

**HAMILTON COUNTY SCHOOL DISTRICT**

**FIDUCIARY (INTERNAL) FUND**

**FINANCIAL STATEMENTS**

For the Year Ended June 30, 2022

Kenneth M. Daniels  
Certified Public Accountant



## **SCHOOL OFFICIALS**

June 30, 2022

### **Superintendent**

Lee Wetherington-Zamora

### **Board Members**

District 1

Cheryl McCall

District 2

Gary Godwin

District 3

Saul Speights

District 4

Johnny Bullard

District 5

Sammy McCoy

### **Director of Business Services**

April Perez

### **School**

Hamilton County High

### **Principal/Administrator**

Ryan Mitchell

Hamilton County Elementary

Kathy Griffin



**HAMILTON COUNTY SCHOOL DISTRICT  
FIDUCIARY (INTERNAL) FUND**

**FINANCIAL STATEMENTS**

**TABLE OF CONTENTS**

For the Year Ended June 30, 2022

	<u>Page No.</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1-3
<b>FINANCIAL STATEMENTS</b>	
Statement of Fiduciary Net Position	4
Statement of Changes in Fiduciary Net Position	5
Notes to the financial statements	6-8
<b>SUPPLEMENTARY INFORMATION</b>	
Combining Statement of Fiduciary Net Position	9
Combining Statement of Changes in Fiduciary Net Position	10
Hamilton County Elementary School	
Statement of Fiduciary Net Position	11
Statement of Changes in Fiduciary Net Position	12
Hamilton County High School	
Statement of Fiduciary Net Position	13
Statement of Changes in Fiduciary Net Position	14-16
<b>COMPLIANCE SECTION</b>	
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 <i>Government Auditing Standards</i>	17-18
Management Letter	19-20
Management Letter Response	21



**KENNETH M. DANIELS**  
**CERTIFIED PUBLIC ACCOUNTANT**

107 2<sup>nd</sup> Avenue S.E.  
Jasper, FL 32052

Phone 386-792-1906  
Fax 386-792-1925  
kmdcpa@windstream.net

**INDEPENDENT AUDITOR'S REPORT**

To the Superintendent and Board Members  
Hamilton County School District  
Jasper, Florida

**Opinion**

I have audited the accompanying financial statements of the Fiduciary (Internal) Fund of the Hamilton County School District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the net position of the Fiduciary (Internal) Fund of the Hamilton County School District, as of and for the year ended June 30, 2022, and the changes in net position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Fiduciary (Internal) Fund of the Hamilton County School District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Emphasis of Matter**

As discussed in Note A, the financial statements present only the Fiduciary (Internal) Fund and do not purport to, and do not present fairly the financial position of the Hamilton County School District, as of June 30, 2022, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. My opinion is not modified with respect to this matter.

**Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hamilton County School District's Fiduciary (Internal) Fund's 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.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 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 statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 statements.
- 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 Hamilton County School District's 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 statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hamilton County School District's Fiduciary (Internal) Fund's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

## **Supplementary Information**

My audit was conducted for the purpose of forming an opinion on the Fiduciary (Internal) Fund of the Hamilton County School District. The combining and individual fiduciary fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fiduciary fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the fiduciary fund financial statements. Such information has been subjected to the auditing procedures applied in the audit of the fiduciary financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the fiduciary fund financial statements or to the fiduciary financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual fiduciary fund financial statements are fairly stated, in all material respects, in relation to the fiduciary fund financial statements as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated October 31, 2022, on my consideration of the Hamilton County School District's Fiduciary (Internal) Fund's internal control over financial reporting and on my 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 my 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 Hamilton County School District's Fiduciary (Internal) Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hamilton County School District's Fiduciary (Internal) Fund's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read 'Ken M. Daniels', written in a cursive style.

Kenneth M. Daniels, CPA  
October 31, 2022



# **FINANCIAL STATEMENTS**



**HAMILTON COUNTY SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**

June 30, 2022

		Custodial <u>Fund</u>
<b>Assets</b>		
Cash	\$	182,217
Due from others		<u>500</u>
Total assets	\$	<u><u>182,717</u></u>
 <b>Liabilities</b>		
Accounts payable	\$	<u>30,395</u>
 <b>Fiduciary net position - held for others</b>	 \$	 <u><u>152,322</u></u>

