

**THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA
INTERNAL FUNDS**

FINANCIAL STATEMENT

June 30, 2017



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The School District of Osceola County, Florida
Internal Funds
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Carr, Riggs & Ingram, LLC
1031 West Morse Boulevard
Suite 200
Winter Park, FL 32789

(407) 644-7455
(407) 628-5277 (fax)
www.cricpa.com

INDEPENDENT AUDITORS' REPORT

The School Board of Osceola County, Florida
Kissimmee, Florida

We have audited the accompanying statement of fiduciary assets and liabilities of the School District of Osceola County, Florida's Internal Funds, as of and for the year ended June 30, 2017, and the related notes to the financial statement, which collectively comprise the School District of Osceola County, Florida's Internal Funds' financial statement, as listed in the table of contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of the School District of Osceola County, Florida's Internal Funds as of June 30, 2017, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statement presents only the statement of fiduciary assets and liabilities of the School District of Osceola County, Florida's Internal Funds, and does not purport to, and does not, present fairly the financial position of the School District of Osceola County, Florida, as of June 30, 2017, 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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statement of the School District of Osceola County, Florida's Internal Funds taken as a whole. The accompanying supplemental schedule of changes in fiduciary assets and liabilities and the supplemental schedule of revenue, expenditures and changes in internal accounts payable by school for the year ended June 30, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statement. The supplemental schedule of changes in fiduciary assets and liabilities and the supplemental schedule of revenue, expenditures and changes in internal accounts payable by school for the year ended June 30, 2017 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 supplemental schedule of changes in fiduciary assets and liabilities and the supplemental schedule of revenue, expenditures and changes in internal accounts payable by school for the year ended June 30, 2017 are fairly stated in all material respects in relation to the 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 October 16, 2017, on our consideration of the School District of Osceola County, Florida's Internal Funds' 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 School District of Osceola County, Florida's Internal Funds' internal control over financial reporting and compliance.

Cary Riggs & Ingram, L.L.C.

Orlando, Florida
October 16, 2017

**The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Statement of Fiduciary Assets and Liabilities**

June 30, 2017

ASSETS

Cash and cash equivalents	\$ 4,312,465
Accounts receivable	326,870
Inventory	<u>183,311</u>
	<u><u>\$ 4,822,646</u></u>

LIABILITIES

Accounts payable	\$ 160,920
Internal accounts payable	<u>4,661,726</u>
	<u><u>\$ 4,822,646</u></u>

See accompanying notes to financial statement.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Notes to Financial Statement

NOTE 1: NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

The School District of Osceola County, Florida Internal Funds are comprised of individual student activity account balances of the public schools located within the geographical boundaries of the School District of Osceola County, Florida (the "District" or the "Schools"). This financial statement includes the internal funds of the fifty schools and centers listed in Exhibit A.

The Osceola County School Board is the governing body of the Schools, and is composed of five elected members. The Superintendent of Schools is the executive officer of the Board. The Osceola County District School Board is part of the State of Florida system of public education under the general direction and control of the State Board of Education.

The Schools' internal funds are included as agency funds in the District's comprehensive annual financial report. The accompanying financial statement presents only the Schools' Internal Funds and is not intended to present fairly the financial position and results of operations of the School District of Osceola County, Florida, in conformity with accounting principles generally accepted in the United States of America.

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, internal accounts payable, revenue and expenditures. Each sub-fund is divided into seven student activity/project classifications. These classifications are athletics, music, classes, clubs, departments, trusts and general.

The financial statement of the Schools' 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 CASH EQUIVALENTS

Cash and cash equivalents consist of deposits and other highly liquid cash equivalents held by qualified public depositories under the laws of the State of Florida. All deposits are collateralized by securities held in Florida's multiple financial institution collateral pool required by Sections 280.07 and 280.08, Florida Statutes. Certain deposits are also insured by the Federal Deposit Insurance Corporation.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Notes to Financial Statement

NOTE 1: NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVENTORY

Inventory consists of book store items, school store items, and uniforms, and is valued at the lower of cost (determined on first-in, first-out method), or market.

