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CERTIFIED PUBLIC ACCOUNTANTS

## **INDEPENDENT AUDITORS' REPORT**

Kentucky State Committee  
for School District Audits  
Members of the Board of Education  
Trigg County School District  
Cadiz, Kentucky

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Trigg County School District (the "District"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's 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.

### **Auditors' Responsibility**

Our responsibility is to express opinions 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Kentucky State Committee for School District Audits in the *Independent Auditor's Contract*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Trigg County School District as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 17 to the financial statements, during the year ended June 30, 2018, the Trigg County School District adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions (OPEB)*, which resulted in a restatement of the District's July 1, 2017 net position in the amount of (\$1,774,889). Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and postemployment schedules on pages 4–13, 66–71 and 72–88 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and combining and individual school activity fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

**TRIGG COUNTY SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2018**

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,508,027	\$ 116,180	\$ 2,624,207
Investments	6,858,000	-	6,858,000
Accounts receivable:			
Taxes	46,084	-	46,084
Other	21,635	-	21,635
Intergovernmental - indirect federal	267,045	-	267,045
Inventory	-	26,228	26,228
Capital assets:			
Non-depreciable	407,943	-	407,943
Other capital assets, net of depreciation	16,161,564	922,677	17,084,241
Total assets	26,270,298	1,065,085	27,335,383
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pension and post employment benefits	2,298,945	471,245	2,770,190
Total deferred outflows of resources	2,298,945	471,245	2,770,190
<b>LIABILITIES</b>			
Accounts payable	108,208	62	108,270
Unearned revenue	60,028	-	60,028
Accrued interest	21,054	-	21,054
Long-term obligations			
Portion due or payable within one year:			
Bonds payable	850,000	-	850,000
Portion due or payable after one year			
Bonds payable	3,461,326	-	3,461,326
Compensated absences	143,697	19,055	162,752
Net pension and post employment benefits	7,411,927	1,439,319	8,851,246
Total liabilities	12,056,240	1,458,436	13,514,676
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred pension and post employment benefits	771,770	149,982	921,752
Total deferred inflows of resources	771,770	149,982	921,752
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	12,258,181	922,677	13,180,858
Restricted	2,786,680	-	2,786,680
Unrestricted	696,372	(994,765)	(298,393)
Total net position	\$ 15,741,233	\$ (72,088)	\$ 15,669,145

See accompanying notes to financial statements

**TRIGG COUNTY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	
<b>Governmental Activities:</b>					
<b>Current:</b>					
Instruction	\$ 13,926,549	\$ -	\$ 5,217,747	\$ -	\$ (8,708,802)
Support services:					
Student	1,132,481	-	375,589	-	(756,892)
Instructional staff	1,322,070	-	801,960	-	(520,110)
District administrative	995,385	-	135,218	-	(860,167)
School administrative	1,217,037	-	383,273	-	(833,764)
Business	943,693	-	152,020	-	(791,673)
Plant operations and maintenance	1,541,604	-	146,274	-	(1,395,330)
Student transportation	1,298,203	-	206,077	-	(1,092,126)
Community service activities	157,050	-	151,332	-	(5,718)
Food service operation	1,878	-	-	-	(1,878)
Facilities acquisition and construction	109,609	-	-	-	(109,609)
Interest on long-term debt	150,802	-	-	256,276	105,474
<b>Total governmental activities</b>	<b>22,796,361</b>	<b>-</b>	<b>7,569,490</b>	<b>256,276</b>	<b>(14,970,595)</b>
<b>Business-Type Activities:</b>					
Food service	1,323,614	115,893	908,032	-	(299,689)
Day care services	229,720	172,227	-	-	(57,493)
<b>Total business-type activities</b>	<b>1,553,334</b>	<b>288,120</b>	<b>908,032</b>	<b>-</b>	<b>(357,182)</b>
<b>Total activities</b>	<b>\$ 24,349,695</b>	<b>\$ 288,120</b>	<b>\$ 8,477,522</b>	<b>\$ 256,276</b>	<b>\$ (15,327,777)</b>
			<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Change in Net Position</b>					
Net revenues (expenses)			\$ (14,970,595)	\$ (357,182)	\$ (15,327,777)
<b>General Revenues</b>					
Taxes:					
Property			4,633,136	-	4,633,136
Motor vehicle			518,146	-	518,146
Utilities			869,597	-	869,597
Other			1,664,835	-	1,664,835
Investment earnings			130,218	988	131,206
State aid			7,279,839	172,644	7,452,483
Gain (loss) on sale of fixed assets			3,735	(262)	3,473
Miscellaneous			254,340	2,102	256,442
<b>Total general revenues</b>			<b>15,353,846</b>	<b>175,472</b>	<b>15,529,318</b>
<b>Change in net position before transfers</b>			<b>383,251</b>	<b>(181,710)</b>	<b>201,541</b>
Transfers in (out)			-	-	-
<b>Change in net position after transfers</b>			<b>383,251</b>	<b>(181,710)</b>	<b>201,541</b>
<b>Net position, July 1, 2017</b>			<b>16,831,613</b>	<b>410,880</b>	<b>17,242,493</b>
Implementation of GASB 75 (Note 17)			(1,473,631)	(301,258)	(1,774,889)
<b>Net position, July 1, 2017, restated</b>			<b>15,357,982</b>	<b>109,622</b>	<b>15,467,604</b>
<b>Net position, June 30, 2018</b>			<b>\$ 15,741,233</b>	<b>\$ (72,088)</b>	<b>\$ 15,669,145</b>