# HAMILTON COUNTY SCHOOL DISTRICT

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND

For the Year Ended June 30, 2022

		Custodial Fund
<b>Additions:</b>		
Classes	\$	42,973
Clubs		29,744
Departments		32,707
Funds		<u>325,816</u>
Total additions		<u>431,240</u>
<b>Deductions:</b>		
Classes		37,487
Clubs		23,309
Departments		36,945
Funds		<u>342,936</u>
Total deductions		<u>440,677</u>
Change in net position		<u>(9,437)</u>
Net position - beginning		<u>161,759</u>
Net position - ending	\$	<u><u>152,322</u></u>

**HAMILTON COUNTY SCHOOL DISTRICT  
FIDUCIARY (INTERNAL) FUND**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2022

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The accompanying fiduciary fund statement of fiduciary net position and statement of changes in fiduciary net position includes the effects of transactions and balances relating to the internal funds of the following schools within the Hamilton County, Florida, School District:

Hamilton County Elementary School  
Hamilton County High School

In accordance with *Florida Statutes* 1011.07, the Florida Department of Education, and Hamilton County District School Board have established rules and regulations concerning the administration of internal funds. These rules and regulations govern the manner in which the internal funds are organized, accounted for, and reported.

Transactions and balances only relating to the Hamilton County School District's Internal Funds are included in the accompanying financial statements. All other activities are included in the financial statements of the Hamilton County School District of Hamilton County, Florida.

**B. Basis of Presentation, Basis of Accounting**

**Basis of Presentation**

Fiduciary Fund Statements: The statement of fiduciary net position and the statement of changes in fiduciary net positions display information about the District's Internal Funds. As indicated above, each school within the district maintains a fiduciary fund in which the internal funds' transactions are reported.

**Basis of Accounting**

Fiduciary Fund Financial Statements: In accordance with accounting principles generally accepted in the United States of America (GAAP), the fiduciary fund financial statements are reported using the accrual basis of accounting. Additions are recorded when earned and deletions are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

The primary sources of account additions are collections from students for dues, fees, event charges, and fundraising activities. Account deletions consist of student related expenditures: fundraising items, student support, and athletic supplies.

## C. Income Taxes

The Internal Funds are part of the Hamilton County School District and are exempt from income taxes.

### NOTE 2. DEPOSITS

The schools' bank accounts of the internal funds were fully insured by the Federal Depository Insurance Corporation and Florida Department of Financial Services. Section 280.04, *Florida Statutes*, requires qualified public depositories to pledge eligible collateral with the State's Chief Financial Officer to secure public funds.

The financial institution holding the schools' internal funds is a qualified public depository, and, as a result, the balances were fully insured during the year ending June 30, 2022.

Accounts held at June 30, 2022, were as follows:

School		<u>Balance</u>
Hamilton County Elementary	\$	78,477
Hamilton County High		103,740
Total	\$	<u>182,217</u>

Internal funds which are temporarily idle shall, as required by law, be invested pursuant to policies of the School Board using any medium of investment legal for public funds, and may not exceed insurance protection or other legal collateral limits.

During the year ending June 30, 2022, the District's Internal Funds did not have any idle, invested funds.

### NOTE 3. RECEIVABLES AND PAYABLES

Amounts owed to the Internal Fund accounts at June 30, 2022, are as follows:

#### Receivables

<u>School/Activity</u>	<u>Description</u>	<u>Amount</u>
Hamilton County High School (HCHS)		
Fort White High School	revenue sharing	\$ 50
Townsend Livestock Market	livestock sale	450
Total receivables		<u>\$ 500</u>

Amounts owed by the Internal Fund accounts at June 30, 2022, are as follows:

#### Payables

<u>School/Activity</u>	<u>Description</u>	<u>Amount</u>
Hamilton County High School (HCHS)		
Athletics	travel, other	\$ 11,581
Boys Baseball	batting mat	600
FFA	animal feed, supplies	6,676
Football	reconditioning, uniforms	8,599
General Fund	graduation supplies	1,961
Officials	officiating	978
		<u>\$ 30,395</u>



#### NOTE 4. TRANSFERS

The following transfers between accounts were included in the Fiduciary Fund's additions and deletions:

Hamilton County High School	Transfers in <u>Additions</u>	Transfers out <u>Deductions</u>
Athletics	\$ 57,986	\$ 30,268
Beta	826	200
Business department	1,000	811
Cheer Boosters	-	150
Class of 2021	-	3,077
Class of 2025	40	-
Clearing	-	20
Concessions	8,086	11,300
Flag Corp	-	40
Football Boosters	150	-
General Fund	3,888	1,000
Jr. Beta	-	25
M.S. Cheerleaders	-	20
Revenue Sharing	-	2,138
Officials	21,642	-
Student Council	20	-
Ticket sales	-	45,349
Volleyball	560	-
Yearbook	200	-
Totals	<u>\$ 94,398</u>	<u>\$ 94,398</u>

#### NOTE 5. SUBSEQUENT EVENTS

District management has considered subsequent events through the date of this report, October 31, 2022.