USE OF ESTIMATES

The preparation of the financial statement 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.

SUPPLEMENTAL SCHEDULES

**The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Changes in Fiduciary Assets and Liabilities**

For the year ended June 30, 2017

	<u>July 01, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2017</u>
ASSETS				
Cash and cash equivalents	\$ 4,086,910	\$ 11,447,918	\$ 11,222,363	\$ 4,312,465
Accounts receivable	33,244	326,870	33,244	326,870
Inventory	-	183,311	-	183,311
Total assets	<u>\$ 4,120,154</u>	<u>\$ 11,958,099</u>	<u>\$ 11,255,607</u>	<u>\$ 4,822,646</u>
LIABILITIES				
Accounts payable	\$ 315,661	\$ 160,920	\$ 315,661	\$ 160,920
Internal accounts payable	3,804,493	11,797,179	10,939,946	4,661,726
Total liabilities	<u>\$ 4,120,154</u>	<u>\$ 11,958,099</u>	<u>\$ 11,255,607</u>	<u>\$ 4,822,646</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Chestnut Elementary			
	Boggy Creek Elementary	Central Avenue Elementary	School for Science and Engineering	Cypress Elementary
Revenue:				
Athletics	\$ -	\$ -	\$ 4,324	\$ -
Music	716	-	-	776
Classes	-	2,287	29,744	998
Clubs	578	-	2,948	1,746
Departments	57,213	61,646	14,582	50,519
Trust	7	(207)	27	-
General	30,030	4,721	14,999	12,477
Total revenue	<u>88,544</u>	<u>68,447</u>	<u>66,624</u>	<u>66,516</u>
Expenditures:				
Athletics	-	-	4,396	-
Music	136	-	-	515
Classes	-	4,098	29,330	1,096
Clubs	793	-	2,454	1,460
Departments	57,211	59,857	19,145	50,881
Trust	67	-	122	-
General	23,596	3,996	12,047	6,057
Total expenditures	<u>81,803</u>	<u>67,951</u>	<u>67,494</u>	<u>60,009</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	6,741	496	(870)	6,507
Other financing sources (uses):				
Intra-fund transfers in	9,490	8,336	7,258	12,392
Intra-fund transfers out	(9,490)	(8,336)	(7,258)	(12,392)
	-	-	-	-
Excess of revenue over/ (under) expenditures	6,741	496	(870)	6,507
Internal accounts payable - beginning of year	<u>29,721</u>	<u>19,847</u>	<u>33,652</u>	<u>12,392</u>
Internal accounts payable - end of year	<u>\$ 36,462</u>	<u>\$ 20,343</u>	<u>\$ 32,782</u>	<u>\$ 18,899</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Deerwood Elementary	East Lake Elementary	Flora Ridge Elementary	Hickory Tree Elementary
Revenue:				
Athletics	\$ -	\$ 336	\$ 5,092	\$ -
Music	789	3,500	5,070	1,756
Classes	-	5,849	236	-
Clubs	4,534	3,171	820	-
Departments	13,485	78,674	58,492	106,943
Trust	629	-	-	-
General	10,296	42,406	14,090	35,313
Total revenue	<u>29,733</u>	<u>133,936</u>	<u>83,800</u>	<u>144,012</u>
Expenditures:				
Athletics	-	204	6,584	-
Music	1,404	3,017	3,765	2,564
Classes	-	5,807	-	-
Clubs	4,239	2,654	1,162	-
Departments	14,632	74,895	61,447	98,563
Trust	83	375	-	-
General	8,775	42,667	15,425	22,628
Total expenditures	<u>29,133</u>	<u>129,619</u>	<u>88,383</u>	<u>123,755</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	600	4,317	(4,583)	20,257
Other financing sources (uses):				
Intra-fund transfers in	600	2,899	4,579	13,552