See accompanying notes to financial statements

**TRIGG COUNTY SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	General Fund	Special Revenue	Construction Fund	SEEK Capital Outlay Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 652	\$ -	\$ 1,055,012	\$ 1,024,906	\$ 427,457	\$ 2,508,027
Investments	6,858,000	-	-	-	-	6,858,000
Accounts receivable:						
Taxes	46,084	-	-	-	-	46,084
Other	21,635	-	-	-	-	21,635
Interfund receivable	51,712	-	-	164,678	-	216,390
Intergovernmental - indirect federal	-	267,045	-	-	-	267,045
<b>Total assets</b>	<b>\$ 6,978,083</b>	<b>\$ 267,045</b>	<b>\$ 1,055,012</b>	<b>\$ 1,189,584</b>	<b>\$ 427,457</b>	<b>\$ 9,917,181</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 108,208	\$ -	\$ -	\$ -	\$ -	\$ 108,208
Interfund payable	-	177,114	-	-	39,276	216,390
Unearned revenue	-	60,028	-	-	-	60,028
<b>Total liabilities</b>	<b>108,208</b>	<b>237,142</b>	<b>-</b>	<b>-</b>	<b>39,276</b>	<b>384,626</b>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Spendable:						
Restricted	124,000	29,903	1,055,012	1,189,584	388,181	2,786,680
Committed	1,855,385	-	-	-	-	1,855,385
Assigned	1,302,670	-	-	-	-	1,302,670
Unassigned	3,587,820	-	-	-	-	3,587,820
<b>Total fund balances</b>	<b>6,869,875</b>	<b>29,903</b>	<b>1,055,012</b>	<b>1,189,584</b>	<b>388,181</b>	<b>9,532,555</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,978,083</b>	<b>\$ 267,045</b>	<b>\$ 1,055,012</b>	<b>\$ 1,189,584</b>	<b>\$ 427,457</b>	<b>\$ 9,917,181</b>