**SUPPLEMENTARY  
INFORMATION**



# HAMILTON COUNTY SCHOOL DISTRICT

## COMBINING STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

June 30, 2022

	Custodial Funds		
	Hamilton County <u>High School</u>	Hamilton County <u>Elementary</u>	<u>Totals</u>
<b>Assets</b>			
Cash	\$ 103,740	\$ 78,477	\$ 182,217
Due from others	<u>500</u>	<u>-</u>	<u>500</u>
Total assets	<u>\$ 104,240</u>	<u>\$ 78,477</u>	<u>\$ 182,717</u>
<b>Liabilities</b>			
Accounts payable	<u>\$ 30,395</u>	<u>-</u>	<u>\$ 30,395</u>
<b>Fiduciary net position - held for others</b>	<u>\$ 73,845</u>	<u>\$ 78,477</u>	<u>\$ 152,322</u>

# HAMILTON COUNTY SCHOOL DISTRICT

## COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Year Ended June 30, 2022

	Custodial Funds		
	Hamilton County	Hamilton County	
	<u>High School</u>	<u>Elementary</u>	<u>Totals</u>
<b>Additions:</b>			
Classes	\$ 28,183	\$ 14,790	\$ 42,973
Clubs	29,744	-	29,744
Departments	25,725	6,982	32,707
Funds	<u>291,937</u>	<u>33,879</u>	<u>325,816</u>
Total additions	<u>375,589</u>	<u>55,651</u>	<u>431,240</u>
<b>Deductions:</b>			
Classes	24,178	13,309	37,487
Clubs	23,309	-	23,309
Departments	31,242	5,703	36,945
Funds	<u>307,455</u>	<u>35,481</u>	<u>342,936</u>
Total deductions	<u>386,184</u>	<u>54,493</u>	<u>440,677</u>
Change in net position	<u>(10,595)</u>	<u>1,158</u>	<u>(9,437)</u>
Net position - beginning	<u>84,440</u>	<u>77,319</u>	<u>161,759</u>
Net position - ending	<u>\$ 73,845</u>	<u>\$ 78,477</u>	<u>\$ 152,322</u>

**HAMILTON COUNTY SCHOOL DISTRICT  
HAMILTON COUNTY ELEMENTARY SCHOOL**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND**

June 30, 2022

		Custodial <u>Fund</u>
<b>Assets</b>		
Cash	\$	<u>78,477</u>
<b>Liabilities</b>		
Accounts payable	\$	<u>-</u>
<b>Fiduciary net position - held for others</b>	<b>\$</b>	<b><u>78,477</u></b>

**HAMILTON COUNTY SCHOOL DISTRICT  
HAMILTON COUNTY ELEMENTARY SCHOOL  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND**

For the Year Ended June 30, 2022

	Custodial <u>Fund</u>
<b>Additions:</b>	
<b>Classes</b>	
Kindergarten	\$ 459
First Grade	605
Second Grade	325
Third Grade	1,956
Fourth Grade	9,165
Fifth Grade	2,280
Total classes	<u>14,790</u>
<b>Departments</b>	
Library	6,022
Yearbook	960
Total departments	<u>6,982</u>
<b>Funds</b>	
General	27,256
Sunshine	1,220
Trust Funds:	
Benevolence	260
Faculty/Staff	5,143
Total funds	<u>33,879</u>
Total additions	<u>55,651</u>
<b>Deductions:</b>	
<b>Classes</b>	
Pre-K	89
Kindergarten	846
First Grade	582
Second Grade	362
Third Grade	4,082
Fourth Grade	5,395
Fifth Grade	1,953
Total classes	<u>13,309</u>
<b>Departments</b>	
Library	4,242
Yearbook	1,461
Total departments	<u>5,703</u>
<b>Funds</b>	
General	27,173
Sunshine	1,756
Trust Funds:	
Benevolence	260
Faculty/Staff	6,292
Total funds	<u>35,481</u>
Total deductions	<u>54,493</u>
Change in net position	<u>1,158</u>
Net position - beginning	<u>77,319</u>
Net position - ending	<u>\$ 78,477</u>



**HAMILTON COUNTY SCHOOL DISTRICT  
HAMILTON COUNTY HIGH SCHOOL**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND**