Intra-fund transfers out	(600)	(2,899)	(4,579)	(13,552)
	-	-	-	-
Excess of revenue over/ (under) expenditures	600	4,317	(4,583)	20,257
Internal accounts payable - beginning of year	<u>21,041</u>	<u>21,758</u>	<u>34,717</u>	<u>86,466</u>
Internal accounts payable - end of year	<u>\$ 21,641</u>	<u>\$ 26,075</u>	<u>\$ 30,134</u>	<u>\$ 106,723</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Highlands Elementary	Kissimmee Elementary	Koa Elementary	Lakeview Elementary
Revenue:				
Athletics	\$ -	\$ 800	\$ -	\$ -
Music	8,077	487	2,123	11,240
Classes	509	374	121	-
Clubs	72	-	33	3,224
Departments	53,037	46,557	48,855	70,177
Trust	3,035	209	56	(20)
General	23,476	2,549	14,088	18,055
Total revenue	<u>88,206</u>	<u>50,976</u>	<u>65,276</u>	<u>102,676</u>
Expenditures:				
Athletics	-	-	-	-
Music	6,074	419	1,715	13,813
Classes	296	325	120	-
Clubs	749	-	-	3,858
Departments	53,435	51,566	47,890	70,079
Trust	3,125	-	875	-
General	16,706	2,748	13,004	21,155
Total expenditures	<u>80,385</u>	<u>55,058</u>	<u>63,604</u>	<u>108,905</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	7,821	(4,082)	1,672	(6,229)
Other financing sources (uses):				
Intra-fund transfers in	8,815	8,717	3,081	5,946
Intra-fund transfers out	(8,815)	(8,717)	(3,081)	(5,946)
	-	-	-	-
Excess of revenue over/ (under) expenditures	7,821	(4,082)	1,672	(6,229)
Internal accounts payable - beginning of year	<u>23,317</u>	<u>15,961</u>	<u>26,990</u>	<u>38,521</u>
Internal accounts payable - end of year	<u>\$ 31,138</u>	<u>\$ 11,879</u>	<u>\$ 28,662</u>	<u>\$ 32,292</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Michigan Avenue Elementary	Mill Creek Elementary	Narcoossee Elementary	Neptune Elementary
Revenue:				
Athletics	\$ 380	\$ 1,678	\$ -	\$ -
Music	477	5,890	-	312
Classes	-	-	12,145	-
Clubs	-	437	90	1,594
Departments	55,803	58,140	99,850	73,171
Trust	5,216	(1,314)	3,731	-
General	10,742	8,351	58,127	24,137
Total revenue	<u>72,618</u>	<u>73,182</u>	<u>173,943</u>	<u>99,214</u>
Expenditures:				
Athletics	1,157	985	-	-
Music	875	5,558	91	2,476
Classes	-	-	11,971	-
Clubs	-	707	446	430
Departments	57,321	59,255	105,630	69,102
Trust	4,473	-	3,184	-
General	11,633	5,653	45,673	23,152
Total expenditures	<u>75,459</u>	<u>72,158</u>	<u>166,995</u>	<u>95,160</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	(2,841)	1,024	6,948	4,054
Other financing sources (uses):				
Intra-fund transfers in	7,530	8,328	22,529	33,480
Intra-fund transfers out	(7,530)	(8,328)	(22,529)	(33,480)
	-	-	-	-
Excess of revenue over/ (under) expenditures	(2,841)	1,024	6,948	4,054
Internal accounts payable - beginning of year	<u>21,377</u>	<u>18,090</u>	<u>26,378</u>	<u>66,400</u>
Internal accounts payable - end of year	<u>\$ 18,536</u>	<u>\$ 19,114</u>	<u>\$ 33,326</u>	<u>\$ 70,454</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Partin Settlement Elementary	Pleasant Hill Elementary	Poinciana Academy of Fine Arts	Reedy Creek Elementary
Revenue:				
Athletics	\$ -	\$ -	\$ 7,426	\$ 640
Music	1,731	4,782	36	4,563
Classes	46,546	2,804	60	868
