

# Wicks, Brown, Williams & Co., CPA's LLP

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Charles F. Wicks, C.P.A. (1911 - 1996)  
J. Richard Brown, C.P.A. (1940 - 1997)  
W. Bruce Stratton, C.P.A., Retired  
Cheryl M. Williams, C.P.A., P.A.  
C. Mark Cox, C.P.A., P.A.  
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School District of DeSoto  
School Board Action  
NOVEMBER 8, 2022  
APPROVED

September 26, 2022

To the DeSoto County School Board  
Arcadia, Florida

We have audited the combined statement of cash receipts, disbursements, transfers, and balances - internal funds of the DeSoto County District School Board for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 30, 2022. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Auditing Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the DeSoto County District School Board's internal funds are described in Note 1 to the financial statement. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2022. We noted no transactions entered into by the School Board's internal funds during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statement in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

September 26, 2022

Page 2

*Management Representations*

We have requested certain representations in the management representation letter dated September 26, 2022, which a copy is attached, from management and those individuals responsible for each internal fund in the district.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the School Board’s internal funds financial statement or a determination of the type of auditor’s opinion that may be expressed on that statement, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

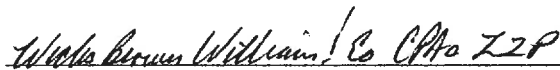
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School Board’s internal funds auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We reported three matters that are deficiencies in internal control in a separate report, *Management Letter*, dated September 26, 2022. This report are included in the audited financial statements.

*Restriction on Use*

This information is intended solely for the use of the DeSoto County School Board and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Wicks, Brown, Williams & Co., CPA’s LLP

Sebring, Florida



# The School District of DeSoto County

530 LaSolona Avenue, Arcadia, Florida 34266

Tel: 863.494.4222 Fax: 863.494.9675

September 26, 2022

Wicks, Brown, Williams & Co., CPA's LLP  
140 S. Commerce Avenue  
Sebring, FL 33870

**Dr. Bobby Bennett**  
*Superintendent*

This representation letter is provided in connection with your audit of the DeSoto County District School Board internal funds financial statement for the year ended June 30, 2022, and the disclosures (collectively, the "financial statement"), for the purpose of expressing an opinion as to whether the financial statement is presented fairly, in all material respects, the cash receipts, disbursements, transfers, and balances – internal funds in conformity with the cash basis of accounting, which is a comprehensive basis other than generally accepted accounting principles.

## BOARD MEMBERS

**Danny Via**  
*District 1*

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgement of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

*District 2*

**Karen Chancey**  
*District 3*

We confirm, to the best of our knowledge and belief, as of September 26, 2022, the following representations to you during your audit.

**Asena Mott**  
*District 4*

## Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 30, 2022, including our responsibility for the preparation and fair presentation of the internal funds financial statement in accordance with the cash basis of accounting and for preparation of the supplementary information in accordance with the applicable criteria.
2. The internal funds financial statement referred to above is fairly presented in conformity with the cash basis of accounting, which is a comprehensive basis other than generally accepted accounting principles.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the internal funds financial statement that is free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

*District 5*

5. All events subsequent to the date of the internal funds financial statement and for which the cash basis of accounting required adjustment or disclosure have been adjusted or disclosed. No events, including instances of non-compliance, have occurred subsequent to the date of the internal funds financial statement and through the date of this letter that would require adjustment to or disclosure in the aforementioned internal funds financial statement.
6. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in the internal funds financial statement in accordance with the cash basis of accounting, which is a comprehensive basis other than generally accepted accounting principles, and we have not consulted a lawyer concerning litigation, claims, or assessments.
7. Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

#### **Information Provided**

8. We have provided you with:
  - a. Access to all information, of which, we are aware, that is relevant to the preparation and fair presentation of the internal funds financial statement, such as records, documentation, and other matters (and all audit or relevant monitoring reports, if any, received from funding sources).
  - b. Additional information that you have requested from us for the purpose of the audit.
  - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
9. All material transactions have been recorded in the accounting records and are reflected in the internal funds financial statement.
10. We have disclosed to you the results of our assessment of the risk that the internal funds financial statement may be materially misstated as a result of fraud.
11. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
  - a. Administrative Staff
  - b. Employees who have significant roles in internal control, or
  - c. Others where the fraud could have a material effect on the internal funds financial statement.
12. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's internal funds financial statement communicated by employees, or former employees, regulators, or others.
13. We have no knowledge of instances of noncompliance with provisions of laws, regulations, contract, school board policies, or grant agreements, or waste of abuse, whose effects, should be considered when preparing in the internal funds financial statement.
14. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed n

the internal funds financial statement, and we have not consulted a lawyer concerning litigation, claims, or assessments.