June 30, 2022

		Custodial <u>Fund</u>
<b>Assets</b>		
Cash	\$	103,740
Due from others		<u>500</u>
Total assets	<u>\$</u>	<u>104,240</u>
 <b>Liabilities</b>		
Accounts payable	<u>\$</u>	<u>30,395</u>
 <b>Fiduciary net position - held for others</b>	 <u>\$</u>	 <u>73,845</u>

**HAMILTON COUNTY SCHOOL DISTRICT  
HAMILTON COUNTY HIGH SCHOOL**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND**

For the Year Ended June 30, 2022

	Custodial <u>Fund</u>
<b>Additions:</b>	
<b>Classes</b>	
Class of 22	\$ 7,274
Class of 23	11,060
Class of 24	425
Class of 25	295
Class of 26	380
Class of 27	8,749
Total classes	<u>28,183</u>
<b>Clubs</b>	
Annual - Year Book	7,866
Beta Club	12,437
Cheerleaders	2,127
Cheerleaders - Boosters	1,753
Cheerleaders - JV	2,527
Cheerleaders - MS	1,683
Drama	145
Key	125
Student Council	1,081
Total clubs	<u>29,744</u>
<b>Departments</b>	
Business Dept	189
Culinary Arts	4,148
FFA	20,298
Library	244
ROTC	570
Sunshine Fund	276
Total departments	<u>25,725</u>
<b>Funds</b>	
<b>Athletics</b>	
Athletics (combined)	30,012
Baseball	25
Baseball Boosters	11,939
Basketball Boosters	520
Boys' Basketball	6,136
Boys' Soccer	1,349
Clearing	62,420
Concessions	21,910
Cross Country	1,630
Football	18,807

(continued)

See notes to financial statements.

**HAMILTON COUNTY SCHOOL DISTRICT  
HAMILTON COUNTY HIGH SCHOOL  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND**

For the Year Ended June 30, 2022

	Custodial <u>Fund</u>
<b>Funds continued</b>	
Football Boosters	\$ 12,614
Girls' Basketball	1,407
Girls' Soccer	2,275
Officials	21,642
Revenue sharing	2,188
Softball Boosters	10,895
Ticket sales	45,349
Volleyball	3,288
Total athletics	<u>254,406</u>
General	<u>8,075</u>
Trust Funds	
Faculty/staff	8,285
Grad Night	15,125
Letterman jackets	1,304
Marty Jackson Scholarship	1,225
Wetherington Memorial	500
Zamora Memorial	500
Student incentives	2,267
Wade B. Norris Baseball	250
Total trust funds	<u>29,456</u>
Total funds	<u>291,937</u>
Total additions	<u>375,589</u>
<b>Deductions:</b>	
<b>Classes</b>	
Class of 21	3,148
Class of 22	4,334
Class of 23	6,766
Class of 24	705
Class of 25	555
Class of 26	67
Class of 27	8,603
Total classes	<u>24,178</u>
<b>Clubs</b>	
Annual - Year Book	5,803
Beta Club	10,227
Cheerleaders	1,575
Cheerleaders - Boosters	1,194
Cheerleaders - JV	2,338
Cheerleaders - MS	1,407
Drama	209
Flag Corps	40
Key	25
Student Council	491
Total clubs	<u>23,309</u>

(continued)

See notes to financial statements.

**HAMILTON COUNTY SCHOOL DISTRICT  
HAMILTON COUNTY HIGH SCHOOL  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND**

For the Year Ended June 30, 2022

	Custodial <u>Fund</u>
<b>Departments</b>	
Business Dept	\$ 1,527
Culinary Arts	5,297
FFA	22,155
Library	417
ROTC	1,656
Sunshine Fund	190
Total departments	<u>31,242</u>
<b>Funds</b>	
<b>Athletics</b>	
Athletics (combined)	33,374
Baseball	6,799
Baseball Boosters	7,065
Basketball Boosters	102
Boys' Basketball	5,877
Boys' Soccer	1,391
Clearing	62,420
Concessions	21,910
Cross Country	1,068
Football	24,619
Football Boosters	15,517
Girls' Basketball	1,512
Girls' Soccer	1,396
Officials	22,620
Revenue sharing	2,138
Softball	389
Softball Boosters	15,583
Ticket sales	45,349
Volleyball	3,613
Weightlifting	201
Total athletics	<u>272,943</u>
General	<u>6,748</u>
<b>Trust Funds</b>	
Dr. Richard Cunningham	725
Faculty/staff	7,578
Grad Night	15,697
Letterman jackets	1,375
Marty Jackson	500
Student incentives	1,584
Testing	55
Wade B. Norris Baseball	250
Total trust funds	<u>27,764</u>
Total funds	<u>307,455</u>
Total deductions	<u>386,184</u>
Change in net position	<u>(10,595)</u>
Net position - beginning	84,440
Net position - ending	<u>\$ 73,845</u>