Clubs	370	1,029	2,093	4,983
Departments	36,947	55,886	59,621	66,205
Trust	2,020	563	44	-
General	32,368	35,922	11,168	21,618
Total revenue	<u>119,982</u>	<u>100,986</u>	<u>80,448</u>	<u>98,877</u>
Expenditures:				
Athletics	-	-	8,214	169
Music	1,349	3,249	36	4,261
Classes	47,152	2,652	60	684
Clubs	458	3,111	1,905	4,234
Departments	40,696	58,848	59,751	66,083
Trust	2,721	563	44	16
General	33,874	28,956	8,982	19,435
Total expenditures	<u>126,250</u>	<u>97,379</u>	<u>78,992</u>	<u>94,882</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	(6,268)	3,607	1,456	3,995
Other financing sources (uses):				
Intra-fund transfers in	4,050	4,425	2,870	17,916
Intra-fund transfers out	(4,050)	(4,425)	(2,870)	(17,916)
	-	-	-	-
Excess of revenue over/ (under) expenditures	(6,268)	3,607	1,456	3,995
Internal accounts payable - beginning of year	<u>35,968</u>	<u>33,286</u>	<u>13,137</u>	<u>54,984</u>
Internal accounts payable - end of year	<u>\$ 29,700</u>	<u>\$ 36,893</u>	<u>\$ 14,593</u>	<u>\$ 58,979</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Thacker Avenue Elementary School for			
	St. Cloud Elementary	Sunrise Elementary	International Studies	Ventura Elementary
Revenue:				
Athletics	\$ -	\$ -	\$ -	\$ 204
Music	1,486	603	-	2,393
Classes	1,345	2,912	-	2,219
Clubs	5,418	7,005	2,167	2,386
Departments	93,179	50,773	85,549	79,282
Trust	-	77	-	5,844
General	41,507	17,514	8,751	29,472
Total revenue	<u>142,935</u>	<u>78,884</u>	<u>96,467</u>	<u>121,800</u>
Expenditures:				
Athletics	-	-	-	204
Music	1,020	551	381	2,306
Classes	1,740	3,101	-	2,095
Clubs	5,831	5,180	2,209	3,804
Departments	91,202	50,764	79,235	76,701
Trust	67	244	-	553
General	46,787	16,420	6,321	30,001
Total expenditures	<u>146,647</u>	<u>76,260</u>	<u>88,146</u>	<u>115,664</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	(3,712)	2,624	8,321	6,136
Other financing sources (uses):				
Intra-fund transfers in	9,385	2,659	3,852	14,417
Intra-fund transfers out	(9,385)	(2,659)	(3,852)	(14,417)
	-	-	-	-
Excess of revenue over/ (under) expenditures	(3,712)	2,624	8,321	6,136
Internal accounts payable - beginning of year	<u>55,802</u>	<u>35,924</u>	<u>22,754</u>	<u>29,466</u>
Internal accounts payable - end of year	<u>\$ 52,090</u>	<u>\$ 38,548</u>	<u>\$ 31,075</u>	<u>\$ 35,602</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Total Elementary
Revenue:	
Athletics	\$ 20,880
Music	56,807
Classes	109,017
Clubs	44,698
Departments	1,474,586
Trust	19,917
General	522,177
Total revenue	2,248,082
Expenditures:	
Athletics	21,913
Music	55,575
Classes	110,527
Clubs	45,684
Departments	1,474,189
Trust	16,512
General	465,691
Total expenditures	2,190,091
Excess of revenue over/ (under) expenditures before other financing sources (uses)	57,991
Other financing sources (uses):	
Intra-fund transfers in	217,106
Intra-fund transfers out	(217,106)
	-
Excess of revenue over/ (under) expenditures	57,991
Internal accounts payable - beginning of year	777,949
Internal accounts payable - end of year	\$ 835,940