15. We have disclosed to you the identity, if any, of the entity's related parties and all the related party relationships and transactions, including any side agreements.

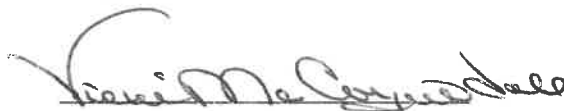
**Government-specific**

16. We have made available to you all financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
17. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
18. We have a process to track the status of audit findings and recommendations.
19. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
20. We have provided our view on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
21. The District has no plans or intentions that may materially affect the carrying value or classification of assets.
22. We are responsible for the District's internal funds compliance with laws, regulations, and school board policies applicable to them; and we have identified, and disclosed to you, all laws, regulations, and school board policies that we believe have a direct and material effect on the determination of financial statement amounts.
23. As part of your audit, you assisted with the preparation of the trial balance for use during the audit and that your preparation of the trail balance was limited to formatting the information of the District's individual schools general ledger into a working trial balance. Also, as part of your audit, you prepared the draft financial statement, related notes, and supplementary information from the trial balance. We acknowledge our responsibility as it relates to the nonaudit services, including that we assume all management responsibilities; oversee the services by designating and individual, preferably within senior management, who possesses suitable skill, knowledge, or the results of experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for the financial statement, related notes, and supplementary information.
24. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
25. There are no arrangement with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
26. There are no violations or possible violations of laws, regulations, contractual agreements, or school board policies whose effects should be considered for disclosure in your report or that would have a material effect on the internal funds financial statement, other than those already listed in your report, if any.

27. There are no financial transactions of school organizations or funds handled by school board employees during normal working hours that have not been included and accounted for in the school internal funds.
28. There are no promissory notes, installment contracts, or lease purchase agreements executed in the name of the school or any school organization without prior authorization from the school board.
29. There are no instances during the year when internal funds were used to cash checks to accommodate individuals, make any kind of loans, pay any form of compensation directly to school board employees, or extended credit.
30. There were no instances during the year when blank checks were pre-signed by and authorized signer.
31. Student activity reports related to fundraising events are completed in a timely manner.
32. There are no instances during the year of purchases not being authorized in advance by the principals.
33. All bank statements and bank reconciliations are being reviewed by the principals and no unusual activity was noted.
34. There are no instances during the year when the bookkeepers directly receipted monies.
35. Independent ticket sellers and ticket takers were utilized at all High School and Middle School sporting events that required tickets for admission.

No events, including instances of noncompliance, have occurred subsequent to the date of the internal funds financial statement, June 30, 2022, and through the date of this letter, September 26, 2022, that would require adjustment to or disclosure in the aforementioned internal funds financial statement.

Very truly yours,



Vicki McCorquodale, Accounting Clerk



Dr. Bobby Bennett, Superintendent of Schools

**DESOTO COUNTY DISTRICT SCHOOL BOARD**

**INTERNAL FUNDS FINANCIAL STATEMENT**

**FOR THE YEAR ENDED JUNE 30, 2022**

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DESOTO COUNTY DISTRICT SCHOOL BOARD

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## INDEPENDENT AUDITORS' REPORT

To the DeSoto County District School Board  
Arcadia, Florida

### Report on the Audit of the Financial Statement

#### *Opinion*

We have audited the accompanying combined statement of cash receipts, disbursements, transfers, and balances - internal funds of the DeSoto County District School Board for the year ended June 30, 2022, and the related notes to the financial statement, which collectively comprise the DeSoto County District School Board's internal funds basic financial statement as listed in the table of contents.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts, disbursements, transfers, and balances - internal funds of the DeSoto County District School Board for the year ended June 30, 2022, in accordance with the cash basis of accounting described in Note 1.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the DeSoto County District School Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

## DeSoto County District School Board (continued)

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the DeSoto County District School Board – Internal Funds' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditors' Responsibilities for the Audit of the Financial Statement*

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

In performing an audit in accordance with generally accepting auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the DeSoto County District School Board – Internal Funds' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the DeSoto County District School Board – Internal Funds' ability to continue as a going concern for a reasonable period of time.

