,707)	26,658
Total Cash	<u>\$ 99,769</u>	<u>\$ 268,626</u>	<u>\$ (267,279)</u>	<u>\$ 11,489</u>	<u>\$ (11,489)</u>	101,116
Accounts Receivable	0	421	0	0	0	421
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 101,537</u>

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA

Lecanto Middle School

	Cash			Transfer		Cash
	Balances					Balances
	July 1, 2017	Additions	Deductions	In	(Out)	June 30, 2018
Athletics	\$ 22,702	\$ 50,518	\$ (35,911)	\$ 8,958	\$ (17,319)	\$ 28,948
Music	1,682	49,634	(50,265)	8,590	(7,785)	1,856
Classes	5,294	40,734	(40,373)	4,495	(1,738)	8,412
Clubs	18,849	42,710	(42,173)	8,426	(8,647)	19,165
Departments	6,485	8,969	(10,626)	1,500	(573)	5,755
Trusts	4,559	19,131	(18,228)	1,154	(244)	6,372
General	11,250	82,565	(87,231)	3,229	(46)	9,767
Total Cash	<u>\$ 70,821</u>	<u>\$ 294,261</u>	<u>\$ (284,807)</u>	<u>\$ 36,352</u>	<u>\$ (36,352)</u>	80,275
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 80,275</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Central Ridge Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Classes	\$ 1,803	\$ 1,115	\$ (3,683)	\$ 2,751	\$ (165)	\$ 1,821
Clubs	6,376	6,930	(7,291)	0	0	6,015
Departments	2,877	1,064	(2,496)	1,244	0	2,689
Trusts	8,252	7,410	(8,471)	454	(96)	7,549
General	20,898	51,559	(44,756)	321	(4,509)	23,513
Total Cash	<u>\$ 40,206</u>	<u>\$ 68,078</u>	<u>\$ (66,697)</u>	<u>\$ 4,770</u>	<u>\$ (4,770)</u>	41,587
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	(735)	0	0	0	<u>(735)</u>
Assets Held for Others						<u>\$ 40,852</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Citrus Springs Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Music	\$ 1,110	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,110
Classes	1	13,876	(12,498)	20	(1,383)	16
Clubs	3,734	9,042	(6,970)	100	(74)	5,832
Departments	2,324	3,190	(1,672)	33	0	3,875
Trusts	5,200	900	(1,244)	80	(20)	4,916
General	24,409	49,321	(49,020)	1,368	(124)	25,954
Total Cash	\$ 36,778	\$ 76,329	\$ (71,404)	\$ 1,601	\$ (1,601)	41,703
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						\$ 41,703

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA

Crystal River Primary School

	Cash			Transfer		Cash
	Balances					Balances
	July 1, 2017	Additions	Deductions	In	(Out)	June 30, 2018
Music	\$ 151	\$ 340	\$ (142)	\$ 0	\$ 0	\$ 349
Classes	4,003	1,656	(1,219)	89	(1,470)	3,059
Clubs	1,004	1,694	(1,278)	0	0	1,420
Departments	2,702	510	(241)	1,856	0	4,827
Trusts	4,037	7,015	(6,667)	1,920	(1,226)	5,079
General	32,379	58,729	(56,528)	296	(1,465)	33,411
Total Cash	\$ 44,276	\$ 69,944	\$ (66,075)	\$ 4,161	\$ (4,161)	48,145
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						\$ 48,145