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Denn John Middle	Horizon Middle	Kissimmee Middle	Narcoossee Middle
Revenue:				
Athletics	\$ 4,587	\$ 13,180	\$ 5,432	\$ 14,181
Music	12,008	11,121	9,365	33,820
Classes	6,273	-	1,639	1,407
Clubs	-	13,016	2,307	33,476
Departments	46,374	84,192	45,217	113,977
Trust	-	1,466	882	36
General	24,454	25,957	10,823	10,056
Total revenue	<u>93,696</u>	<u>148,932</u>	<u>75,665</u>	<u>206,953</u>
Expenditures:				
Athletics	4,639	12,273	6,119	15,392
Music	2,367	10,140	5,655	36,658
Classes	7,985	-	1,291	916
Clubs	1,386	13,882	3,110	33,513
Departments	36,680	86,449	43,638	112,969
Trust	134	1,452	894	-
General	26,503	26,047	13,890	7,831
Total expenditures	<u>79,694</u>	<u>150,243</u>	<u>74,597</u>	<u>207,279</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	14,002	(1,311)	1,068	(326)
Other financing sources (uses):				
Intra-fund transfers in	16,631	16,212	2,817	24,832
Intra-fund transfers out	<u>(16,631)</u>	<u>(16,212)</u>	<u>(2,817)</u>	<u>(24,832)</u>
	-	-	-	-
Excess of revenue over/ (under) expenditures	14,002	(1,311)	1,068	(326)
Internal accounts payable - beginning of year	<u>56,863</u>	<u>28,034</u>	<u>19,565</u>	<u>77,199</u>
Internal accounts payable - end of year	<u>\$ 70,865</u>	<u>\$ 26,723</u>	<u>\$ 20,633</u>	<u>\$ 76,873</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Neptune Middle	Parkway Middle	St. Cloud Middle	Total Middle
Revenue:				
Athletics	\$ 5,801	\$ 2,881	\$ 27,667	\$ 73,729
Music	20,128	14,843	36,278	137,563
Classes	4,648	500	500	14,967
Clubs	1,290	2,209	7,991	60,289
Departments	65,698	53,660	50,430	459,548
Trust	668	96	122	3,270
General	35,129	10,700	18,968	136,087
Total revenue	<u>133,362</u>	<u>84,889</u>	<u>141,956</u>	<u>885,453</u>
Expenditures:				
Athletics	7,810	2,084	26,528	74,845
Music	16,796	12,198	38,182	121,996
Classes	5,855	500	500	17,047
Clubs	2,294	3,034	6,071	63,290
Departments	71,482	58,199	49,774	459,191
Trust	-	820	122	3,422
General	27,685	13,255	16,568	131,779
Total expenditures	<u>131,922</u>	<u>90,090</u>	<u>137,745</u>	<u>871,570</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	1,440	(5,201)	4,211	13,883
Other financing sources (uses):				
Intra-fund transfers in	21,511	12,081	6,557	100,641
Intra-fund transfers out	<u>(21,511)</u>	<u>(12,081)</u>	<u>(6,557)</u>	<u>(100,641)</u>
	-	-	-	-
Excess of revenue over/ (under) expenditures	1,440	(5,201)	4,211	13,883
Internal accounts payable - beginning of year	<u>52,206</u>	<u>42,167</u>	<u>44,562</u>	<u>320,596</u>
Internal accounts payable - end of year	<u>\$ 53,646</u>	<u>\$ 36,966</u>	<u>\$ 48,773</u>	<u>\$ 334,479</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Celebration High	Gateway High	Harmony High	Liberty High
Revenue:				
Athletics	\$ 210,197	\$ 145,298	\$ 275,193	\$ 106,258
Music	100,065	44,010	33,896	15,391
Classes	55,375	20,158	31,487	72,464
Clubs	101,622	37,354	67,637	10,130
Departments	167,360	87,630	105,402	111,491
Trust	7,934	300	12,944	4,966
General	63,880	62,609	47,702	29,430
Total revenue	<u>706,433</u>	<u>397,359</u>	<u>574,261</u>	<u>350,130</u>
Expenditures:				