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

DeSoto County District School Board (continued)

***Emphasis of Matters***

***Basis of Accounting***

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The DeSoto County District School Board prepares its internal funds financial statement on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

***Internal Funds***

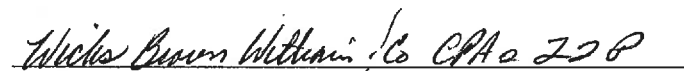
As discussed in Note 1, the financial statement presents only the internal funds and is not intended to present fairly the financial position and results of operations of the DeSoto County District School Board, in conformity with accounting principles generally accepted in the United States of America.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the combined statement of cash receipts, disbursements, transfers, and balances - internal funds as a whole. The combining statement of cash receipts, disbursements, transfers, and balances - internal funds is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined statement of cash receipts, disbursements, transfers, and balances - internal funds. The information has been subjected to the auditing procedures applied in the audit of the combined statement of cash receipts, disbursements, transfers, and balances - internal funds and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the internal funds 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 combining statement of cash receipts, disbursements, transfers, and balances - internal funds is fairly stated in all material respects in relation to the internal funds financial statement as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2022, on our consideration of the DeSoto County District School Board'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 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 DeSoto County District School Board's internal funds' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the DeSoto County District School Board's internal funds' internal control over financial reporting and compliance.

  
Wicks, Brown, Williams & Co., CPA's LLP  
Sebring, Florida

September 26, 2022

**DeSoto County District School Board**  
**COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,**  
**TRANSFERS, AND BALANCES - INTERNAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

CASH AND CASH EQUIVALENTS - JULY 1, 2021	<u>\$ 613,739</u>
RECEIPTS:	
Athletics	211,881
Music	3,550
Class, clubs, departments	216,903
Trust funds	186,020
General	<u>12,001</u>
Total receipts	<u>630,355</u>
DISBURSEMENTS:	
Athletics	183,850
Music	1,664
Class, clubs, departments	206,172
Trust funds	161,535
General	<u>5,210</u>
Total disbursements	<u>558,431</u>
TRANSFERS:	
Athletics	(125)
Music	-
Class, clubs, departments	3,581
Trust funds	(1,150)
General	<u>(2,306)</u>
Total transfers	<u>-</u>
CASH AND CASH EQUIVALENTS - JUNE 30, 2022	<u><u>\$ 685,663</u></u>

The accompanying notes are an integral part of this financial statement.

**DESOTO COUNTY DISTRICT SCHOOL BOARD**  
NOTES TO FINANCIAL STATEMENT  
JUNE 30, 2022

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

***Basis of Presentation:***

The internal funds of the DeSoto County District School Board ("District") are comprised of six individual funds. There is one fund each for the five schools in the District and one for the Adult Education Program. This financial statement presents only the internal funds and is not intended to present fairly the financial position and results of operations of the DeSoto County District School Board, in conformity with generally accepted accounting principles. The internal funds are included in the District's annual financial report as a fiduciary fund type – custodial funds.

***Basis of Accounting:***

It is the policy of the District to account for the internal funds of the schools on a cash basis of accounting. Accordingly, the internal funds increase when cash receipts are recorded, and decrease when cash disbursements are recorded. Any noncash transactions are not recognized.

***Cash and Cash Equivalents:***

Cash and cash equivalents are defined to include cash funds on hand and demand deposits.

**NOTE 2 - DEPOSITS AND INVESTMENTS:**

District policies require that all internal funds be deposited into qualified public depositories approved by the District. Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. At year end, all deposits were entirely insured by federal depository insurance or guaranteed by qualified public depositories in Florida pursuant to Chapter 280.07, Florida Statutes.