See accompanying notes to financial statements

**TRIGG COUNTY SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	General Fund	Special Revenue	Construction Fund	SEEK Capital Outlay Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
From local sources:						
Taxes						
Property	\$ 4,093,686	\$ -	\$ -	\$ -	\$ 539,450	\$ 4,633,136
Motor vehicle	518,146	-	-	-	-	518,146
Utilities	869,597	-	-	-	-	869,597
Other	1,664,835	-	-	-	-	1,664,835
Student activities	12,033	-	-	-	-	12,033
Earnings on investments	109,583	1,033	656	11,522	7,424	130,218
Other local revenues	242,307	-	-	-	-	242,307
Intergovernmental - state	11,995,480	1,042,106	-	183,219	454,126	13,674,931
Intergovernmental - federal	33,444	1,397,230	-	-	-	1,430,674
<b>Total revenues</b>	<b>19,539,111</b>	<b>2,440,369</b>	<b>656</b>	<b>194,741</b>	<b>1,001,000</b>	<b>23,175,877</b>
<b>EXPENDITURES</b>						
<b>Current:</b>						
Instruction	11,069,329	1,534,232	-	-	-	12,603,561
Support services:						
Student	1,066,058	62,824	-	-	-	1,128,882
Instructional staff	779,981	537,325	-	-	-	1,317,306
District administration	884,113	20,000	-	-	-	904,113
School administration	1,198,949	18,034	-	-	-	1,216,983
Business	932,848	75,431	-	-	-	1,008,279
Plant operation and maintenance	1,630,293	-	-	-	-	1,630,293
Student transportation	1,232,898	66,053	-	-	-	1,298,951
Food service operation	1,878	-	-	-	-	1,878
Community service activities	863	153,045	-	-	-	153,908
Land improvements/acquisition	103,769	-	98,693	-	-	202,462
Site improvement	5,840	-	-	-	-	5,840
Building improvements	-	-	117,134	-	-	117,134
Debt service	-	-	-	-	983,761	983,761
<b>Total expenditures</b>	<b>18,906,819</b>	<b>2,466,944</b>	<b>215,827</b>	<b>-</b>	<b>983,761</b>	<b>22,573,351</b>
<b>Excess (deficit) of revenues over (under) expenditures</b>	<b>632,292</b>	<b>(26,575)</b>	<b>(215,171)</b>	<b>194,741</b>	<b>17,239</b>	<b>602,526</b>
<b>Other financing sources (uses)</b>						
Proceeds from disposal of fixed assets	3,825	-	-	-	-	3,825
Operating transfers in	-	56,665	409,408	-	727,485	1,193,558
Operating transfers out	(466,073)	-	-	-	(727,485)	(1,193,558)
<b>Total other financing sources (uses)</b>	<b>(462,248)</b>	<b>56,665</b>	<b>409,408</b>	<b>-</b>	<b>-</b>	<b>3,825</b>
<b>Net changes in fund balances</b>	<b>170,044</b>	<b>30,090</b>	<b>194,237</b>	<b>194,741</b>	<b>17,239</b>	<b>606,351</b>
<b>Fund balances, July 1, 2017</b>	<b>6,699,831</b>	<b>(187)</b>	<b>860,775</b>	<b>994,843</b>	<b>370,942</b>	<b>8,926,204</b>
<b>Fund balances, June 30, 2018</b>	<b>\$ 6,869,875</b>	<b>\$ 29,903</b>	<b>\$ 1,055,012</b>	<b>\$ 1,189,584</b>	<b>\$ 388,181</b>	<b>\$ 9,532,555</b>

See accompanying notes to financial statements

**TRIGG COUNTY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2018**

	School Food Service Fund	Day Care Fund	Total
<b>OPERATING REVENUES</b>			
Lunchroom sales	\$ 115,893	\$ -	\$ 115,893
Child care fees	-	172,227	172,227
Other revenue	-	2,102	2,102
<b>Total operating revenues</b>	<u>115,893</u>	<u>174,329</u>	<u>290,222</u>
<b>OPERATING EXPENSES</b>			
Salaries and wages	665,236	229,250	894,486
Materials and supplies	580,785	470	581,255
Depreciation	35,000	-	35,000
Contract services	42,125	-	42,125
Other operating expenses	468	-	468
<b>Total operating expenses</b>	<u>1,323,614</u>	<u>229,720</u>	<u>1,553,334</u>
<b>Operating income (loss)</b>	<u>(1,207,721)</u>	<u>(55,391)</u>	<u>(1,263,112)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Federal grants	837,909	-	837,909
Donated commodities	70,123	-	70,123
State grants	9,908	2,250	12,158
State on-behalf payments	120,640	39,846	160,486
Gain (loss) on sale of fixed assets	(262)	-	(262)
Interest income	988	-	988
<b>Total non-operating revenues (expenses)</b>	<u>1,039,306</u>	<u>42,096</u>	<u>1,081,402</u>
<b>Change in net position</b>	<u>(168,415)</u>	<u>(13,295)</u>	<u>(181,710)</u>
<b>Net position, July 1, 2017</b>	542,632	(131,752)	410,880
Implementation of GASB 75 (Note 17)	<u>(227,259)</u>	<u>(73,999)</u>	<u>(301,258)</u>
<b>Net position, July 1, 2017, restated</b>	<u>315,373</u>	<u>(205,751)</u>	<u>109,622</u>
<b>Net position, June 30, 2018</b>	<u>\$ 146,958</u>	<u>\$ (219,046)</u>	<u>\$ (72,088)</u>