Athletics	231,330	148,759	290,100	108,638
Music	106,019	44,449	35,290	11,325
Classes	59,474	19,300	28,877	71,428
Clubs	101,555	40,262	73,792	6,755
Departments	164,921	71,210	107,213	122,317
Trust	34,082	5	13,560	4,333
General	71,282	72,257	43,411	41,536
Total expenditures	<u>768,663</u>	<u>396,242</u>	<u>592,243</u>	<u>366,332</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	(62,230)	1,117	(17,982)	(16,202)
Other financing sources (uses):				
Intra-fund transfers in	151,291	21,244	87,365	36,168
Intra-fund transfers out	<u>(151,291)</u>	<u>(21,244)</u>	<u>(87,365)</u>	<u>(36,168)</u>
	-	-	-	-
Excess of revenue over/ (under) expenditures	(62,230)	1,117	(17,982)	(16,202)
Internal accounts payable - beginning of year	<u>436,646</u>	<u>153,535</u>	<u>299,431</u>	<u>111,842</u>
Internal accounts payable - end of year	<u>\$ 374,416</u>	<u>\$ 154,652</u>	<u>\$ 281,449</u>	<u>\$ 95,640</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Osceola High	Poinciana High	St. Cloud High	Total High
Revenue:				
Athletics	\$ 400,728	\$ 80,826	\$ 449,605	\$ 1,668,105
Music	20,220	16,438	53,819	283,839
Classes	69,121	69,405	108,775	426,785
Clubs	80,178	67,538	101,138	465,597
Departments	109,367	38,187	94,597	714,034
Trust	17,340	3,681	27,427	74,592
General	63,640	32,127	48,098	347,486
Total revenue	<u>760,594</u>	<u>308,202</u>	<u>883,459</u>	<u>3,980,438</u>
Expenditures:				
Athletics	397,980	63,851	423,488	1,664,146
Music	20,128	16,962	51,670	285,843
Classes	64,904	75,010	101,640	420,633
Clubs	65,493	62,443	94,907	445,207
Departments	92,704	48,029	87,611	694,005
Trust	13,764	9,686	28,962	104,392
General	78,284	24,909	48,209	379,888
Total expenditures	<u>733,257</u>	<u>300,890</u>	<u>836,487</u>	<u>3,994,114</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	27,337	7,312	46,972	(13,676)
Other financing sources (uses):				
Intra-fund transfers in	132,824	28,536	138,067	595,495
Intra-fund transfers out	<u>(132,824)</u>	<u>(28,536)</u>	<u>(138,067)</u>	<u>(595,495)</u>
	-	-	-	-
Excess of revenue over/ (under) expenditures	27,337	7,312	46,972	(13,676)
Internal accounts payable - beginning of year	<u>136,520</u>	<u>135,095</u>	<u>479,301</u>	<u>1,752,370</u>
Internal accounts payable - end of year	<u>\$ 163,857</u>	<u>\$ 142,407</u>	<u>\$ 526,273</u>	<u>\$ 1,738,694</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Bellalago Academy	Celebration School	Discovery Intermediate	Harmony Community
Revenue:				
Athletics	\$ 14,081	\$ 9,249	\$ 6,148	\$ 6,458
Music	12,452	78,152	11,495	1,855
Classes	1,406	2,446	248	2,648
Clubs	14,558	7,389	452	4,484
Departments	103,473	255,685	15,843	108,468
Trust	1,307	11,599	419	-
General	38,385	21,234	2,169	19,708
Total revenue	<u>185,662</u>	<u>385,754</u>	<u>36,774</u>	<u>143,621</u>
Expenditures:				
Athletics	17,014	13,357	4,585	7,011
Music	11,483	81,055	11,213	1,617
Classes	890	3,471	282	2,101
Clubs	25,278	6,358	-	4,009
Departments	101,047	257,196	14,191	105,766
Trust	1,214	4,881	446	-
General	19,151	18,011	2,767	11,820
Total expenditures	<u>176,077</u>	<u>384,329</u>	<u>33,484</u>	<u>132,324</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	9,585	1,425	3,290	11,297