**DESOTO COUNTY DISTRICT SCHOOL BOARD**  
**COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,**  
**TRANSFERS AND BALANCES - INTERNAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	DESOTO HIGH	DESOTO MIDDLE	WEST ELEMENTARY	MEMORIAL ELEMENTARY
CASH AND CASH EQUIVALENTS - JULY 1, 2021	\$ 330,133	\$ 90,649	\$ 50,857	\$ 60,234
RECEIPTS:				
Athletics	168,077	43,804	-	-
Music	1,500	2,050	-	-
Class, clubs, departments	125,224	30,687	30,286	27,533
Trust funds	38,390	9,563	16,666	1,553
General	3,740	120	3,944	2,566
Total receipts	<u>336,931</u>	<u>86,224</u>	<u>50,896</u>	<u>31,652</u>
DISBURSEMENTS:				
Athletics	155,863	27,987	-	-
Music	914	750	-	-
Class, clubs, departments	115,020	30,334	28,611	28,008
Trust funds	31,279	3,549	14,851	2,651
General	819	150	2,186	-
Total disbursements	<u>303,895</u>	<u>62,770</u>	<u>45,648</u>	<u>30,659</u>
TRANSFERS:				
Athletics	(125)	-	-	-
Music	-	-	-	-
Class, clubs, departments	1,831	-	1,750	-
Trust funds	(1,706)	-	-	-
General	-	-	(1,750)	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - JUNE 30, 2022	<u>\$ 363,169</u>	<u>\$ 114,103</u>	<u>\$ 56,105</u>	<u>\$ 61,227</u>

See Independent Auditors' Report.

<u>NOCATEE</u> <u>ELEMENTARY</u>	<u>ADULT</u> <u>EDUCATION</u>	<u>TOTAL</u>
\$ 41,581	\$ 40,285	\$ 613,739
-	-	211,881
-	-	3,550
3,173	-	216,903
4,941	114,907	186,020
395	1,236	12,001
8,509	116,143	630,355
-	-	183,850
-	-	1,664
4,199	-	206,172
3,148	106,057	161,535
1,389	666	5,210
8,736	106,723	558,431
-	-	(125)
-	-	-
-	-	3,581
-	556	(1,150)
-	(556)	(2,306)
-	-	-
\$ 41,354	\$ 49,705	\$ 685,663



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

To the DeSoto County District School Board  
Arcadia, 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 combined statement of cash receipts, disbursements, transfers, and balances - internal funds of the DeSoto County District School Board for the year ended June 30, 2022, and the related notes to the financial statement, which collectively comprise the DeSoto County District School Board's internal funds basic financial statement, and have issued our report thereon dated September 26, 2022.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the DeSoto County District School Board's internal control over financial reporting (internal control) for internal funds as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of each school's internal control over internal funds. Accordingly, we do not express an opinion on the effectiveness of each school's internal control over 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 DeSoto County District School Board's combined statement of cash receipts, disbursements, transfers and balances - internal funds 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 or significant deficiencies may exist that were not identified.

The DeSoto County District School Board (continued)

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the combined statement of cash receipts, disbursements, transfers and balances - internal funds of the DeSoto County District School Board 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 financial statement. 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 have reported to the DeSoto County District School Board in a separate letter dated September 26, 2022.

**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.

*Julie Brown, Williams / Co. CPA LLP*  
Wicks, Brown, Williams & Co., CPA's LLP  
Sebring, Florida

September 26, 2022

# Wicks, Brown, Williams & Co., CPA's LLP

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C. Mark Cox, C.P.A., P.A.  
John W. Davis, C.P.A., P.A.  
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## MANAGEMENT LETTER

The DeSoto County District School Board  
Arcadia, Florida

### Report on the Financial Statement

We have audited the combined statement of cash receipts, disbursements, transfers, and balances – internal funds of the DeSoto County District School Board for the year ended June 30, 2022, and have issued our report thereon dated September 26, 2022.

### *Auditor's Responsibility*

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.

### *Other Reporting Requirements*

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of a Financial Statement Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 26, 2022, and can be found on pages 8 and 9, should be considered in conjunction with this management letter.

### *Prior Audit Findings*

As part of the audit process, we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The status of corrective actions that have been taken to address findings and recommendations made in the preceding annual financial audit report are reported in the Schedule of Findings and Responses under the heading Status of Prior Year Findings.