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Floral City Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Classes	\$ 7,202	\$ 4,024	\$ (4,653)	\$ 1,728	\$ (401)	\$ 7,900
Clubs	555	157	(117)	0	0	595
Departments	546	120	(368)	207	0	505
Trusts	1,604	1,834	(1,248)	0	(898)	1,292
General	11,124	36,283	(32,415)	334	(970)	14,356
Total Cash	<u>\$ 21,031</u>	<u>\$ 42,418</u>	<u>\$ (38,801)</u>	<u>\$ 2,269</u>	<u>\$ (2,269)</u>	24,648
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 24,648</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Forest Ridge Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Music	\$ 826	\$ 875	\$ (855)	\$ 0	\$ 0	\$ 846
Classes	6,880	17,097	(17,148)	831	(1,223)	6,437
Clubs	2,800	4,032	(3,677)	1,455	0	4,610
Departments	3,797	0	(45)	1,097	0	4,849
Trusts	13,946	5,910	(7,802)	136	(2,184)	10,006
General	40,311	87,195	(87,763)	4,953	(5,065)	39,631
Total Cash	<u>\$ 68,560</u>	<u>\$ 115,109</u>	<u>\$ (117,290)</u>	<u>\$ 8,472</u>	<u>\$ (8,472)</u>	66,379
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 66,379</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Hernando Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Classes	\$ 598	\$ 10,620	\$ (9,969)	\$ 676	\$ (685)	\$ 1,240
Clubs	8,731	9,117	(6,953)	430	(3,298)	8,027
Departments	2,276	505	(248)	0	0	2,533
Trusts	9,055	475	(1,216)	0	0	8,314
General	25,524	61,602	(61,419)	3,443	(566)	28,584
Total Cash	<u>\$ 46,184</u>	<u>\$ 82,319</u>	<u>\$ (79,805)</u>	<u>\$ 4,549</u>	<u>\$ (4,549)</u>	48,698
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 48,698</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Homosassa Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Music	\$ 549	\$ 830	\$ (619)	\$ 0	\$ 0	\$ 760
Classes	1,125	3,716	(3,783)	0	0	1,058
Clubs	5,210	3,198	(2,116)	0	0	6,292
Departments	3,605	1,711	(1,457)	0	0	3,859
Trusts	16,371	8,690	(3,569)	0	(45)	21,447
General	12,614	46,675	(48,173)	45	0	11,161
Total Cash	<u>\$ 39,474</u>	<u>\$ 64,820</u>	<u>\$ (59,717)</u>	<u>\$ 45</u>	<u>\$ (45)</u>	44,577
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 44,577</u>

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA

Inverness Primary School						
	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Music	\$ 94	\$ 0	\$ 0	\$ 318	\$ 0	\$ 412
Classes	7,486	28,628	(28,837)	93	(757)	6,613
Clubs	532	1,165	(807)	0	0	890
Departments	2,025	0	(45)	373	0	2,353
Trusts	5,991	2,214	(2,565)	639	(5)	6,274
General	35,444	83,130	(77,254)	5,907	(6,568)	40,659
Total Cash	<u><u>\$ 51,572</u></u>	<u><u>\$ 115,137</u></u>	<u><u>\$ (109,508)</u></u>	<u><u>\$ 7,330</u></u>	<u><u>\$ (7,330)</u></u>	57,201
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	<u>0</u>
Assets Held for Others						<u><u>\$ 57,201</u></u>

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA

Lecanto Primary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Music	\$ 84	\$ 30	\$ 0	\$ 0	\$ 0	\$ 114
Classes	706	9,421	(8,873)	0	(632)	622
Clubs	5,813	5,380	(2,354)	0	0	8,839
Departments	2,879	263	(99)	0	0	3,043
Trusts	2,267	1,906	(2,445)	907	(184)	2,451
General	5,256	26,801	(26,133)	954	(1,045)	5,833
Total Cash	<u>\$ 17,005</u>	<u>\$ 43,801</u>	<u>\$ (39,904)</u>	<u>\$ 1,861</u>	<u>\$ (1,861)</u>	20,902
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 20,902</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Pleasant Grove Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Classes	\$ 7,046	\$ 30,805	\$ (29,520)	\$ 0	\$ 0	\$ 8,331
Clubs	10,314	8,291	(6,894)	422	0	12,133
Departments	11,345	6,298	(5,198)	0	0	12,445
Trusts	19,040	8,808	(5,520)	96	(1,029)	21,395
General	15,147	70,966	(68,875)	1,246	(735)	17,749
Total Cash	<u>\$ 62,892</u>	<u>\$ 125,168</u>	<u>\$ (116,007)</u>	<u>\$ 1,764</u>	<u>\$ (1,764)</u>	72,053
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	(146)	0	146	0	0	0
Assets Held for Others						<u>\$ 72,053</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Rock Crusher Elementary School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Music	\$ 1,758	\$ 841	\$ (1,453)	\$ 0	\$ 0	\$ 1,146
Classes	9,769	22,318	(23,798)	20	(64)	8,245
Clubs	1,907	2,296	(3,220)	365	0	1,348
Departments	2,771	522	(949)	0	0	2,344
Trusts	3,546	3,673	(2,388)	59	(15)	4,875
General	69,482	98,403	(99,630)	0	(365)	67,890
Total Cash	<u>\$ 89,233</u>	<u>\$ 128,053</u>	<u>\$ (131,438)</u>	<u>\$ 444</u>	<u>\$ (444)</u>	85,848
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 85,848</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Crest School

