

AUDIT REPORT

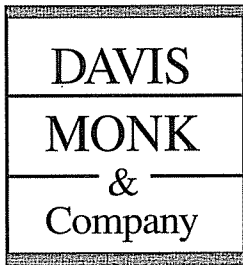
MIDDLEBURG
HIGH SCHOOL
INTERNAL ACCOUNTS

JUNE 30, 2009

**Middleburg High School
June 30, 2009**

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Independent Auditors' Report

District School Board
Clay County, Florida

We have audited the accompanying statement of cash receipts and disbursements of Middleburg High School Internal Accounts for the year ended June 30, 2009. This financial statement is the responsibility of the School Board's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 of the Notes to Financial Statement, the accompanying financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As described in Note 1 of the Notes to Financial Statement, the accompanying financial statement includes only the financial activities of the School internal accounts. The financial statement does not include other financial activities of the District School Board.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of Middleburg High School Internal Accounts for the year ended June 30, 2009, on the basis of accounting described in Note 1.

Davis, Monk & Company

August 24, 2009
Gainesville, Florida

**Statement of Cash Receipts and Disbursements
For the Year Ended June 30, 2009
Middleburg High School Internal Accounts**

	Cash Balances <u>July 1, 2008</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Interfund <u>Transfers</u>	Cash Balances <u>June 30, 2009</u>
Athletics	\$ 108,686	\$ 194,630	\$ 216,690	\$ 4,065	\$ 90,691
Music	2,873	76,225	83,627	7,371	2,842
Classes, Clubs & Departments	57,167	293,946	317,225	13,417	47,305
Trust	32,259	84,980	81,360	11,827	47,706
General	60,676	87,625	52,092	(29,386)	66,823
Outside Organizations	24,751	88,750	82,748	(7,294)	23,459
	<u>286,412</u>	<u>826,156</u>	<u>833,742</u>	<u>-</u>	<u>278,826</u>
TOTAL	\$ 286,412	\$ 826,156	\$ 833,742	\$ -	\$ 278,826

See accompanying notes.

**Notes to Financial Statement
For the Year Ended June 30, 2009
Middleburg High School Internal Accounts**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The accompanying financial statement includes the effects of transactions and balances relating exclusively to the internal account activities of Middleburg High School.

The financial statement does not include other financial activities of the Clay County District School Board.

Basis of Accounting

The accompanying financial statement is prepared on the cash basis of accounting and, therefore, reflects only cash received and disbursed. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, this statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

NOTE 2 – CASH BALANCES

The cash balance of \$278,826 at June 30, 2009, consists of \$54,735 being held in the checking account, \$223,791 invested with the State Board of Administration, and \$300 in change funds.

NOTE 3 – ACCOUNTS PAYABLE AND ENCUMBRANCES

The following is a schedule of accounts payable at June 30, 2009.

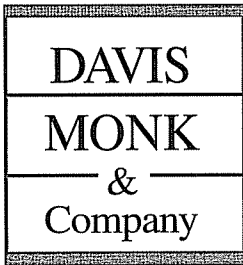
<u>Vendor</u>	<u>Amount</u>
Neff Company	<u>\$ 85</u>

The following is a schedule of encumbrances at June 30, 2009.

<u>Vendor</u>	<u>Amount</u>
Neff Company	<u>\$ 2,071</u>



**REPORT ON INTERNAL CONTROL / COMMUNICATION
WITH THOSE CHARGED WITH GOVERNANCE**



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District School Board
Clay County, Florida

We have audited the statement of cash receipts and disbursements of Middleburg High School Internal Accounts (the "School") for the year ended June 30, 2009, and have issued our report thereon dated August 24, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Report on Internal Control

In planning and performing our audit, we considered the School's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School's financial statement that is more than inconsequential will not be prevented or detected by the School's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statement will not be prevented or detected by the School's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

However, we noted the following matters which we feel should be brought to your attention.

- We noted that prior approval for purchases was not always obtained. In some instances where reimbursements were processed, the original receipt date was prior to the purchase approval date. Greater care should be taken to ensure compliance with disbursement procedures established by the District School Board.

- We noted that funds collected during School hours were not always turned in to the bookkeeper on the same day the funds were collected. In some instances, funds were held for two to six days before being remitted to the bookkeeper. Greater care should be taken to ensure teachers/sponsors adhere to collection procedures established by the District School Board.

Communication with Those Charged with Governance

Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express an opinion about whether the financial statement prepared by management with your oversight is fairly presented, in all material respects. Our audit of the financial statement does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing that were previously communicated.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used 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. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statement in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statement 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. There were no sensitive estimates significantly affecting the financial statement.

The disclosures in the financial statement are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statement discloses that the financial statement is prepared using the cash basis of accounting.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are 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 the financial statement taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statement 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.

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 financial statement or a determination of the type of auditor's opinion that may be expressed on the 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 auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

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

We wish to take this opportunity to thank the School for the cooperation and courtesies extended during our audit. We have sincerely enjoyed our association with the Clay County District School Board and look forward to a continuing relationship.

Please feel free to contact us if you have any questions or comments concerning the audit or other matters.

Davis, Monk & Company

August 24, 2009
Gainesville, Florida



MIDDLEBURG HIGH SCHOOL

3750 County Road 220

MIDDLEBURG, FLORIDA 32068

PHONE: 904/291-5450

DAVID S. BROSKIE

PRINCIPAL

August 28, 2009

Davis, Monk & Company
Certified Public Accountants
P.O. Box 13494
Gainesville, FL 32604

Gentlemen:

We have reviewed the management letter for our 2008-09 audit.

Greater care will be taken to be in compliance with the collection and disbursement procedures as set forth in the Clay County School Board Internal Accounts Manual.

We were pleasantly surprised by the experience of our first onsite audit. Our immediate availability for any questions or concerns was paramount in achieving the success of our audit.

Sincerely,

David S. Broskie
Principal

McRae Elementary School

**Statement of Cash Receipts and Disbursements
of the Internal Funds**

For the Year Ended June 30, 2009

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Independent Auditor's Report

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Ms. Carol Vallencourt
Ms. Lisa Graham
Mr. Frank Farrell

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of McRae Elementary School for the year ended June 30, 2009. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the policy of the school is to prepare its financial statement on the basis of cash receipts and disbursements which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of McRae Elementary School for the year ended June 30, 2009, on the basis of accounting described in Note 1.

Adams & Harper, PA

Adams & Harper, PA
Certified Public Accountants
August 4, 2009

**McRae Elementary School
Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2009**

	Cash Balance July 1, 2008	Transactions			Cash Balance June 30, 2009
		Receipts	Disburse- ments	Transfers	
Music	\$ 100.47	\$ 985.00	\$ (1,317.59)	\$ 232.60	\$ 0.48
Classes, Clubs, Departments	12,677.75	34,262.08	(37,065.22)	(506.57)	9,368.04
Trust	4,231.21	16,323.23	(15,826.03)	(1,748.72)	2,979.69
General	14,736.12	20,070.76	(19,870.81)	1,961.95	16,898.02
Outside Funds	1,242.68	6,828.67	(7,011.46)	60.74	1,120.63
Total	\$ 32,988.23	\$ 78,469.74	\$ (81,091.11)	\$ 0.00	\$ 30,366.86

See accompanying notes and independent auditor's report

**McRae Elementary School
Notes to Statement of Cash Receipts
and Disbursements of the Internal Funds
For the Year Ended June 30, 2009**

Note 1 - Summary of Significant Accounting Policies

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds include the effects of transactions and balances relating to the internal accounts of McRae Elementary School within the Clay County, Florida school system.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the school system because this financial statement only includes the accounts at McRae Elementary School.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of internal accounts. These rules and regulations state how the internal accounts will be organized, accounted for, and reported.

The internal account balances and transactions are includable as an agency fund on the Clay County District School's Annual Financial Report. Transactions and balances relating to cafeteria food costs, supplies, staff salaries and benefits are not included in the accompanying financial statement because they are accounted for by the Clay County District School Board.

Basis of accounting

The accompanying financial statements are prepared on the cash basis of accounting and, therefore, reflect only cash received and disbursed. Such basis is a generally accepted basis of accounting for Florida school internal accounts as defined by Chapter 7 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, these statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Investments

The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds in savings and deposit accounts with Qualified Public Depositories and the Florida State Board of Administration (SBA), Local Government Investment Pool.