See accompanying notes to financial statements



**TRIGG COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 4 – CAPITAL ASSETS**

Capital Asset activity for the fiscal year ended June 30, 2018, was as follows:

	<b>Balance July 1, 2017</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2018</b>
<b>Governmental Activities</b>				
Capital assets not depreciated:				
Land	\$ 300,850	\$ -	\$ -	\$ 300,850
Construction in progress	87,316	215,827	196,050	107,093
Total nondepreciable historical cost	<u>388,166</u>	<u>215,827</u>	<u>196,050</u>	<u>407,943</u>
Capital assets depreciated:				
Building and improvements	28,027,330	196,050	-	28,223,380
Land improvements	111,505	8,500	-	120,005
Technology equipment	2,337,312	194,568	170,987	2,360,893
Vehicles	2,989,249	184,480	-	3,173,729
General equipment	1,048,374	37,399	20,270	1,065,503
Total depreciable historical cost	<u>34,513,770</u>	<u>620,997</u>	<u>191,257</u>	<u>34,943,510</u>
Less: accumulated depreciation				
Building and improvements	12,856,786	738,733	-	13,595,519
Land improvements	39,489	5,611	-	45,100
Technology equipment	2,331,200	32,718	170,897	2,193,021
Vehicles	1,841,358	204,131	-	2,045,489
General equipment	892,366	30,721	20,270	902,817
Total accumulated depreciation	<u>17,961,199</u>	<u>1,011,914</u>	<u>191,167</u>	<u>18,781,946</u>
Total depreciable historical cost - net	<u>16,552,571</u>	<u>(390,917)</u>	<u>90</u>	<u>16,161,564</u>
Governmental activities capital assets - net	<u>\$ 16,940,737</u>	<u>\$ (175,090)</u>	<u>\$ 196,140</u>	<u>\$ 16,569,507</u>

The balance in construction work in progress is not shown on the Annual Financial Report of the District.



**TRIGG COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 5 – LONG-TERM OBLIGATIONS, continued**

The bonds may be called prior to maturity, and redemption premiums are specified in each issue. Assuming no bonds are called prior to scheduled maturity, the minimum obligations of the District, including amounts to be paid by the Commission, at June 30, 2018 for debt service (principal and interest) are as follows:

	Trigg County		School Facilities		Total
	Principal	Interest	Principal	Interest	
2019	\$ 668,876	\$ 52,402	\$ 181,124	\$ 75,189	\$ 977,591
2020	329,504	30,175	185,496	70,392	615,567
2021	335,144	23,584	189,856	65,377	613,961
2022	335,721	16,463	194,279	60,095	606,558
2023	356,357	8,909	203,643	54,552	623,461
2024-2028	-	-	695,000	187,761	882,761
2029-2033	-	-	565,000	77,769	642,769
2034	-	-	100,000	2,000	102,000
	<u>\$ 2,025,602</u>	<u>\$ 131,533</u>	<u>\$ 2,314,398</u>	<u>\$ 593,135</u>	<u>\$ 5,064,668</u>

**TRIGG COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2018**

**NOTE 5 – LONG-TERM OBLIGATIONS, continued**

The changes in outstanding debt are as follows:

	Balance July 1, 2017	New Issues/ Adjustments	Debt Payments/ Refunds	Balance June 30, 2018	Due within One Year
<b>Bonds payable:</b>					
Revenue bonds	\$ 5,170,000	\$ -	\$ 830,000	\$ 4,340,000	\$ 850,000
Less premium(discount)	(37,388)	-	(8,714)	(28,674)	-
<b>Total bonds payable</b>	<b>5,132,612</b>	<b>-</b>	<b>821,286</b>	<b>4,311,326</b>	<b>850,000</b>
<b>Other liabilities:</b>					
Compensated absences					
Governmental	79,865	63,832		143,697	-
Business-type	15,689	3,366	-	19,055	-
<b>Total other liabilities</b>	<b>95,554</b>	<b>67,198</b>	<b>-</b>	<b>162,752</b>	<b>-</b>
<b>Total long-term liabilities</b>	<b>\$ 5,228,166</b>	<b>\$ 67,198</b>	<b>\$ 821,286</b>	<b>\$ 4,474,078</b>	<b>\$ 850,000</b>

**TRIGG COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2018**

**SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?                         yes      X   no

Significant deficiency(ies) identified?                yes      X   none reported

Noncompliance material to financial  
statements noted?          yes      X   no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?                        yes      X   no

Significant deficiency(ies) identified?                yes      X   none reported

Type of auditors' report issued on compliance  
for major programs: Unmodified

Any audit findings disclosed that are required to  
to be reported in accordance with 2 CFR  
section 200.516(a)          yes      X   no

Identification of major federal programs:

<u>Program Title</u>	<u>CFDA Number</u>
Title I Grants to Local Educational Agencies	84.010

Dollar threshold to distinguish  
between type A and type B programs:    \$750,000

Auditee qualified as a low-risk auditee?             X   yes         no

**TRIGG COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2018**

**FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None reported

**TRIGG COUNTY SCHOOL DISTRICT  
MANAGEMENT LETTER COMMENTS  
FOR THE YEAR ENDED JUNE 30, 2018**

**TRIGG COUNTY MIDDLE SCHOOL**

- I. **Condition** – The check number was not noted on paid invoices.

**Recommendation** – Redbook procedures require that the check number and date paid shall be noted on the invoice.

**Response** – We will begin notating the check number on all paid invoices.

**TRIGG COUNTY HIGH SCHOOL**

- I. **Condition** – Form F-SA-17, Sales from Concessions/Bookstore, were not used each time money was collected from these activities.

**Recommendation** - Sales from Concessions/Bookstore forms are to be used each time money is collected from these activities and turned in with the money to the school treasurer and a copy kept with the inventory control worksheet.

**Response** – We will work with the sponsors related to concessions and the bookstore to resolve this issue.

- II. **Condition** – Form F-SA-6, Multiple Receipt Form, was not signed by student or properly completed.

**Recommendation** – The Multiple Receipt form must be completed when teachers, sponsors, or student collect money and students third grade and above must sign the Multiple Receipt Form.

**Response** – The staff have been stressed the importance of the students signing the multiple receipt form. We will talk with the principal to meet again with staff.

**TRIGG COUNTY SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR MANAGEMENT LETTER COMMENTS  
FOR THE YEAR ENDED JUNE 30, 2018**

**TRIGG COUNTY PRIMARY SCHOOL**

- I. **Condition** – Initials of person verifying the deposit with the receipts was not recorded on deposit ticket.

**Recommendation** – Redbook procedures require that an employee, other than the person preparing the deposit slip, shall verify the amount on the deposit ticket agrees with the amount of receipts recorded in the ledger sheets, the deposit ticket has been validated by the bank and the employee initials the deposit ticket.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

**TRIGG COUNTY INTERMEDIATE SCHOOL**

- I. **Condition** – Form F-SA-5, Inventory Control Worksheet, was not completed for the snack machine for three months.

**Recommendation** – Any stocked items held for resale require the use of the Inventory Control Worksheet detailing beginning and ending inventories, quantities, descriptions, values, units of measure and unit selling prices.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

**TRIGG COUNTY MIDDLE SCHOOL**

- I. **Condition** – Form F-SA-2B, Fundraiser Worksheet, was not properly completed with date of fundraiser or date reviewed by principal.