Other financing sources (uses):				
Intra-fund transfers in	16,026	33,150	-	4,077
Intra-fund transfers out	<u>(16,026)</u>	<u>(33,150)</u>	<u>-</u>	<u>(4,077)</u>
	-	-	-	-
Excess of revenue over/ (under) expenditures	9,585	1,425	3,290	11,297
Internal accounts payable - beginning of year	<u>76,268</u>	<u>84,116</u>	<u>12,025</u>	<u>33,046</u>
Internal accounts payable - end of year	<u>\$ 85,853</u>	<u>\$ 85,541</u>	<u>\$ 15,315</u>	<u>\$ 44,343</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Westside School	Adult Learning Center Osceola	County Office Staff	New Beginnings Education Center
Revenue:				
Athletics	\$ 4,830	\$ -	\$ 69,541	\$ -
Music	12,357	-	13,813	-
Classes	17,810	-	-	-
Clubs	2,937	301	-	-
Departments	63,056	3,916	119,102	2,301
Trust	-	274,710	-	-
General	35,754	1,361	-	8,190
Total revenue	<u>136,744</u>	<u>280,288</u>	<u>202,456</u>	<u>10,491</u>
Expenditures:				
Athletics	4,185	-	92,864	80
Music	10,053	-	22,247	-
Classes	14,799	-	-	-
Clubs	2,405	634	-	-
Departments	60,942	4,417	53,919	2,098
Trust	-	276,527	373	-
General	36,168	1,739	-	4,279
Total expenditures	<u>128,552</u>	<u>283,317</u>	<u>169,403</u>	<u>6,457</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	8,192	(3,029)	33,053	4,034
Other financing sources (uses):				
Intra-fund transfers in	21,330	1,997	9,031	-
Intra-fund transfers out	<u>(21,330)</u>	<u>(1,997)</u>	<u>(9,031)</u>	<u>-</u>
	-	-	-	-
Excess of revenue over/ (under) expenditures	8,192	(3,029)	33,053	4,034
Internal accounts payable - beginning of year	<u>52,088</u>	<u>14,977</u>	<u>237,319</u>	<u>15,324</u>
Internal accounts payable - end of year	<u>\$ 60,280</u>	<u>\$ 11,948</u>	<u>\$ 270,372</u>	<u>\$ 19,358</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Osceola County School for the Arts	Professional and Technical High (PATHS)	Technical Education Center (TECO)	Zenith School
Revenue:				
Athletics	\$ -	\$ -	\$ -	\$ -
Music	153,694	-	-	-
Classes	5,523	-	19,964	4,048
Clubs	14,033	12,162	5,487	-
Departments	118,150	28,604	19,413	11,434
Trust	1,249	6,708	2,145,537	438
General	70,958	44,730	623,621	15,663
Total revenue	<u>363,607</u>	<u>92,204</u>	<u>2,814,022</u>	<u>31,583</u>
Expenditures:				
Athletics	-	-	-	-
Music	151,535	-	-	-
Classes	5,445	-	16,582	5,005
Clubs	14,104	11,639	6,491	-
Departments	112,786	31,148	27,293	8,468
Trust	345	1,809	1,808,065	177
General	56,356	21,343	278,892	12,745
Total expenditures	<u>340,571</u>	<u>65,939</u>	<u>2,137,323</u>	<u>26,395</u>
Excess of revenue over/ (under) expenditures before other financing sources (uses)	23,036	26,265	676,699	5,188
Other financing sources (uses):				
Intra-fund transfers in	59,703	4,151	-	3,113
Intra-fund transfers out	<u>(59,703)</u>	<u>(4,151)</u>	<u>-</u>	<u>(3,113)</u>
	-	-	-	-
Excess of revenue over/ (under) expenditures	23,036	26,265	676,699	5,188
Internal accounts payable - beginning of year	<u>204,486</u>	<u>96,353</u>	<u>100,125</u>	<u>27,451</u>
Internal accounts payable - end of year	<u>\$ 227,522</u>	<u>\$ 122,618</u>	<u>\$ 776,824</u>	<u>\$ 32,639</u>