Note 2 - Cash

The June 30, 2009, ending cash balance of \$ 30,366.86 consists of \$ 15,689.93 held in the School's interest bearing checking account (insured by the FDIC) and \$ 14,676.93 held in an investment account with the Clay County School.

Note 3 - Interest Income

Investment interest was earned on amounts invested through the Clay County School Board in the amount of \$ 203.63, representing an annual yield of approximately 1.41%. Investment interest was earned on amounts invested through M & S Bank in the amount of \$ 208.84, representing an annual yield of approximately 0.89%.

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Schedule of Accounts Payable and Encumbrances

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Ms. Carol Vallencourt
Ms. Lisa Graham
Mr. Frank Farrell

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, listed below is a schedule of the accounts payable and encumbrances at June 30, 2009 of the McRae Elementary School internal funds as reported to us by the school.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of accounts payable and encumbrances. The accounts payable and encumbrances were not paid during the 2008-2009 fiscal year, and accordingly, are not recorded on the statement of receipts and disbursements of the internal funds of McRae Elementary School for the year ended June 30, 2009.

<u>Accounts Payable</u>	<u>Vendor</u>	<u>Amount</u>
	Stacy's Kitchen	\$ 22.50
	TOTAL	\$ 22.50

<u>Encumbrances</u>	<u>Vendor</u>	<u>Amount</u>
	Myron Corporation	\$ 376.75
	TOTAL	\$ 376.75

The above accounts payable and encumbrances amounts agree with the Principal's Monthly Report as of June 30, 2009.

Adams & Harper, PA

Adams & Harper, PA
Certified Public Accountants
August 4, 2009

ADAMS & HARPER, PA

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Independent Auditor's Report on the Internal Control Structure and Other Matters

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Ms. Carol Vallencourt
Ms. Lisa Graham
Mr. Frank Farrell

Honorable Members:

In planning and performing our audit of the financial statement of McRae Elementary School (the "School") as of and for the year ended June 30, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered McRae Elementary School's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the School's financial statements that is more than inconsequential will not be prevented or detected by the School's internal control. We consider the following to be a significant deficiency in internal control.

- Our audit revealed that incompatible employee responsibilities were not always segregated. For example, an employee who maintains the accounting records also handles cash, prepares receipts and the bank deposit, and reconciles the bank statement.

While we acknowledge that personnel may not always be available to permit an acceptable separation of duties and responsibilities, we think it is important to make you aware of this condition. We also wish to inform you that we discovered many compliance violations (listed below) and accordingly, we recommend you note these violations and take mitigating actions to improve the general environment and climate of your operations. Without more attention by your staff and your accountant (bookkeeper) to the compliance requirements as described in the Internal Accounts Manual, you are increasing your risk that errors or other more serious actions may occur and not be detected in the normal course of your business. We encourage you to reinforce the importance of each staff person or teacher to follow the guidelines described in the Internal Accounts Manual and for you to train each person in the required steps of performance.

Listed below are the items we discovered which were not in accordance with the rules and regulations presented in the Internal Accounts Manual and the reason accompanying each violation.

- Four instances of cash receipts not being deposited in a timely manner.
- Three instances of Reports of Monies Collected reports being altered.
- Four instances of Reports of Monies Collected reports with no account to be credited.
- One instance of the deposit ticket not footing correctly.
- Three instances of financial recaps from fundraising forms not agreeing with the general ledger.
- One instance where there is no expected result included on the fundraising forms.
- One instance of a transfer form completed with no school noted.
- Four instances of gift cards not signed for by the recipient.

This report is intended solely for the information and use of the Clay County District School Board and its management and is not intended to be an should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank the principal and her staff for the cooperation and courtesies extended during our audit. We have sincerely enjoyed our association with the Clay County District School Board and your school and look forward to a continuing relationship.

Please feel free to contact us if you have any questions or comments concerning our audit or other matters.

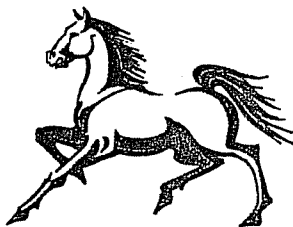
Adams & Harper, PA

Adams and Harper, PA
Orange Park, FL
August 4, 2009

McRae Elementary School

"Home of the Mavericks"

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Phone: 352-473-5686
Fax: 352-473-5148*



*Marcus Dooley
Principal*



*Vicki Chappell
Assistant Principal*

August 31, 2009

Adams & Harper, P.A.
1665 Kingsley Avenue, Suite 100
Orange Park, Florida 32073

This is in response to the 2009 audit of the internal accounts for McRae Elementary School completed by your firm.

1. Procedures are being implemented that would allow another employee to prepare and deposit funds in the absence of the bookkeeper.
2. In accordance with the Internal Accounts Manual, page 16, any corrections to a Report of Monies Collected must be initialed by the teacher/sponsor. This action will be taken for future reports that require alteration due to error.
3. An official receipt was prepared which indicates the account to be credited. The Report of Monies Collected contains the corresponding official receipt number completed by the bookkeeper.
4. Although the deposit ticket did not foot correctly, there was no evidence of fraud, indicating a clerical error
5. Items five and six reference fundraising forms completed by various teachers/sponsors involved. The areas of concern were discussed with Mr. Bryan in an effort to gather information to assist in the education of teachers/sponsors when completing the fundraising form.

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6. An oversight by the bookkeeper.
7. The responsibility for obtaining a signature of the recipient will fall on the person making the purchase providing for a two person reminder system which also includes the bookkeeper.

Thank you for your efforts in providing McRae Elementary with recommendations that will improve the efficiency of our internal accounts.

Sincerely,



Marcus Dooley
Principal

MD/ac

cc: Roni Campbell

OAKLEAF SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2009

Joan O. Michael, CPA, PA
Certified Public Accountant

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Joan O. Michael, CPA, PA
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INDEPENDENT AUDITOR'S REPORT

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham


Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Oakleaf School for the year ended June 30, 2009. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of cash receipts and disbursements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Oakleaf School for the year ended June 30, 2009, on the basis of accounting described in Note 1.



Joan O. Michael, CPA, PA
August 16, 2009

OAKLEAF SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For the year Ended June 30, 2009

	Cash	Transactions			Cash
	Balance July 1, 2008	Receipts	Disburse- ments	Transfers	Balance June 30, 2009
Athletics	\$ 10,859.52	\$ 64,727.60	\$ 53,524.83	\$ 378.07	\$ 22,440.36
Music	210.82	31,566.50	30,314.58	(203.49)	1,259.25
Classes, Clubs, Departments	20,858.90	153,718.43	156,988.85	(2,158.05)	15,430.43
Trust	5,771.54	39,415.18	41,770.25	(151.10)	3,265.37
General	14,507.66	31,521.37	39,912.15	2,398.57	8,515.45
Outside Organizations	12,690.58	40,561.35	43,560.01	(264.00)	9,427.92
Total	\$ 64,899.02	\$ 361,510.43	\$ 366,070.67	\$ -	\$ 60,338.78

See accompanying notes and independent auditor's report.

OAKLEAF SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS OF THE INTERNAL FUNDS
For The Year Ended June 30, 2009

NOTE 1 Summary of Significant Accounting Policies

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal account of Oakleaf School within the Clay County, Florida school system.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the school system because this financial statement only includes the accounts at Oakleaf School.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of internal accounts. These rules and regulations state how the internal accounts will be organized, accounted for, and reported.

The internal account balances and transactions are included as an agency fund on the Clay County District School's Annual Financial Report. Transactions and balances relating to cafeteria costs, supplies, staff salaries and benefits are not included in the accompanying financial statement because they are accounted for by the Clay County District School Board.

Basis of accounting

The accompanying financial statement is prepared on the cash basis of accounting and, therefore, reflects only cash received and disbursed. Such basis is a generally accepted method of accounting for Florida school internal accounts as defined by Chapter 7 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, these statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

NOTE 2 Cash

The June 30, 2009, total cash balance of \$60,338.78 as reported on the statement of cash receipts and disbursements consists of \$47,780.45 being held in a non interest bearing checking account insured by the FDIC, \$10,046.49 held in an investment account with the Clay County School and \$2,511.84 in uncollected NSF checks.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$46.49. This represents a yield of approximately .5 percent. Investment interest is not maintained in a separate fund account.