**Recommendation** – Fundraisers where items are sold require the use and proper completion of the Fundraiser Worksheet, which is used to recap the profitability of a fundraiser period or event. The Fundraiser Worksheet should be filed and reviewed by the principal within one week of completion of fundraiser period or event.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

- II. **Condition** – Transfer forms used were not properly approved prior to transfer of funds and were not properly signed by teacher/sponsor when applicable.

**Recommendation** – Form F-SA-10, Transfer Form, should be used and properly completed prior to transfer of funds between activity accounts.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

**TRIGG COUNTY SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR MANAGEMENT LETTER COMMENTS  
FOR THE YEAR ENDED JUNE 30, 2018**

**TRIGG COUNTY MIDDLE SCHOOL, continued**

- III. **Condition** – Form F-SA-1, Requisition and Report of Ticket Sales, was not properly completed and initialed by two people – ticket seller and ticket taker.

**Recommendation** – Form F-SA-1, Requisition and Report of Ticket Sales, is to be used and properly completed and initialed by two people, the ticket taker and the ticket seller.

**Current Status** – The finding was repeated for fiscal year June 30, 2018.

**Current Response** – We will continue to work with the individuals who work the ticket both to understand the importance of correctly filling out the worksheets.

- IV. **Condition** – Form F-SA-5, Inventory Control Worksheet, was not properly completed for concessions sold at athletic games.

**Recommendation** – Any stocked items held for resale require the use of the Inventory Control Worksheet detailing beginning and ending inventories, quantities, descriptions, values, units of measure and unit selling prices.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

- V. **Condition** – 5 accounts had no activity during the preceding 12 months and are considered inactive.

**Recommendation** – If the student organization did not designate in writing how remaining funds shall be disposed, then inactive accounts funds shall be transferred to the school activity general account and used for the general benefit of all students.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

**TRIGG COUNTY HIGH SCHOOL**

- I. **Condition** – 3 accounts had no activity during the preceding 12 months and are considered inactive.

**Recommendation** – If the student organization did not designate in writing how remaining funds shall be disposed, then inactive accounts funds shall be transferred to the school activity general account and used for the general benefit of all students.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.



**TRIGG COUNTY SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR MANAGEMENT LETTER COMMENTS  
FOR THE YEAR ENDED JUNE 30, 2018**

**TRIGG COUNTY HIGH SCHOOL, continued**

- II. **Condition** – Transfer forms used were not properly approved prior to transfer of funds and were not properly signed by teacher/sponsor when applicable.

**Recommendation** – Form F-SA-10, Transfer Form, should be used and properly completed prior to transfer of funds between activity accounts.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

- III. **Condition** – Initials of person verifying the deposit with the receipts was not recorded on deposit ticket.

**Recommendation** – Redbook procedures require that an employee, other than the person preparing the deposit slip, shall verify the amount on the deposit ticket agrees with the amount of receipts recorded in the ledger sheets and that the deposit ticket has been validated by the bank and the employee initials the deposit ticket.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

- IV. **Condition** – Form F-SA-2B, Fundraiser Worksheet, and F-SA-17, Sales Collection Form, were not used for fundraisers when items were sold.

**Recommendation** – Fundraisers where items are sold require the use and proper completion of the Fundraiser Worksheet, which is used to recap the profitability of a fundraiser period or event.

**Current Status** – The finding was not repeated for fiscal year June 30, 2018.

- V. **Condition** – Form F-SA-5, Inventory Control Worksheet, was not properly completed for Bookstore or concessions.

**Recommendation** – Any stocked items held for resale require the use of the Inventory Control Worksheet detailing beginning and ending inventories, quantities, descriptions, values, units of measure and unit selling prices.

**Current status** – The finding was repeated for the fiscal years ended June 30, 2018 and 2017.

**Current Response** – We will continue to work with the individuals who work the concession stands to understand the importance of correctly filling out the worksheets.