### *Other Matters*

During our audit, we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and matters that are opportunities for strengthening internal controls and operating efficiency. Our comments and suggestions regarding these matters are reported in the Schedule of Findings and Responses under the heading Management Letter Comments. This letter does not affect our report dated September 26, 2022, on the combined statement of cash receipts, disbursements, transfers, and balances – internal funds of the DeSoto County District School Board.

The DeSoto County District School Board (continued)

***Purpose of this Letter***

Our management letter is intended solely for the information and use of the Florida Auditor General, the School Board, management, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

***DeSoto County District School Board's Response to Findings***

DeSoto County District School Board's response to the findings identified in our audit is described in the Schedule of Findings and Responses. DeSoto County District School Board'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.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various School Board personnel. We will be pleased to discuss it in further detail at your convenience and to assist you in implementing the recommendations.

Sincerely,



Wicks, Brown, Williams & Co., CPA's LLP  
Sebring, Florida

September 26, 2022

**DESOTO COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**STATUS OF PRIOR YEAR FINDINGS**

Prior Year Findings		Current Year Status			2020-2021 Year Finding #	2019-2020 Year Finding #
		Cleared	Partially Cleared	Not Cleared		
DeSoto Middle School	Internal Control	X			2021-001	2020-001

**CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

**Management Letter Comments**

DESOTO HIGH SCHOOL

**2022-001, Checks Signed by Only One Authorized Check Signer**

**Condition:** During our audit procedures, we noted six instances in which checks were issued with only one authorized signature. Additional procedures performed on these disbursements verified that each disbursement was a proper use of internal funds.

**Criteria or specific requirement:** Chapter 8, Section III, 1.3(a) of the Red Book states, "All checks must be signed with two signatures as prescribed by the principal if not prescribed by school board rule."

**Effect:** Check issued with only one authorized signature could result in internal funds being used for unauthorized purposes.

**Cause:** The individual responsible for processing the check and invoice for mailing did not review the checks to ensure two authorized signatures were obtained before mailing.

**Recommendation:** To ensure all checks have two signatures before mailing, we recommend the person responsible for mailing checks for paid invoices review all checks before mailing.

**View of Responsible Officials:** DeSoto High School agrees with the finding. Steps have been put into place to ensure that all checks have two signatures before mailing.

DESOTO MIDDLE SCHOOL

**2022-002, Principal's Advance Approval of Purchases**

**Condition:** Our audit procedures noted two instances in which purchase orders were prepared and approved by the principal after the actual purchase taking place.

**Criteria or specific requirement:** Chapter 8, Section III, 3.2(a) of the Red Book states, "a signed commitment from the principal or designee(s) must be on file before any purchase is made."

**Effect:** Purchases that were not authorized in advance are being made.

**Cause:** Lack of understanding of the established policy by teachers, sponsors, and coaches.

**DESOTO COUNTY DISTRICT SCHOOL BOARD**  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2022

**Recommendation:** We recommend training for teachers, sponsors, and coaches to highlight the rules within Chapter 8, Section III, 3.2(a) of the Red Book for any purchases made with internal funds.

**View of Responsible Officials:** DeSoto Middle School agrees with the finding and procedures will be put in place to ensure that no purchases can be made before a purchase order is finalized.

**2022-003, Disbursement Supporting Documentation**

**Condition:** We noted two instances where the purchase order, invoice or other support could not be located for disbursements that totaled \$1,618. We reviewed the check images for these checks and confirmed that there were two authorized signatures, and the vendor and amount agreed to the account detail ledger.

**Criteria or specific requirement:** Support for every disbursement should be maintained to ensure that all expenditures are appropriate, checks are issued for the correct amount, and no duplicate payments are made.

**Effect:** Checks issued without proper supporting documentation could result in funds being used for unauthorized purposes.

**Cause:** Due to staff turnover in the bookkeeper position, there was a lack of proper filing of documents.

**Recommendation:** We recommend improvements to the filing and maintenance of documents and records.

**View of Responsible Officials:** DeSoto Middle School agrees with the finding and every effort will be made to ensure proper documentation and filing of records is completed.

**Status of Prior Year Management Letter Comments**

**NOCATEE ELEMENTARY SCHOOL**

The prior year comment related to timeliness of bank reconciliations appears to have been corrected.