JOAN O. MICHAEL, CPA, PA
Certified Public Accountant

669 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

Telephone (904) 269-6748
Facsimile (904) 264-8057

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Oakleaf School reported the following accounts payable and encumbrances as of June 30, 2009:

Accounts Payable

Herff Jones, Inc.	\$4,436.82
-------------------	------------

Encumbrances

None.

The above accounts payable list agrees with the Principals Report as of June 30, 2009. Encumbrances are not included in the Principals Report.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of accounts payable and encumbrances. These accounts payable and encumbrances were not paid during the 2008-2009 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Oakleaf School for the year ended June 30, 2009.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 16, 2009

JOAN O. MICHAEL, CPA, PA

Certified Public Accountant

669 Kingsley Avenue
Orange Park, FL 32073

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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Oakleaf School for the year ended June 30, 2009, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control structure.

We would like to point out the following items noted during our audit:

1. Review of the Monthly Principals Report for the 08-09 school year indicates that 3 of the 12 reports were prepared after the 15th of the following month. Page 58 of the Internal Accounts Manual requires preparation of the Principals Report on or before the 15th of the following month.
2. During the testing of cash receipts, two (2) receipts contained no principal or treasurer signatures, one (1) teacher receipt was changed but not voided, and 27 of the Reports of Monies Collected forms were altered but not initialed.
3. The school currently has non-sufficient funds checks totaling \$2,511.84. Several of these checks were returned during 2006 and 2007. After all efforts have been made to collect on these debts, page 22 of the Internal Accounts Manual requires notification be sent to the Business Affairs Division in order to gain permission to write off these dishonored checks. We recommend that the school prepare a list of these checks for the Business Affairs Division so these checks can be written off. We also recommend that the school maintain a returned check log as per page 23 of the Internal Accounts Manual.

This report is intended solely for the information and use of Clay County School Board, management, and others within the school system.

Oakleaf School
Page 2

We would like to thank the Principal, bookkeeper and staff for their cooperation and courtesy extended to us during the audit. The school records were neat and orderly and we found that, overall, procedures established by the Internal Accounts Manual were followed by the school. It has been a pleasure to serve the Clay County School Board during our audit. Please feel free to contact us with any questions or comments concerning the audit.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 16, 2009



OakLeaf Jr. High School
4085 Plantation Oaks Blvd.
Orange Park, FL 32065

Nancy Crowder, Principal
Jeff Nelson, Vice Principal
Bridget Payne, Asst. Principal

September 3, 2009

Joan O. Michael, CPA, PA
669 Kingsley Avenue
Orange Park, FL 32073

Dear Madam:

This letter is in response to the audit report of the internal funds of The Oakleaf School for the year ending June 30, 2009. Steps have been taken to correct the items noted in our audit draft for 2009-10 school year.

1. Review of the Monthly Principals Report for the 08-09 school years indicates that 3 of the 12 reports were prepared after the 15th of the following month.

RESPONSE: For 2008-09 two banking facilities were used, their statements came in on different dates. We have corrected this from happening in the future by banking with one bank, Wachovia Bank. The bookkeeper will make this a priority to have this completed by the 15th of each month.

2. During the testing of cash receipts, two (2) receipts contained no principal or treasurer signatures, one (1) teacher receipt was changed but not voided, and 27 of the Reports of Monies Collected forms were altered but not initialed.

RESPONSE: The bookkeeper will double check for signatures before she files the cash receipts. Administration and the bookkeeper have reviewed the procedures with all staff members to insure this does not occur in 2009-10.

3. The school currently has non-sufficient funds checks totaling \$2,511.84. Several of these checks were returned during 2006 and 2007. After all efforts have been made to collect on these debts, page 22 of the Internal Accounts Manual requires notification be sent to the Business Affairs Division in order to gain permission to write off these dishonored checks

RESPONSE: Measures are in place to process to have permission to write-off the checks and a return check log will be kept. In the meantime, we have new acceptance check policy in place for 2009-10.



OakLeaf Jr. High School
4085 Plantation Oaks Blvd.
Orange Park, FL 32065

Nancy Crowder, Principal
Jeff Nelson, Vice Principal
Bridget Payne, Asst. Principal

Page -2-

The OakLeaf School appreciates the patience of the Auditors of Joan O. Michael certified Public Accountant.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Crowder".

Nancy Crowder
Principal
OakLeaf Jr. High School

ORANGE PARK ELEMENTARY SCHOOL

**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS OF THE
INTERNAL FUNDS**

For the Year Ended June 30, 2009

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**S
H**

SHIRLEY W. HATCHER, CPA, P.A.

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INDEPENDENT AUDITOR'S REPORT

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Mr. Frank Farrell
Ms. Lisa Graham
Mr. Charles Van Zant, Jr.
Mrs. Carol Studdard
Mrs. Carol Vallencourt

Honorable Members:

I have audited the accompanying statement of cash receipts and disbursements of the internal funds of Orange Park Elementary School for the year ended June 30, 2009. This financial statement is the responsibility of the School's management. My responsibility is to express an opinion on this financial statement based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 1, this financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In my opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Orange Park Elementary School for the year ended June 30, 2009, on the basis of accounting described in Note 1.

Shirley W. Hatcher, CPA, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 10, 2009

ORANGE PARK ELEMENTARY SCHOOL
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 OF THE INTERNAL FUNDS
 For the Year Ended June 30, 2009

	Cash Balance <u>July 1, 2008</u>	Transactions			Cash Balance <u>June 30, 2009</u>
		<u>Receipts</u>	<u>Disburse- ments</u>	<u>Interfund Transfers</u>	
Music	\$ 107.06	\$ 856.00	\$ 493.26	\$.00	\$ 469.80
Classes, Clubs & Departments	5,223.75	57,476.19	58,651.90	447.50	4,495.54
Trust	622.20	13,802.75	13,202.73	(134.46)	1,087.76
General	15,641.48	23,680.71	28,758.63	(309.64)	10,253.92
Outside Organization	<u>9,696.76</u>	<u>19,924.78</u>	<u>15,076.42</u>	<u>(3.40)</u>	<u>14,541.72</u>
Total	<u>\$ 31,291.25</u>	<u>\$115,740.43</u>	<u>\$116,182.94</u>	<u>\$.00</u>	<u>\$ 30,848.74</u>

See accompanying notes to statement of cash receipts and disbursements.

ORANGE PARK ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2009

NOTE 1 – Summary of Significant Accounting Policies

Reporting Entity

The accompanying statement of cash receipts and disbursements of the internal funds include the effects of transactions and balances relating to the internal accounts of Orange Park Elementary School within the Clay County, Florida school system.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the school system because this financial statement only includes the accounts at Orange Park Elementary School.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of internal accounts. These rules and regulations state how the internal accounts will be organized, accounted for, and reported.

The internal account balances and transactions are includable as an agency fund on the Clay County District School's Annual Financial Report. Transactions and balances relating to cafeteria food costs, supplies, staff salaries and benefits are not included in the accompanying financial statement because they are accounted for by the clay County District School Board.

Basis of Accounting

The School's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Such basis is a generally accepted basis of accounting for Florida school internal accounts as defined by Chapter 7 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Accordingly, the accompanying financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Investments

The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds in savings and deposit accounts with Qualified Public Depositories and the Florida State Board of Administration (SBA), Local Government Investment Pool.

**ORANGE PARK ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
(CONTINUED)
For the Year Ended June 30, 2009**

NOTE 2 – Cash and Cash Equivalents

Of the June 30, 2009 cash balance of \$30,848.74 as reported on the Statement of Cash Receipts and Disbursements, \$1,975.30 is being held in a non-interest bearing checking account insured by the FDIC and \$28,873.44 in the investment account with the School Board.

NOTE 3 - Interest Income

Interest on the investment account for the year was \$400.60, which amounts to an annual yield of approximately 1.39%.

**S
H**

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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Mr. Frank Farrell
Ms. Lisa Graham
Mr. Charles Van Zant, Jr.
Mrs. Carol Studdard
Mrs. Carol Vallencourt

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Orange Park Elementary School reported no accounts payable or encumbrances at June 30, 2009 for the internal funds. However, during audit testing, I noted the following accounts payable item at June 30, 2009.

