

Orange Park Junior High School

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

June 30, 2007

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

June 30, 2007

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Independent Auditors' Report

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Orange Park Junior High School for the year ended June 30, 2007. 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 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 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 Junior High School for the year ended June 30, 2007, on the basis of accounting described in Note 1.

DDF CPA Group

August 15, 2007

ddfcpa.com

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107 Edwards Road, Starke, Florida 32091 | tel 904.964.7404 toll 800.771.7404 fax 904.964.6583
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Orange Park Junior High School
Statement of Cash Receipts and Disbursements of the Internal Funds
As of and for the Fiscal Year Ended June 30, 2007

| | <u>Balances</u> <u>July 1, 2006</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Interfund</u> <u>Transfers</u> | <u>Balances</u> <u>June 30, 2007</u> |
|-----------------------------------|--|----------------------|----------------------|--------------------------------------|---|
| Athletics | \$ 21,268.05 | \$ 44,393.18 | \$ 43,138.98 | \$ 206.12 | \$ 22,728.37 |
| Music | 3,786.01 | 41,140.04 | 37,426.42 | 162.30 | 7,661.93 |
| Classes, clubs and departments | 21,599.22 | 71,771.86 | 72,501.77 | (1,250.10) | 19,619.21 |
| Trust | 7,847.57 | 38,177.81 | 36,650.91 | (2,454.13) | 6,920.34 |
| General | 11,580.80 | 10,470.62 | 15,052.77 | 4,502.53 | 11,501.18 |
| Outside organizations | <u>341.38</u> | <u>5,904.61</u> | <u>4,490.91</u> | <u>(1,166.72)</u> | <u>588.36</u> |
| Total | <u>\$ 66,423.03</u> | <u>\$ 211,858.12</u> | <u>\$ 209,261.76</u> | <u>\$ -</u> | <u>\$ 69,019.39</u> |

The accompanying "Notes to the Statement of Cash Receipts and Disbursements" form an integral part of this statement.

Orange Park Junior High School
Notes to Statement of Cash Receipts and Disbursements
As of and for the Fiscal Year Ended June 30, 2007

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 Junior High School (the 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 Junior 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 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.

Note 2 - Cash and Cash Equivalents

The June 30, 2007 cash balance, totaling \$69,019.39, consists of \$12,959.88 in a non-interest bearing checking account with Wachovia Bank and \$55,265.51 in an investment account with the Clay County School Board. The school board invests its funds with the SBA. The remaining \$794 is for checks returned for insufficient funds during the school year, which it expects to collect.

Note 3 - Interest Income

The School earned \$2,893.61 in interest in the investment account with the Clay County School Board. This represents a yield of approximately 5.38 percent during that period for monies invested with the SBA.

Note 4 - 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 also with the Florida State Board of Administration (SBA), Local Government Surplus Funds Trust Fund (LGSF).

Orange Park Junior High School
Notes to Statement of Cash Receipts and Disbursements
As of and for the Fiscal Year Ended June 30, 2007
(Concluded)

Note 4 – Investments (concluded)

In accordance with GASB Statements No. 40, as of June 30, 2007, the School had the following investment:

| <u>Investment</u> | <u>Maturities</u> | <u>Fair Value</u> |
|--------------------------------------|-------------------|-------------------|
| State Board of Administration - LGSF | 54 Day Average | \$55,266 |

Interest Rate Risk. The District School Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District School Board policy limits investments to the Local Government Surplus Funds Trust Fund or any other intergovernmental investment pool; interest-bearing time deposits or savings accounts held in qualified public depositories.

As of June 30, 2007, the investments in the Local Government Surplus Funds Trust Fund investment pool was unrated.



Schedule of Accounts Payable and Encumbrances

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

Honorable Members:

As requested by the Clay County School Board, we reviewed and tested for accounts payable and encumbrances for Orange Park Junior High School at June 30, 2007.

| Vendor | Amounts |
|-------------------------|--------------------|
| Accounts Payable | |
| Cheer Authority Inc. | <u>\$ 400.00</u> |
| Encumbrances | |
| Varsity | 1,580.35 |
| Baker Sporting Goods | 456.00 |
| Baker Sporting Goods | 234.00 |
| Weekly Reader | <u>307.50</u> |
| Total | <u>\$ 2,577.85</u> |

The accounts payable does agree with the Principal's Report for June 30, 2007. The Principal's Report does not include for encumbrances, however the list of accounts payable and encumbrances provided by the school does agree to the audit procedures performed.

