PURVIS GRAY

Honorable John Stratton
Superintendent of Schools and
Honorable School Board Members
c/o Ms. Joyce McIntyre
Hernando County District School Board
919 N. Broad St.
Brooksville, Florida 34601

We have audited the financial statements of the Hernando County District School Board's (the District) Special Revenue Fund (Internal Accounts) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *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 October 11, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit 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 Internal Accounts are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2022. We noted no transactions entered into by the Internal Accounts during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. No significant accounting estimates were noted during our audit.

The disclosures in the financial statements 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.

CERTIFIED PUBLIC ACCOUNTANTS

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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

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.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 21, 2023.

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 Internal Accounts' financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, 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 Internal Accounts' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. *Please see Attachment A for the list of exceptions noted when we performed visits to the individual schools.*

Other Matters

We were engaged to report on the combining statements, which accompany the financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

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Superintendent of Schools and
Honorable School Board Members
c/o Ms. Joyce McIntyre
Hernando County District School Board
Brooksville, Florida

Restriction on Use

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

March 21, 2023

Purvis Gray

Ocala, Florida

ATTACHMENT A

	Cash Receipt Related Findings					Cash Disbursement Related Findings				Miscellaneous Findings				
	Timely Transfer of	Collection	Timely									Negative Trial		
	Collections - The	Procedures - Monies	Deposit of							Bank Reconciliation -		Balance Accounts -		
	collected funds	collected forms	Receipts -	Deposit Slips		Supporting				Reconciliation was	Gift Cards - Gift	Internal Accounts		
	were not remited	were not properly	Deposits not	Filled Out		Documentation -		PO Incomplete	Dual Signatures -	not completed timely	cards were given	accounts should not		
	to the bookkeeper	filled out, missing	made within	Completely -	Supporting	Check issued		Documentation -	Requirement to	(outside 15 days after	to staff or non-	be allowed to		
	or receipted by the	date, or signature.	48 hours - as	Deposit slip	Documentation -	without PO,	PO Authorization	PO was not	have two	month-end); not	staff as	expend more		
	bookkeeper wtihin	Portions incorrectly	required by	was not	Missing support for	invoice, or	- PO amount	completed for	authorized check	reviewed, signed,	appreciation or	monies than		
	24 hours.	completed by BK.	District.	complete.	deposit.	payment approval.	wasn't approved.	purchase.	signers.	and/or dated.	compensation.	available.	2022	2021
Brooksville Elementary	3												3 Instances	11 Instances
Central High													0 Instances	16 Instances
Challenger K8		2	6		1		1					1	11 Instances	0 Instances
Chocachatti Elementary												3	3 Instances	8 Instances
D S Parrott Middle	2		7			4							13 Instances	8 Instances
Deltona Elementary						5							5 Instances	7 Instances
Eastside Elementary	5											1	6 Instances	2 Instances
Endeavor Academy													0 Instances	6 Instances
Explorer K8												2	2 Instances	3 Instances
Fox Chapel Middle			2									1	3 instances	6 Instances
Hernando High			_										0 Instances	5 Instances
John D Floyd K8			2	1		,		3					6 Instances	7 Instances
Moton Elementary			1									1	2 Instances	4 Instances
Nature Coast Tech	4	2	_									_	4 Instances	20 Instances
Pine Grove Elementary Powell Middle		2	2 10			4				1		1	10 Instances 11 Instances	21 Instances 0 Instances
Spring Hill Elementary		5	10			·						2	7 Instances	2 Instances
Spring Hill Elementary Springstead High	5	13	3			·						2	22 Instances	7 Instances
Suncoast Elementary		3	3					1			3	1	8 Instances	12 Instances
Weekie Wachee High	4	1									<u> </u>	-	5 Instances	26 Instances
West Hernando Middle		1	10									2	12 Instances	19 Instances
Westside Elementary		1	2			5						-	8 Instances	7 Instances
Winding Waters K8		-				5			2				7 Instances	1 Instance
		111 -111			l		1 20 1.1				44 (* 1)	l	/ matanices	1 motanice

Noted that there were 97 related findings for Cash Receipting.

Noted that there were 30 related finding for Cash Disbursements.

Noted that there were 41 findings for other procedures.