Accounts Payable

Ricoh Americas Corporation	\$ 300.55
TNT School Supplies, Inc.	280.98
Orange Park Florist & Gifts	157.29
Bucket Fillers	13.90
Copytronics Information Systems	<u>395.41</u>
Total	<u>\$1,148.13</u>

Encumbrances

NONE

The above amount does not agree with the list provided by the school at June 30, 2009 or with the Principal's Report. Auditing procedures as I considered necessary under the circumstances were applied to the verification of these accounts payable.

Shirley W. Hatcher, CPA, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 10, 2009

Member: Florida Institute of Certified Public Accountants



SHIRLEY W. HATCHER, CPA, P.A.

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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Mr. Frank Farrell
Ms. Lisa Graham
Mr. Charles Van Zant, Jr.
Mrs. Carol Studdard
Mrs. Carol Vallencourt

Honorable Members:

In planning and performing my audit of the statement of cash receipts and disbursements of the internal funds of Orange Park Elementary School for the year ended June 30, 2009, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statement and not to provide assurance on the internal control structure.

I would like to point out the following items noted during my audit:

1. Several discrepancies and exceptions were noted in the receipting procedures. A number of instances of monies being held by teachers over weekends and holidays were noted. Several white copies were missing on voided teacher receipts, a deposit slip for a redeposit of NSF check could not be located, and discrepancies with amounts on report of monies collected and amount receipted existed.
2. The teacher receipt for \$20.00, #419829, was missing from the receipt book.
3. Several instances of coding expenditures to incorrect accounts were noted. If funds are not available in a specific account to cover expenditures, the funds should be transferred to the appropriate account. For example, a payment for track shirts was coded to the interest income account.
4. The school is not assigning fundraising numbers and using the procedures as outlined in the Internal Funds Manual. Fundraising forms are not being submitted to the Business Affairs Office as outlined in the IFM.
5. There is no supporting documentation for issuance of gift cards as outlined in the Internal Funds Manual. Recipients are required to acknowledge receipt of a gift card, and no such signatures were available.

6. Numerous discrepancies and exceptions in disbursement procedures were noted. These include lack of supporting documentation for disbursements, undated requisitions, incomplete requisitions, purchases made prior to approval, and at least one check did not have two signatures. Compliance with the Internal Funds Manual procedures for disbursements should be followed in all instances.
7. The Report of Tickets Sold form is not being completed and submitted with the deposit as required by the Internal Funds Manual.
8. As explained on page 5 of this report, the school reported no outstanding accounts payable at June 30, 2009. However, I noted at least five purchases which were made prior to June 30 but not paid until the beginning of the next fiscal year. By requiring approval of purchases in advance, the bookkeeper would have the appropriate documents for unpaid invoices at year-end.

The internal funds accounting records were overall very neat and orderly. I commend the principal and bookkeeper for an excellent job. It has been a pleasure to have had this opportunity to serve you.

This report is intended solely for the information and use of the Clay County School Board management and others within the organization.

Shirley W. Hatcher, CPA, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 10, 2009



Orange Park Elementary School

1401 Plainfield Ave.
Orange Park, Florida 32073-3996
Phone: 278-2040

August 19, 2009

Shirley W. Hatcher, CPA, P.A.
P.O. Box 541
Middleburg, FL 32050-0541

Dear Ms. Hatcher:

Per this letter, we are responding to the following deficiencies noted in our audit for the year ending June 30, 2009.

Several discrepancies and exceptions were noted in the receipting procedures. A number of instances of monies being held by teachers over weekends and holidays were noted. Several white copies were missing on voided teacher receipts, a deposit slip for a redeposit of NSF check could not be located, and discrepancies with the amounts on report of monies collected and amount of receipted existed.

The teacher receipt for \$20.00, # 419829, was missing from the receipt book.

Numerous discrepancies and exceptions in disbursement procedures were noted. These include lack of supporting documentation for disbursements, undated requisitions, incomplete requisitions, purchases made prior to approval, and at least one check did not have two signatures.

The School reported no outstanding accounts payable at June 30 but not paid until the beginning of the next fiscal year.

Response: For the 2009-2010 school year, financial guidelines have been addressed in Section 4 of the Faculty Handbook. Several purchases at the end of the year were made by teachers without the bookkeepers knowledge and therefore the invoices were not received within the fiscal year. Ms. Wussick has explained to each teacher that they must have pre-approval for all purchases. Each teacher has received a copy of the bookkeeping procedures and a monies collection reminder of the District's guidelines and policies. Our staff will continue to attempt to follow the guidelines effectively.

Several instances of coding expenditures to incorrect accounts were noted. If funds are not available in a specific account to cover expenditures, the funds should be transferred to the appropriate account.

The school is not assigning fundraising numbers and using the procedures outlined in the Internal Funds Manual. Fundraising forms are not being submitted to the Business Affairs Office as outlined in the IFM.

Response: Ms. Wussick will follow the guidelines stated in the Internal Funds Manual very closely. This will safeguard the assets of the School's Internal Accounts.

There is no supporting documentation for issuance of gift cards as outlined in the Internal Funds Manual. Recipients are required to acknowledge receipt of a gift card, and no such signatures were available.

Response: Ms. Wussick has now created a gift card acknowledgement sheet that requires the recipient to sign for his/her gift card.

The Report of Tickets Sold form is not being completed and submitted with the deposit as required by the Internal Funds Manual.

Response: Ms. Wussick was not aware of the Report of Tickets Sold Or Admissions Form. Ms. Wussick has ordered this form from the Print Center and will abide by the guidelines stated in the Internal Funds Manual.

Sincerely,



Jane Bromagen
Principal

JB: tjw

cc: Dr. George F. Copeland
Assistant Superintendent for Business Affairs
Clay County School Board

ORANGE PARK HIGH SCHOOL

**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS OF THE
INTERNAL FUNDS**

**FOR THE YEAR ENDED
JUNE 30, 2009**

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DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Orange Park High School for the year ended June 30, 2009. This financial statement is the responsibility of the Clay County School Board. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the policy of the school is to prepare its financial statement on the basis of cash receipts and disbursements which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Orange Park High School for the year ended June 30, 2009, on the basis of accounting described in Note 1.

DuVal & Company, CPA's, P.A.

DuVal & Company, CPA's, P.A.
August 10, 2009

Orange Park High School

Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2009

	Balance July 1, 2008	Receipts	Disbursements	Interfund Transfers	Balance June 30, 2009
Athletics	\$ 37,308.09	\$ 239,690.75	\$ 253,207.11	\$ 5,515.17	\$ 29,306.90
Music	12,909.70	63,055.99	64,750.73	4,203.79	15,418.75
Classes, Clubs and Departments	108,540.15	323,496.71	358,236.02	4,866.44	78,667.28
Trusts	37,066.58	57,329.39	68,158.71	(1,498.59)	24,738.67
General	95,477.13	96,970.42	59,236.08	(7,012.51)	126,198.96
Outside Organizations	12,139.77	87,106.58	73,105.80	(6,074.30)	20,066.25
TOTALS	\$ 303,441.42	\$ 867,649.84	\$ 876,694.45	\$ 0.00	\$ 294,396.81

See notes to the statement of cash receipts and disbursements of the Internal Funds.

ORANGE PARK HIGH SCHOOL

Notes to Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal accounts of Orange Park High School within the Clay County, Florida school system.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the school system because this financial statement only includes the accounts at Orange Park High School.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of internal accounts. These rules and regulations state how the internal accounts will be organized, accounted for, and reported.

The internal account balances and transactions are included as an agency fund on the Clay County District School's Annual Financial Report. Transactions and balances relating to cafeteria food costs, supplies, staff salaries and benefits are not included in the accompanying financial statement because they are accounted for by the Clay County District School Board.

Basis of accounting

The accompanying financial statement is prepared on the cash basis of accounting and, therefore, reflects only cash received and disbursed. Such basis is a generally accepted basis of accounting for Florida school internal accounts as defined by Chapter 7 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, these statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

ORANGE PARK HIGH SCHOOL

**Notes to Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Investments

The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds in savings and deposit accounts with Qualified Public Depositories and the Florida State Board of Administration (SBA), Local Government Investment Pool.

NOTE 2 - CASH AND CASH EQUIVALENTS

The June 30, 2009 cash balance, totaling \$294,396.81 consists of (\$12,050.23) in an interest bearing checking account with Heritage Bank, \$304,647.04 in an investment account with the Clay County School Board, and \$1,800.00 in the change fund.

