

**SCHOOL DISTRICT OF
MANATEE COUNTY, FLORIDA
SCHOOL INTERNAL FUNDS**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

For the Year Ended June 30, 2017

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL INTERNAL FUNDS**

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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Chair and Members of the School Board
School District of Manatee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the School District of Manatee County, Florida (the "District") School Internal Funds as of and for the fiscal year ended June 30, 2017, and the related note to the financial statements, which collectively comprise the District's School Internal Funds' basic financial statements, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free of material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the fiduciary assets and liabilities of the District's School Internal Funds as of June 30, 2017, and the related changes in fiduciary assets and liabilities for the year then ended in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Emphasis-of-Matter

As discussed in Note 1, the financial statements present only the School Internal Funds and do not purport to, and do not, present fairly the financial position of the School District of Manatee County, Florida as of June 30, 2017, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's School Internal Funds' basic financial statements as a whole. The accompanying supplemental combining schedule of cash receipts and disbursements by school, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The combining schedule of cash receipts and disbursements by school is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2017, 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 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 District's internal control over financial reporting and compliance.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Tampa, Florida
October 30, 2017

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL INTERNAL FUNDS**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

June 30, 2017

ASSETS	
Cash and cash equivalents	\$ 4,936,709
Investments	<u>2,346,491</u>
Total assets	<u><u>\$ 7,283,200</u></u>
LIABILITIES	
Internal accounts payable	<u><u>\$ 7,283,200</u></u>

The accompanying note is an integral part of this financial statement.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL INTERNAL FUNDS**

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES

Year Ended June 30, 2017

	<u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2017</u>
ASSETS				
Cash and cash equivalents	\$ 5,990,178	\$ 15,811,747	\$ 16,865,216	\$ 4,936,709
Investments	483,459	1,863,032	-	2,346,491
Total assets	<u>\$ 6,473,637</u>	<u>\$ 17,674,779</u>	<u>\$ 16,865,216</u>	<u>\$ 7,283,200</u>
 LIABILITIES				
Internal accounts payable	<u>\$ 6,473,637</u>	<u>\$ 17,674,779</u>	<u>\$ 16,865,216</u>	<u>\$ 7,283,200</u>

The accompanying note is an integral part of this financial statement.

BASIC FINANCIAL STATEMENTS

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL INTERNAL FUNDS**

NOTE TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – The School District of Manatee County, Florida (the “District”) School Internal Funds are comprised of individual account balances of the 51 public schools and centers located within the geographical boundaries of the Manatee County School District (the “Schools”).

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

The District’s School Internal Funds are included as an agency fund in the District’s annual financial report. The accompanying financial statements present only the School Internal Funds and are not intended to present fairly the financial position and results of operation of the District 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 School Internal Funds as an agency fund. This fund is organized into sub-funds to account for each school in the District. The District’s School Internal Funds at the individual school level recognize cash receipts and cash disbursements using the cash basis of accounting.

Cash and Cash Equivalents – Cash and cash equivalents consists of deposits and other highly liquid cash equivalents held by banks qualified as public depositories under the laws of the State of Florida. All deposits are collateralized by securities held in federal depository insurance or by Florida’s multiple financial institution collateral pool required by Section 280 of the Florida Statutes.

Investments – Investments consist of certificates of deposit, amounts placed with Florida Fixed Income Trust (“FL FIT”), and amounts placed with the State Board of Administration (“SBA”) for participation in Florida PRIME, formerly known as the Local Government Surplus Trust Fund created by Section 218.405, Florida Statutes. The Florida PRIME investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. Certificates of deposits and amounts with Florida Prime are reported at amortized cost, investments in FL FIT are measured at net asset value. For investments in FL FIT, there is no limitation or restriction on participant withdraws, and the Trust has not put in place a redemption date.

Internal Accounts Payable – Internal accounts payable consists of funds held on behalf of school-sponsored or related activities which supplement those activities provided from school district funds.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ from those estimates.