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds (See List of Schools and Centers at Exhibit A)
Supplemental Schedule of Revenue, Expenditures and Changes in
Internal Accounts Payable by School

For the year ended June 30, 2017

	Total Other Units
Revenue:	
Athletics	\$ 110,307
Music	283,818
Classes	54,093
Clubs	61,803
Departments	849,445
Trust	2,441,967
General	881,773
Total revenue	4,683,206
Expenditures:	
Athletics	139,096
Music	289,203
Classes	48,575
Clubs	70,918
Departments	779,271
Trust	2,093,837
General	463,271
Total expenditures	3,884,171
Excess of revenue over/ (under) expenditures before other financing sources (uses)	799,035
Other financing sources (uses):	
Intra-fund transfers in	152,578
Intra-fund transfers out	(152,578)
	-
Excess of revenue over/ (under) expenditures	799,035
Internal accounts payable - beginning of year	953,578
Internal accounts payable - end of year	\$ 1,752,613

See independent auditors' report.

The School District of Osceola County, Florida
Internal Funds
Exhibit A – Listing of Schools and Centers

Adult Learning Center Osceola	Michigan Avenue Elementary
Bellalago Academy	Mill Creek Elementary
Boggy Creek Elementary	Narcoossee Elementary
Celebration High	Narcoossee Middle
Celebration School	Neptune Elementary
Central Avenue Elementary	Neptune Middle
Chestnut Elementary School for Science and Engineering	New Beginnings Education Center
County Office Staff	Osceola County School for the Arts
Cypress Elementary	Osceola High
Deerwood Elementary	Parkway Middle
Denn John Middle	Partin Settlement Elementary
Discovery Intermediate	Pleasant Hill Elementary
East Lake Elementary	Poinciana Academy of Fine Arts
Flora Ridge Elementary	Poinciana High
Gateway High	Professional and Technical High (PATHS)
Harmony Community	Reedy Creek Elementary
Harmony High	St. Cloud Elementary
Hickory Tree Elementary	St. Cloud High
Highlands Elementary	St. Cloud Middle
Horizon Middle	Sunrise Elementary
Kissimmee Elementary	Technical Education Center (TECO)
Kissimmee Middle	Thacker Avenue Elementary School for International Studies
Koa Elementary	Ventura Elementary
Lakeview Elementary	Westside School
Liberty High	Zenith School

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

The School Board of Osceola County, Florida
Kissimmee, 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 statement of the School District of Osceola County, Florida's (the "District") Internal Funds, for those fifty schools and centers listed in Exhibit A to the financial statement, as of and for the year ended June 30, 2017 and the related notes to the financial statement, which collectively comprise the School District of Osceola County, Florida's Internal Funds financial statement, and have issued our report thereon dated October 16, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the District's Internal Funds financial statement, we considered the District's internal control over financial reporting ("internal control") on the Internal Funds to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the District's Internal Funds financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control on the Internal Funds. Accordingly, we do not express an opinion on the effectiveness of the District's internal control on the Internal Funds.

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. 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 Internal Funds 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the School District of Osceola County, Florida, in a separate letter dated October 16, 2017.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Orlando, Florida
October 16, 2017