The school confirmed that there are no other bank accounts for school operations other than those listed above.

NOTE 3 - INTEREST INCOME

Interest earned on the checking account during the year ended June 30, 2009, was \$762.24. This represented a yield of approximately .98% for that period. Interest earned on the SBA investment account during the year ended June 30, 2009 was \$4,226.72. This represented a yield of approximately 1.40% for that period.



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

As requested by the Clay County School Board, listed below is a schedule of accounts payable and encumbrances for Orange Park High School at June 30, 2009.

ACCOUNTS PAYABLE

Lowe's	\$ 63.03
Sam's Club Direct	148.35
Crestline Company	447.78
Baker's Sporting Goods	669.00
Bank Overdraft Liability	<u>12,050.23</u>
Total	<u>\$12,709.39</u>

ENCUMBRANCES

None	\$ <u>0.00</u>
Total	<u>\$ 0.00</u>

The accounts payable and encumbrances above do not agree with the Principal's Monthly Report for June 30, 2009. The Principal's Monthly Report lists no accounts payable. A separate list was provided but is also incorrect due to the overdraft status of the school's checking account.

DuVal & Company, CPA's, PA

DuVal & Company, CPA's, P.A.
August 10, 2009



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. Ben Wortham, Superintendent of Schools
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

In planning and performing our audit of the statement of receipts and disbursements of the internal funds of Orange Park High School for the year ended June 30, 2009, we considered its internal control structure in order to determine procedures for the purpose of expressing an opinion on the financial statement and not to provide assurance on the internal control structure.

We did note one matter that we consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statement.

A number of checks were written in late June, which resulted in a negative balance of (\$12,050.23) in the School's checking account register. It appears that the School's principal and its bookkeeper were not aware of the shortfall until approximately July 14, when attempting to reconcile the June bank statement. At that time, a withdrawal was made from the School's SBA account to cover the shortage. For the purpose of this audit, the potential overdraft liability has been reclassified to Accounts Payable. In reviewing the July 2009 bank statement, it appears that none of these checks resulted in an actual overdraft of the School's bank account since not all checks were presented prior to the transfer into the account.

We would like to point out the following items noted during our current audit:

1. During our receipts testing, we noted that, on multiple occasions during our receipt testing month, the Report of Monies Collected forms for yearbook sales did not include the yearbook receipt numbers. Also, one

teacher appeared to have collected funds for NJROTC but did not have a receipt book assigned to him.

2. The school is not in compliance with the policy for the school store though it has improved. The inventory is supposed to be taken and signed by two individuals. They are also supposed to be approved by the Principal. Two interim inventory reports were signed by the Principal. However, the beginning and ending reports were not. Monies are also to be deposited on a weekly basis or when receipts are more than \$50, whichever comes first. Deposits are periodically made, but they do not follow the prescribed schedule.

3. It appears that the change fund established for football concessions in the amount of \$1,800 remained outstanding at year end and was not redeposited to the School's checking account. The bookkeeper has verified that the Touchdown Club is in possession of this fund and will return it to the school immediately for redeposit.

4. In one (1) instance, the beginning balances of the Principal's monthly reports did not agree to the ending of the prior month. Various corrections had been made, but no revised reports were issued. Two (2) reports were prepared for the Principal's signature after the 15th of the month. This does not include reports that were excused for late filing due to medical reasons.

5. One (1) fund account had a negative balance of (\$29.48) at year end. No provision was made to remedy this as of June 30, 2009. The adjustment will be made as of July 2009 to correct the negative balance.

6. In subsequent testing of the July bank statement, it was discovered that a check written in June and outstanding at June 30, 2009, had been entered in the School's system for \$300.32 when it was actually prepared, and cleared the bank, for the intended amount of \$54.95. An adjustment will be made as of July 2009 to correct the balance in the checking account and the affected fund account, Account 5101.

Overall, we found the internal accounting records were neat and orderly. We also found that the procedures outlined in the Internal Funds Manual of the Clay County School Board were generally followed by the school.

This report is intended solely for the information and use of the Clay County School Board management and others within the organization.

It has been a pleasure to have had the opportunity to serve the Clay County School Board during our audit. Should there be any questions concerning the above observations or any other matter, please contact us.

DuVal & Company CPA's, PA

DuVal & Company, CPA's, P.A.

August 10, 2009

ORANGE PARK HIGH SCHOOL



August 26, 2009

2300 Kingsley Avenue
Orange Park, Florida 32073
Phone (904) 272-8110
Fax (904) 272-8181

Home of the Raiders

TREASURE PICKETT
PRINCIPAL

VICE PRINCIPAL
Ray Dukes

ASSISTANT PRINCIPALS
Michelle Rovira-Daly
Michael Elia
Bill Fletcher
Anthony Williams

Duval & Company
428 Walnut Street
Green Cove Springs, FL 32043

Dear Sirs,

Thank you for the courteous and efficient manner with which you conducted the recent audit of the Internal Funds of Orange Park High School for 2008-2009.

We will take the following steps to eliminate the items noted in your audit report for the school year 2009-2010.

The Bookkeeper will be more aware of writing multiple checks at the end of the year to avoid having the checking account overdrawn.

1. The Yearbook staff has been advised their receipt numbers must be written on the Monies Collected Form. If a teacher needs to write one receipt, a receipt book does not need to be checked out. They will write one from the Bookkeeper's receipt book or from one that has been returned and has available receipts. This is done in the Bookkeeper's office.
2. The has been advised to have 2 individuals and the principal sign the school store inventory. He has also been advised to turn funds in when more than \$50.00 or weekly, whichever comes first.
3. The Touchdown Club has been advised of the procedures for change start up and return. The \$1800 has been returned. The Bookkeeper will be aware of funds that have not been returned.
4. The Bookkeeper will check beginning balances of Principal's monthly reports to make sure they agree with the ending balance of the prior month. Any corrections will have a revised report done. The Bookkeeper will have reports signed and to the County office by the 20th of the month, unless there is an emergency, and then a letter will be done.

5. The Bookkeeper will check all balances at the end of year for negative balances before entering the new school year.
6. An adjustment has been made to compensate for the mistake in the check that was written for a certain amount and check printed with the correct amount, but the previous check amount was also included. This will be reported to EPES.

Carole Lowe

Carole Lowe
Bookkeeper

Treasure Pickett

Treasure Pickett
Principal

**Orange Park Junior High School
Internal Funds**

**Statement of Cash Receipts
and Disbursements**

June 30, 2009

**Orange Park Junior High School
Internal Funds
Statement of Cash Receipts
and Disbursements**

June 30, 2009

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Independent Auditors' Report

District School Board
Clay County, Florida

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of Orange Park Junior High School Internal Funds for the year ended June 30, 2009. This financial statement is the responsibility of the School Board's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 of the Notes to Financial Statement, the accompanying financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As described in Note 1 of the Notes to Financial Statements, the accompanying financial statement includes only the financial activities of the Orange Park Junior High School Internal Funds. The financial statement does not include other financial activities of the District School Board.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the Orange Park Junior High School Internal Funds for the year ended June 30, 2009, on the basis of accounting described in Note 1.

DDF CPA Group

August 10, 2009

ddfcpa.com

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107 Edwards Road, Starke, Florida 32091 | tel 904.964.7404 toll 800.771.7404 fax 904.964.6583
- P.O. Box 9089, Orange Park, Florida 32006
4729 US Highway 17 S, Suite 204, Orange Park, Florida 32003 | tel 904.264.9768 toll 866.811.9701 fax 904.269.7091

**Orange Park Junior High School
Internal Funds
Statement of Cash Receipts and Disbursements
For the Year Ended June 30, 2009**

	<u>Cash Balances July 1, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Interfund Transfers</u>	<u>Cash Balances June 30, 2009</u>
Athletics	\$10,756.94	\$ 56,067.39	\$ 41,083.32	\$(4,864.98)	\$20,876.03
Music	5,008.27	27,394.08	30,881.63	(1,212.55)	308.17
Classes, Clubs and Departments	23,030.38	49,057.24	52,422.96	(6,253.61)	13,411.05
Trust	7,024.19	31,888.62	33,306.05	(367.91)	5,238.85
General	9,601.47	10,519.26	24,408.69	12,859.24	8,571.28
Outside Organizations	<u>160.19</u>	<u>--</u>	<u>--</u>	<u>(160.19)</u>	<u>--</u>
Total	<u>\$55,581.44</u>	<u>\$174,926.59</u>	<u>\$182,102.65</u>	<u>\$ --</u>	<u>\$48,405.38</u>

See accompanying Notes to Financial Statement

**Orange Park Junior High School
Internal Funds
Notes to Financial Statement
For the Year Ended June 30, 2009**

Note 1 - Summary of Significant Accounting Policies

Reporting entity

The accompanying financial statement includes the effects of transactions and balances relating to the internal fund activities of Orange Park Junior High School.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the Clay County School Board, as this financial statement only includes the accounts at Orange Park Junior High School.