# **COMPLIANCE**

## **SECTION**



**KENNETH M. DANIELS**  
**CERTIFIED PUBLIC ACCOUNTANT**

107 2nd Ave S.E.  
Jasper, FL 32052

Phone 386-792-1906  
Fax 386-792-1925  
kmdcpa@windstream.net

**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***

To the Superintendent and Board Members  
Hamilton County School District  
Jasper, Florida

I 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 Standard* issued by the Comptroller General of the United States, the financial statements of the Fiduciary (Internal) Fund of the Hamilton County School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Fiduciary (Internal) Fund financial statements of the Hamilton County School District, and have issued my report thereon dated October 31, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered the Hamilton County School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hamilton County School District's internal control over its Fiduciary (Internal) Fund. Accordingly, I do not express an opinion on the effectiveness of Hamilton County School District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Hamilton County School District's fiduciary fund financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of my 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.



Kenneth M. Daniels  
Certified Public Accountant  
October 31, 2022



**KENNETH M. DANIELS**  
**CERTIFIED PUBLIC ACCOUNTANT**

107 2<sup>nd</sup> Avenue S.E.  
Jasper, FL 32052

Phone 386-792-1906  
Fax 386-792-1925  
[kmdcpa@windstream.net](mailto:kmdcpa@windstream.net)

**MANAGEMENT LETTER**

To the Superintendent and Board Members  
Hamilton County School District  
Jasper, Florida

**Report on the Financial Statements**

I have audited the financial statements of the Hamilton County School District's Fiduciary (Internal) Funds as of and for the year ended June 30, 2022, and have issued my report thereon dated October 31, 2022.

**Auditor's Responsibility**

I conducted my audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Other Reporting Requirements**

I have issued my 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*. Disclosures in that report, which is dated October 31, 2022, should be considered in conjunction with this management letter.

**Other Matters**

In addition, for matters that have an effect on the financial statements considering both quantitative and qualitative factors, the following may be reported based on professional judgment: 1.) violations of School Board or Department of Education Policies 2.) deficiencies in internal control

In connection with my audit, I am reporting the following matter(s):

**Prior Year Findings**

All prior year findings were cleared.

## Current Year Findings

### 2022-001 Payment of Invoices

**Criteria:** Per *Florida Statutes* 218.74(2), “the payment due date for local governmental entity for the purchase of goods or services other than construction services is 45 days after the date specified in s. 218.73.” (Generally, the date the invoice is received.)

**Condition:** From my review of accounts payable and subsequent payment dates, I noted the payment of seven invoices ranging in amounts from \$330 to \$2,966 paid from 7 to 179 days after the allowable period above.

**Cause:** Failure to timely remit invoices to the school secretary for payment (primarily Athletics).

**Effect:** Failure to comply with *Florida Statutes*.

**Recommendation:** Remit invoices to the school secretary for payment in a timely manner.

This Management Letter is intended solely for the information and use of the Hamilton School District’s management and School Officials, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Chapter 119, *Florida Statutes*, this management letter is a public record, and its distribution is not limited.



Kenneth M. Daniels  
Certified Public Accountant  
October 31, 2022



## Hamilton County School District

Business Services Department  
5686 US Highway 129 South, Suite 1  
Jasper, Florida 32052  
Phone: 386.792.1228 – Fax: 386.792.3681

**Lee Wetherington-Zamora, Superintendent**

**April Perez, Director of Business Services**

**School Board Members**  
Cheryl McCall – District 1  
Gary Godwin – District 2  
Saul Speights – District 3  
Johnny Bullard – District 4  
Sammy McCoy – District 5

---

November 28, 2022

Kenneth M. Daniels, CPA P.A.  
107 2nd Ave SE  
Jasper, FL 32052

Mr. Daniels:

Please accept the below as our District's response concerning the findings in the 2021-2022 Internal Accounts audit of Hamilton County Schools:

Finding 1: 2022-001 Payment of Invoices. The District will send out mid-year reminders to refresh staff of the proper procedures for orders made with internal account funds, including timely submission of invoices. The District will also contact frequently used vendors to update contact information for email receipt of invoices.

Please feel free to contact my office with any additional questions you may have.

Sincerely,

Lee Wetherington-Zamora  
Superintendent of Schools  
Hamilton County School District  
dorothy.zamora@hamiltonfl.com  
386-792-7802