	Cash Balances July 1, 2017	Additions	Deductions	Transfer In	(Out)	Cash Balances June 30, 2018
Classes	\$ 2,333	\$ 210	\$ (614)	\$ 32	\$ (18)	\$ 1,943
Clubs	1,866	974	(1,253)	59	(1,099)	547
Trusts	20,305	8,450	(3,948)	66	(625)	24,248
General	5,878	46,632	(40,326)	2,040	(455)	13,769
Total Cash	<u>\$ 30,382</u>	<u>\$ 56,266</u>	<u>\$ (46,141)</u>	<u>\$ 2,197</u>	<u>\$ (2,197)</u>	40,507
Accounts Receivable	0	0	0	0	0	0
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 40,507</u>

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA

Marine Science Station

	Cash Balances July 1, 2017	Additions	Deductions	Transfer In	(Out)	Cash Balances June 30, 2018
Classes	\$ 26,915	\$ 31,891	\$ (43,249)	\$ 8,100	\$ 0	\$ 23,657
Clubs	106	0	0	0	0	106
Trusts	4,647	9,872	(11)	0	(8,100)	6,408
General	11,047	57,082	(57,934)	42,700	(42,700)	10,195
Total Cash	<u>\$ 42,715</u>	<u>\$ 98,845</u>	<u>\$ (101,194)</u>	<u>\$ 50,800</u>	<u>\$ (50,800)</u>	40,366
Accounts Receivable	9,240	9,240	(9,240)	0	0	9,240
Inventory	0	0	0	0	0	0
Accounts Payable	0	0	0	0	0	0
Assets Held for Others						<u>\$ 49,606</u>

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018
CITRUS COUNTY DISTRICT SCHOOL BOARD
CITRUS COUNTY, FLORIDA**

Withlacoochee Technical College

	Cash Balances July 1, 2017	Additions	Deductions	Transfer		Cash Balances June 30, 2018
				In	(Out)	
Classes	\$ 27,230	\$ 956,450	\$ (954,645)	\$ 43	\$ (3,346)	\$ 25,732
Clubs	22,005	21,661	(8,993)	605	(410)	34,868
Trusts	123,249	166,355	(154,926)	0	(8,139)	126,539
General	530,984	615,768	(564,299)	4,448	(1,100)	585,801
Total Cash	<u>\$ 703,468</u>	<u>\$ 1,760,234</u>	<u>\$ (1,682,863)</u>	<u>\$ 5,096</u>	<u>\$ (12,995)</u>	772,940
Accounts Receivable	141,806	25,137	(76,829)	0	0	90,114
Allowance	(14,675)	(13,854)	0	0	0	(28,529)
Inventory	3,549	2,886	(3,549)	0	0	2,886
Accounts Payable	0	0	0	0	0	<u>0</u>
Assets Held for Others						<u>837,411</u>
Private Purpose Trust Fund	128,718	21,809	(35,180)	19,798	(11,899)	<u>123,246</u>
Assets Held for Others						<u>\$ 960,657</u>

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 [Private-Purpose Trust Funds (Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position) and Agency Funds (Statement of Fiduciary Net Position) (Internal Accounts)] of the Citrus County School Board District (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Fiduciary Funds of the District and have issued our report thereon dated December 19, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Districts' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and other matters that we consider to be a significant deficiency as 2013-001.

Certified Public Accountants

P.O. Box 141270 • 222 N.E. 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461 • FAX (352) 378-2505
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872 • FAX (352) 732-0542
443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144 • FAX (850) 224-1762
5001 Lakewood Ranch Blvd. N., Suite 101 • Sarasota, Florida 34240 • (941) 907-0350 • FAX (941) 907-0309
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

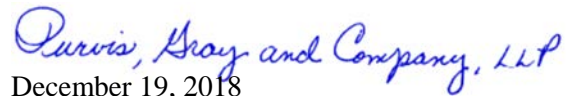
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying District Response Letter. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



December 19, 2018
Ocala, Florida

**SCHEDULE OF FINDINGS AND OTHER MATTERS
CITRUS COUNTY DISTRICT SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2018**

Significant Deficiencies

2013-001 *Finding - Lack of Segregation of Duties*

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.

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:

- Citrus High School
- Citrus Springs Middle School
- Crest
- Crystal River High School
- Crystal River Middle School
- Floral City Elementary School
- Forest Ridge Elementary School
- Inverness Middle School
- Lecanto High School
- Lecanto Middle School
- Lecanto Primary School
- Withlacoochee 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 Book's 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

SANDRA COUNTS
DISTRICT 4

LINDA B. POWERS
DISTRICT 5

December 19, 2018

Purvis, Gray & Company, L.L.P.
Attn: Helen Y. Painter
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.

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