Basis of accounting

The accompanying financial statement is prepared on the cash basis of accounting and, therefore, reflects only cash received and disbursed. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, these statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Note 2 - Cash and Cash Equivalents

The June 30, 2009 cash balance, totaling \$48,405.38, consists of \$310.71 in a non-interest bearing checking account and \$48,094.67 invested with the State Board of Administration. Interest earnings on the investment amounted to \$667.27.

Note 3 - Accounts Payable and Encumbrances

As requested by the Clay County School Board, the following is a schedule of accounts payable at June 30, 2009.

<u>Vendor</u>	<u>Amount</u>
Baker Sporting Goods	\$ 728.00
Sam's Club	360.46
Target	<u>278.76</u>
Total	<u>\$1,367.22</u>

The following is a schedule of encumbrances at June 30, 2009.

<u>Vendor</u>	<u>Amount</u>
Book Bonanza	\$ 512.54
Dixie Sporting Goods	2,655.00
Insight Public Sector	156.66
Musician's Friend	<u>19.99</u>
Total	<u>\$3,344.19</u>

**Orange Park Junior High School
Internal Funds
Notes to Financial Statement
For the Year Ended June 30, 2009
(Concluded)**

Note 4 – Misappropriation of Assets

During the 2008-2009 school year the school suffered a defalcation by a volunteer assistant coach. The funds raised to pay for uniforms and equipment was diverted for the coach's personal use. The school's general fund has covered the bills for the uniforms and equipment. A balance remains from his incident on the accounts payable list in the amount of \$728.00, which was paid subsequent to June 30, 2009.



Management Letter

District School Board
Clay County, Florida

Honorable Members:

In connection with our audit of Orange Park Junior High School's (the "school") financial statement as of June 30, 2009 and for the year ended, and our audit of the school's internal control over financial reporting as of June 30, 2009 ("integrated audit"), the standards established by the American Institute of Certified Public Accountants require that we advise you of the following internal control matters identified during our integrated audit.

Our responsibility is to plan and perform our integrated audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud, and whether effective internal control over financial reporting was maintained in all material respects. The integrated audit is not designed to detect deficiencies that, individually or in combination, are less severe than a material weakness. However, we are responsible for communicating to management and those charged with governance significant deficiencies and material weaknesses identified during the integrated audit. We are also responsible for communicating to management deficiencies that are of a lesser magnitude than a significant deficiency, which we discussed at our exit conference held on August 13, 2009.

A deficiency in internal control over financial reporting 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 over financial reporting, such that there is a reasonable possibility that a material misstatement of the school's financial statements will not be prevented, or detected and corrected on a timely basis. We believe the following deficiency constitutes a material weakness:

- During our audit of the school, we looked specifically at yearbooks sales to determine the amount of profit or loss. Upon review, we found this difficult to determine because there was no record of the number of yearbooks sold. We recommend that supporting documentation be available to determine profit and loss from all resale activities. In the case of yearbook sales, it is important to show the number of yearbooks ordered, the amount sold and the disposition of the unsold yearbooks. If the yearbooks are sold at different prices, a tally sheet showing how many books are sold at various prices should be kept.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that, in the auditors' professional judgment, is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies to be significant deficiencies:

- Several "Reports of Monies Collected" forms pertaining to a fundraiser did not have the fundraiser application number written on it. Section III of the Clay County School Board Internal Accounts Manual outlines everything that must be included on the Report of Monies Collected form which includes the source of collection, including the fundraiser application number. We recommend that teachers be reminded of what is required to be included on the Report of Monies Collected form.
- Many problems were noted with regard to documentation of tickets sold. The Clay County School Board Internal Accounts Manual authorizes ticket logs to be kept by the bookkeeper or a designee. If a designee is made responsible for ticket logs the bookkeeper is still responsible to periodically confirm the accuracy and completeness. The ticket log responsibility was designated to the Athletic Director where we noted instances of unaccounted for ticket numbers. We recommend that the bookkeeper review the Athletic Director's log sheet and reconcile money received and tickets used, as indicated on the ticket log sheet to the Report of Tickets Sold.

As part of our audit we also consider the correction of prior year findings. With regard to purchase order approvals dated after the invoice date, we found a vast improvement in this area and determined the issue to no longer be a weakness. We would also like to commend the principal and the bookkeeper on keeping excellent records that were neat and orderly.

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

DDF CPA Group

August 10, 2009

ORANGE PARK JUNIOR HIGH SCHOOL

Home of the Wildcats

Paul Schlichtman
Vice Principal

Joyce Orsi
Principal

Janice Tucker
Assistant Principal

August 19, 2009

DDF Group
4729 US Highway 17 South
Suite 204
Fleming Island, Fl. 32003

Dear Sirs,

This letter is being written to respond to the audit of our Internal Accounts for the school year 2008/2009.

1. In response to deficiency noted (Support documentation for yearbook sales). Our yearbook sponsor has been instructed to fill out a fund raising application. At the end of the sale the financial recap portion will be completed along with any supporting documentation regarding the disposition of unsold books. Also she has been instructed to keep tally sheets showing the various prices of the yearbooks sold, and any price changes that have occurred during the year.
2. In response to deficiency noted (Fund raiser application number). Teachers and Staff have been instructed to include their application number on the monies collected form.
3. In response to deficiency noted (Documentation of tickets sold). The Athletic Director and I have discussed the situation. After researching, he found a ticket report form that had not been entered on the log. He also addressed the 22 missing tickets (see attached letter).

I also appreciate the note in reference to our school making vast improvements in approval dates of purchase orders. Mrs. Wilkie, our bookkeeper has worked very hard with the faculty and staff to insure better control over this process.

As always our goal is to continue to represent the school's financial transactions with the utmost accuracy.

Again thank you for your time.

Joyce Orsi

A handwritten signature in cursive script, appearing to read "Joyce Orsi".

Principal

Orange Park Junior High

OAKLEAF VILLAGE ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2009

Joan O. Michael, CPA, PA
Certified Public Accountant

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Joan O. Michael, CPA, PA
Certified Public Accountant

JOAN O. MICHAEL, CPA, PA
Certified Public Accountant

669 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

Telephone (904) 269-6748
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INDEPENDENT AUDITOR'S REPORT

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Oakleaf Village Elementary School for the year ended June 30, 2009. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of cash receipts and disbursements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Oakleaf Village Elementary School for the year ended June 30, 2009, on the basis of accounting described in Note 1.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 13, 2009

OAKLEAF VILLAGE ELEMENTARY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2009

	Cash	Transactions			Cash
	Balance July 1, 2008	Receipts	Disburse- ments	Transfers	Balance June 30, 2009
Music	\$ -	\$ 5,892.75	\$ 5,653.81	\$ 375.73	\$ 614.67
Classes, Clubs, Departments	-	69,089.18	62,131.90	295.73	7,253.01
Trust	-	44,402.53	32,998.33	(3,704.60)	7,699.60
General	-	49,081.97	46,417.53	3,033.14	5,697.58
Outside Organizations	-	0.00	0.00	0.00	0.00
Total	\$ -	\$ 168,466.43	\$ 147,201.57	\$ -	\$ 21,264.86

See accompanying notes and independent auditor's report.

OAKLEAF VILLAGE ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2009

NOTE 1 Summary of Significant Accounting Policies

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal account of Oakleaf Village Elementary School within the Clay County, Florida school system.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the school system because this financial statement only includes the accounts at Oakleaf Village Elementary.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of internal accounts. These rules and regulations state how the internal accounts will be organized, accounted for, and reported.