SUPPLEMENTAL INFORMATION

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL INTERNAL FUNDS**

COMBINING SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS BY SCHOOL

Year Ended June 30, 2017

	July 1, 2016				June 30, 2017
	Total		Receipts	Disbursements	Total
	Assets				Assets
ELEMENTARY					
ABEL	\$ 45,222	\$	66,338	\$ 66,502	\$ 45,058
ANNA MARIA	35,099		56,194	57,204	34,089
BALLARD	57,252		55,357	61,844	50,765
BASHAW	30,058		90,669	94,368	26,359
BAYSHORE	21,435		79,332	77,892	22,875
BLACKBURN	46,334		45,112	48,495	42,951
BRADEN RIVER	43,033		242,000	225,898	59,135
DAUGHTREY	35,156		31,117	32,952	33,321
FREEDOM	166,876		123,744	139,823	150,797
GULLETT	79,571		137,007	160,145	56,433
KINNAN	87,721		74,667	82,501	79,887
MANATEE	5,867		42,353	40,139	8,081
McNEAL	61,514		123,547	117,248	67,813
MILLER	14,934		151,072	123,963	42,043
MILLS	44,267		189,142	167,957	65,452
MOODY	46,116		52,101	66,754	31,463
MYAKKA	105,202		31,412	109,723	26,891
ONECO	28,630		39,150	35,237	32,543
ORANGE RIDGE	5,195		-	159	5,036
PALM VIEW	15,920		24,812	30,415	10,317
PALMA SOLA	30,025		133,260	123,594	39,691
PALMETTO	33,939		71,565	67,421	38,083
PRINE	45,097		91,473	103,843	32,727
ROGERS GARDEN	11,878		37,536	33,793	15,621
SAMOSET	17,377		77,328	64,514	30,191
SEA BREEZE	54,078		156,190	131,800	78,468
STEWART	52,043		50,455	52,789	49,709
TARA	56,543		121,810	116,957	61,396
TILLMAN	12,658		13,748	14,757	11,649
WAKELAND	39,559		70,411	73,856	36,114
WILLIAMS	102,592		191,102	189,031	104,663
WILLIS	42,384		53,253	60,503	35,134
WITT	135,930		128,534	109,232	155,232
TOTAL	1,609,505		2,851,791	2,881,309	1,579,987

(Continued)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL INTERNAL FUNDS**

COMBINING SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS BY SCHOOL

Year Ended June 30, 2017

	July 1, 2016			June 30, 2017
	Total			Total
	Assets	Receipts	Disbursements	Assets
MIDDLE SCHOOLS				
BRADEN RIVER	\$ 72,739	\$ 193,685	\$ 194,265	\$ 72,159
BUFFALO CREEK	124,288	172,077	169,634	126,731
HAILE	120,945	353,307	362,098	112,154
HARLLEE	9,063	12,040	16,049	5,054
JOHNSON	12,306	158,142	147,293	23,155
KING	41,013	154,413	151,163	44,263
LEE	54,806	211,447	212,689	53,564
LINCOLN	31,459	64,854	67,616	28,697
NOLAN	107,459	269,337	275,941	100,855
SUGG	18,953	109,036	99,906	28,083
TOTAL	593,031	1,698,338	1,696,654	594,715
HIGH SCHOOLS				
BAYSHORE	(424)	476,910	357,797	118,689
BRADEN RIVER	181,426	746,252	765,870	161,808
HORIZONS	2,457	19,782	14,994	7,245
LAKWOOD RANCH	332,201	1,152,681	1,078,452	406,430
MANATEE	517,966	1,048,781	1,032,909	533,838
PALMETTO	201,558	658,510	685,684	174,384
SOUTHEAST	231,682	557,677	579,835	209,524
TOTAL	1,466,866	4,660,593	4,515,541	1,611,918
OTHER				
MTC	2,804,235	8,464,057	7,771,712	3,496,580
TOTAL	2,804,235	8,464,057	7,771,712	3,496,580
GRAND TOTAL	\$ 6,473,637	\$ 17,674,779	\$ 16,865,216	\$ 7,283,200

OTHER REPORT



Certified Public Accountants

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

Chair and Members of the School Board
School District of Manatee 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 School District of Manatee County, Florida (the "District") School Internal Funds as of and for the year ended June 30, 2017, and the related note to the financial statements, which collectively comprise the District's School Internal Funds' basic financial statements and have issued our report thereon dated October 30, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 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 over financial reporting 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 School Internal Funds' financial statements are free of 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 other matters that we reported to management in a separate letter dated October 30, 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.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A." The signature is written in a cursive, flowing style.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Tampa, Florida
October 30, 2017