The internal account balances and transactions are included as an agency fund on the Clay County District School's Annual Financial Report. Transactions and balances relating to cafeteria costs, supplies, staff salaries and benefits are not included in the accompanying financial statement because they are accounted for by the Clay County District School Board.

Basis of accounting

The accompanying financial statement is prepared on the cash basis of accounting and, therefore, reflects only cash received and disbursed. Such basis is a generally accepted method of accounting for Florida school internal accounts as defined by Chapter 7 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, these statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

NOTE 2 Cash

The June 30, 2009, total cash balance of \$21,264.86 as reported on the statement of cash receipts and disbursements consists of \$21,020.85 being held in a non interest bearing checking account insured by the FDIC, \$0 held in an investment account with the Clay County School and \$244.01 in uncollected NSF checks.

NOTE 3 Interest Income

No deposits were made into the investment account, thus, no interest was earned for the 08-09 school year.

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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Oakleaf Village Elementary School reported the following accounts payable and encumbrances as of June 30, 2009:

Accounts Payable

None

Encumbrances

P. Brandon, Inc. \$ 793.48

The above accounts payable list agrees with the Principals Report as of June 30, 2009. Encumbrances are not included in the Principals Report.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of accounts payable and encumbrances. These accounts payable and encumbrances were not paid during the 2008-2009 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Oakleaf Village Elementary School for the year ended June 30, 2009.

Joan O. Michael, CPA, PA
Joan O. Michael, CPA, PA
August 13, 2009

JOAN O. MICHAEL, CPA, PA

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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Oakleaf Village Elementary School for the year ended June 30, 2009, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control structure.

We would like to point out the following items noted during our audit:

1. Review of the Monthly Principals Report for the 08-09 school year indicates that 10 of the 12 reports were prepared after the 15th of the following month. Page 58 of the Internal Accounts Manual requires preparation of the Principals Report on or before the 15th of the following month.
2. During the testing of cash disbursements, four (4) fundraiser forms were missing or incomplete. Check number 1222 dated May 5th written to Cady Fundraising for \$7,427 was missing all documentation, but cleared the bank on May 6th. Several Purchase Orders associated with the school Discover card were incomplete or submitted in bulk and approved after the date of purchase. Page 32 of internal accounts Manual requires that completed purchase requests be submitted and approved prior to making a purchase.
3. During the testing of cash receipts, there were five (5) instances of incomplete Reports of Monies Collected. Page 18 of the Internal Accounts Manual requires the completion of the Reports of Monies Collected.

This report is intended solely for the information and use of Clay County School Board, management, and others within the school system.

We would like to thank the Principal, bookkeeper and staff for their cooperation and courtesy extended to us during the audit. The school records were neat and orderly and we found that, overall, procedures established by the Internal Accounts Manual were followed by the school. It has been a pleasure to serve the Clay County School Board during our audit. Please feel free to contact us with any questions or comments concerning the audit.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 13, 2009

Oakleaf Village Elementary



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Orange Park, Florida 32065
Phone: (904)291-5458 Fax: (904)291-5471

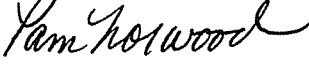
Colette Wyant, Principal
cwyant@mail.clay.k12.fl.us

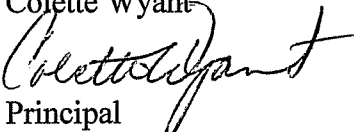
Tracey Kendrick, Asst. Principal
tskendrick@mail.clay.k12.fl.us

Joan O. Michael, CPA PA
Certified Public Accountant
669 Kingsley Avenue
Orange Park, Florida 32073

This letter is in response to the documented notations you have listed on my 2008/09 audit:

1. Principal's Report were prepared after the 15th of the following month.
Response: I have contacted the bank and requested to receive the statement earlier. As of now I don't receive it until the second week of the month which does not leave much time to investigate problems. I will also make it a priority to have everything entered so I am ready to balance as soon as the statement is received.
2. Four fundraising forms were missing or incomplete. Several purchases associated with the school Discover card were incomplete or submitted in bulk and approved after the date of purchase.
Response: I will double check to see that all fundraisers forms have been filled out properly. I will also make sure a PO is filled out and approved for each purchase made on our Discover Card.
3. Five Reports of Monies Collected forms were incomplete.
I will make sure teachers fill out the Monies Collected forms completely and if a change is made they initial the change.

Pam Norwood

Bookkeeper

Colette Wyant

Principal

R. M. PATERSON ELEMENTARY SCHOOL

**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS OF THE
INTERNAL FUNDS**

**FOR THE YEAR ENDED
JUNE 30, 2009**

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DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of R. M. Paterson Elementary School for the year ended June 30, 2009. This financial statement is the responsibility of the Clay County School Board. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the policy of the school is to prepare its financial statement on the basis of cash receipts and disbursements which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of R. M. Paterson Elementary School for the year ended June 30, 2009, on the basis of accounting described in Note 1.

DuVal & Company, CPA's, P.A.

DuVal & Company, CPA's, P.A.
August 12, 2009

R. M. Paterson Elementary School

Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2009

	<u>Balance July 1, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Interfund Transfers</u>	<u>Balance June 30, 2009</u>
Music	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Classes, Clubs and Departments	23,270.68	88,585.89	89,265.30	(692.54)	21,898.73
Trusts	10,648.25	30,189.71	29,260.89	(2,593.73)	8,983.34
General	17,236.35	32,513.85	27,510.14	2,472.04	24,712.10
Outside Organizations	<u>27,001.28</u>	<u>22,667.15</u>	<u>30,179.06</u>	<u>814.23</u>	<u>20,303.60</u>
TOTALS	<u>\$ 78,156.56</u>	<u>\$ 173,956.60</u>	<u>\$ 176,215.39</u>	<u>\$ 0.00</u>	<u>\$ 75,897.77</u>

See notes to the statement of cash receipts and disbursements of the Internal Funds.

R. M. PATERSON ELEMENTARY SCHOOL

**Notes to Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal accounts of R.M. Paterson Elementary School within the Clay County, Florida school system.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the school system because this financial statement only includes the accounts at R.M. Paterson Elementary School.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of internal accounts. These rules and regulations state how the internal accounts will be organized, accounted for, and reported.

The internal account balances and transactions are included as an agency fund on the Clay County District School's Annual Financial Report. Transactions and balances relating to cafeteria food costs, supplies, staff salaries, and benefits are not included in the accompanying financial statement because they are accounted for by the Clay County District School Board.

Basis of accounting

The accompanying financial statement is prepared on the cash basis of accounting and, therefore, reflects only cash received and disbursed. Such basis is a generally accepted basis of accounting for Florida school internal accounts as defined by Chapter 7 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, these statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

R.M. PATERSON ELEMENTARY SCHOOL

**Notes to Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2009**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Investments

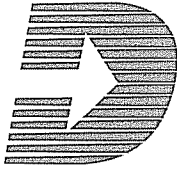
The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds in savings and deposit accounts with Qualified Public Depositories and the Florida State Board of Administration (SBA), Local Government Investment Pool (LGSF).

NOTE 2 - CASH AND CASH EQUIVALENTS

The June 30, 2009 cash balance, totaling \$75,897.77 consists of \$15,705.84 in a noninterest bearing checking account with Wachovia Bank, \$60,191.93 in an investment account with the Clay County School Board.

NOTE 3 - INTEREST INCOME

Interest earned on the investment account during the year ended June 30, 2009 was \$676.76. This represented a yield of approximately 1.26% for that period.



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

As requested by the Clay County School Board, listed below is a schedule of accounts payable and encumbrances for R.M. Paterson Elementary School at June 30, 2009.

ACCOUNTS PAYABLE

\$ 0.00

ENCUMBRANCES

\$ 446.68

The accounts payable and encumbrances above agree with the Principal's Monthly Report for June 30, 2009.

Auditing procedures as we considered necessary were applied to the verification of these accounts payable and encumbrances.

DuVal & Company, CPAs PA
DuVal & Company, CPA's, P.A.
August 12, 2009



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

In planning and performing our audit of the statement of receipts and disbursements of the internal funds of R. M. Paterson Elementary School for the year ended June 30, 2009, we considered its internal control structure in order to determine procedures for the purpose of expressing an opinion on the financial statement and not to provide assurance on the internal control structure. We did not note any matters that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statement.

During our audit, we found no items that we felt needed to be brought to your attention. The discrepancies noted in the prior year audit report were all corrected. We would like to commend the principal and the bookkeeper at R. M. Paterson Elementary for an excellent job. Overall, we found the internal accounting records were very neat and orderly. We found that the procedures outlined in the Internal Funds Manual of the Clay County School Board were substantially followed by the school.

This report is intended solely for the information and use of the Clay County School Board management and others within the organization.

It has been a pleasure to have had the opportunity to serve the Clay County School Board during our audit. Should there be any questions concerning the above observations or any other matter, please contact us.

DuVal & Company, CPAs, P.A.

DuVal & Company, CPA's, P.A.
August 12, 2009



Robert M. Paterson Elementary

5400 Pine Avenue
Orange Park, FL 32003
(904) 278-2078 • (904) 278-2093 Fax
<http://www.clay.k12.fl.us/rmp>



Terry Grieninger, Principal

Pam White, Assistant Principal

August 27, 2009

DuVal & Company
428 Walnut Street
Green Cove Springs, FL. 32043

Dear Sirs:

Thank you for the thorough and professional audit of our internal accounts for the 2008-2009 school year. I am pleased that procedures outlined in the Clay County School Board Internal Accounts Manual have been followed correctly and that you found our records to be neat and orderly.

It is always rewarding when I receive an audit report that commends the performance of the bookkeeper. Mrs. Plummer is a diligent worker who takes pride and ownership of her responsibilities as your audit report verifies.

I appreciate your diligent work in completing our audit.

Sincerely,

Terry Grieninger
Principal

Cc: Roni Campbell, Accounting Coordinator

Ridgeview High School

Statement of Cash Receipts and Disbursements of the Internal Funds

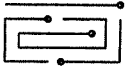
For the Year Ended June 30, 2009



Conner Hubbard & Company, LLC
Certified Public Accountants
Orange Park, Florida

**RIDGEVIEW HIGH SCHOOL
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CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

INDEPENDENT AUDITORS' REPORT

Mr. Ben H. Wortham, Superintendent of Schools,
Clay County, Florida
Mr. Charles Van Zant, Jr., Chairman
Ms. Lisa Graham, Vice-Chairman
Ms. Carol Vallencourt, Member
Mr. Frank Farrell, Member
Ms. Carol Studdard, Member

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Ridgeview High School for the year ended June 30, 2009. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Ridgeview High School for the year ended June 30, 2009 on the basis of accounting described in Note 1.

Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 18, 2009

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Orange Park, Florida 32073
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212 North Davis Street
Nashville, Georgia 31639
(229) 686-9419

RIDGEVIEW HIGH SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS
For the Year Ended June 30, 2009

	<u>Cash Balance July 1, 2008</u>	<u>Transactions</u>		<u>Transfers</u>	<u>Cash Balance June 30, 2009</u>
		<u>Receipts</u>	<u>Disbursements</u>		
Athletics	\$ 42,139.39	\$ 276,464.56	\$ 267,682.61	\$ 4,020.77	\$ 54,942.11
Music, Classes & Clubs	18,918.33	63,733.42	68,783.16	(165.41)	13,703.18
Departments	55,603.16	280,734.56	263,548.96	(3,270.31)	69,518.45
Trust	29,622.41	76,007.40	68,191.70	3,018.32	40,456.43
General	38,033.12	68,066.70	83,328.34	(1,179.16)	21,592.32
Outside Organizations	<u>1,084.72</u>	<u>25,038.15</u>	<u>22,271.74</u>	<u>(2,424.21)</u>	<u>1,426.92</u>
	<u>\$ 185,401.13</u>	<u>\$ 790,044.79</u>	<u>\$ 773,806.51</u>	<u>\$ -</u>	<u>\$ 201,639.41</u>

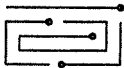
See Independent Auditors' Report and Notes to Statement of Cash Receipts and Disbursements.

RIDGEVIEW HIGH SCHOOL

Notes to Statement of Cash Receipts and Disbursements
For The Year Ended June 30, 2009

- NOTE 1 The School's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.
- NOTE 2 As of June 30, 2009, no interest was being earned on the checking account. Interest was earned on funds invested with the Clay County School Board in the amount of \$1,503.11 for the fiscal year ended June 30, 2009.
- NOTE 3 The cash balance of \$201,639.41 at June 30, 2009, shown on the statement of cash receipts and disbursements consists of \$92,891.29 being held in the checking account and \$108,338.12 invested with the Clay County School Board. The remaining \$410.00 is NSF checks the bookkeeper intends to recover and has therefore not submitted for write-off as of June 30, 2009.

SUPPLEMENTAL INFORMATION



CONNER, HUBBARD & COMPANY, LLC

Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

Mr. Ben H. Wortham, Superintendent of Schools,
Clay County, Florida
Mr. Charles Van Zant, Jr., Chairman
Ms. Lisa Graham, Vice-Chairman
Ms. Carol Vallencourt, Member
Mr. Frank Farrell, Member
Ms. Carol Studdard, Member

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, listed below is a schedule of the accounts payable and encumbrances at June 30, 2009 of the Ridgeview High School internal funds as reported to us by the School.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of these accounts payable and encumbrances. The following accounts payable and encumbrances were not paid during the 2008-2009 fiscal year and, accordingly, are not included in the statement of cash receipts and disbursements of the internal funds for the year ended June 30, 2009.

Accounts Payable

None.

Encumbrances

<u>VENDOR</u>	<u>Amount</u>
Neff	\$ 880.00
FHSAA	200.00
Varsity Spirit Fashions	<u>11,266.95</u>
Total	<u>\$ 12,346.95</u>

The above encumbrances were reported on the June 30, 2009 Principal's Monthly Report.

Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 18, 2009

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e-mail: firm@connerhubbard.com

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☐ 212 North Davis Street
Nashville, Georgia 31639
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CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

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Clay County, Florida
Mr. Charles Van Zant, Jr., Chairman
Ms. Lisa Graham, Vice-Chairman
Ms. Carol Vallencourt, Member
Mr. Frank Farrell, Member
Ms. Carol Studdard, Member

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Ridgeview High School for the year ended June 30, 2009, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control structure.

We would like to point out the following items noted during our audit:

We noted ten activity accounts had an ending balance in excess of the maximum amounts allowed as determined by the formula provided by the Internal Funds Manual. The School has written documentation as to the specific reason for the excess and how the excess will be applied to assure the funds are used for their intended purpose.

During our review of a sample of cash receipts, we noted the following on the "Report of Monies Collected".

Three instances where no individual name was listed.

Five instances where the receipt number was not listed.

Three instances where the form was not dated by the teacher.

Two instances where the form was not signed by both the teacher and the Principal.

Twenty instances where the date on the "Report of Monies Collected" form was one or more days after the date of the teacher receipt.

Ten instances where the fundraiser number was not listed on the "Report of Monies Collected".

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During our review of a sample of cash disbursements, we noted the following:

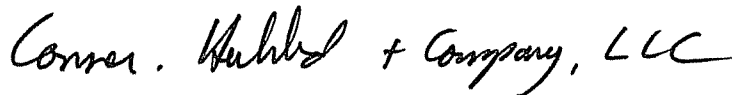
One instance where sales tax was charged and paid. (Check # 30813)

One instance where a check was not supported by an approved check requisition form.
(Check # 30532)

The internal funds accounting records were overall very neat and orderly. We also found that the procedures outlined in the Internal Funds Manual of the Clay County School Board were substantially followed by the School.

We commend the Principal and the bookkeeper for an excellent job. It has been a pleasure to have this opportunity to serve you.

This report is intended solely for the information and use of the Clay County School Board management, and others within the Organization.



Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 18, 2009

Ridgeview High School

466 Madison Avenue
Orange Park, Florida 32065

8/19/09

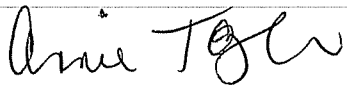
Conner, Hubbard & Company

To Whom It May Concern:

In response to your audit of Ridgeview High School, I held a meeting yesterday with many of the sponsors and coaches to go over proper procedures in a more detailed manner. Hopefully they will follow through better with procedures and I will be more attentive to details as to dates, signatures and completion of paperwork.

As always, it is a pleasure working with you.

Sincerely,



Annie Taylor
Bookkeeper



John Westmoreland
Principal