Such auditing procedures as we considered necessary were applied to the verification of these accounts payable and encumbrances. The above accounts payable and encumbrances were not paid during the year ended June 30, 2007 and, accordingly, were not included in the statement of cash receipts and disbursements of the internal funds for the year then ended.

DDF CPA Group

August 15, 2007



Independent Auditors' Report on the Internal Control Structure and Other Matters

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

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Orange Park Junior High School (the School) for the year ended June 30, 2007, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, we noted certain matters involving the internal control structure and its operation 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 ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are presented below.

1. The Internal Accounts Manual of the Clay County School Board requires fundraising activities to be supported by completed fundraising forms. We noted that the inventory sections were crossed out on many of the forms. The importance of having the inventory section completed correctly for all fundraisers is that it shows a full accounting of items purchased, items sold, and explanation provided for items lost, damaged or stolen. When sponsors do not fill in this section, the School has no proof that all monies received were turned in. We recommend that school teachers and sponsors receive additional training on the preparation of fundraising forms.
2. The Internal Accounts Manual of the Clay County School Board requires monies collected to be supported with an auditable record, such as teacher issued receipts or tally sheets. We noted several reports of monies collected with individual collections more than \$5 that were not supported by teacher receipts or tally sheets. For example, monies received for candy sales, sales of planners and pictures were not accompanied by teacher issued receipts or tally sheets. We recommend that the School inform teachers and sponsors when individual receipts or tally sheets are necessary.

This report is intended solely for the information and use of the Clay County District Schools. This restriction is not, however, intended to limit the distribution of this report, which, upon acceptance, is a matter of public record.

We wish to take this opportunity to thank the Principal, bookkeeper and staff for the cooperation and courtesies extended to us during our examination. We appreciate the opportunity to be of service to the Clay County District Schools and look forward to a continuing relationship.

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida

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

DDF CPA Group

August 15, 2007

ORANGE PARK JUNIOR HIGH SCHOOL

Home of the Wildcats

Joyce Orsi
Assistant Principal

James Young
Principal

Paul Schlichtman
Vice Principal

August 31, 2007

DDF Group
P.O. Box 9089
Orange Park, Fl. 32006

Dear Sirs,

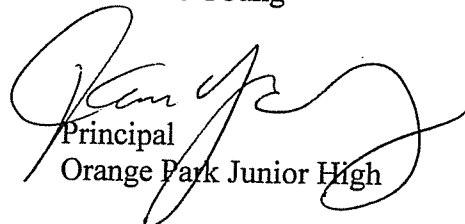
This letter is being written to respond to the audit of our Internal Accounts for the school year 2006/2007.

1. In response to item 1 concerning "Control Structure and Others Matters", our faculty and staff have been provided additional training on the importance of completely filling out the Fund Raiser Form. Also, an additional inventory sheet has been implemented for supporting documentation on certain fund raisers.
2. Item 2 under the same heading has also been addressed with the faculty and staff. Candy sales will be supported by an additional inventory form stated in item # 1. Tally Sheets will be completed for any other collection of funds.

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

Again thank you for your time.

Dr. James Young


Principal
Orange Park Junior High



1500 Gano Avenue • Orange Park, Florida 32073 • 904-278-2000 • 904-278-2009 Fax

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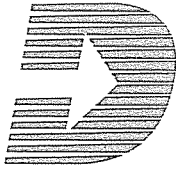
R. M. PATERSON ELEMENTARY SCHOOL

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

**FOR THE YEAR ENDED
JUNE 30, 2007**

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DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Sr.
Mr. Wayne Bolla
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, 2007. 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, 2007, on the basis of accounting described in Note 1.

DuVal & Company, CPA's, PA
DuVal & Company, CPA's, P.A.
August 8, 2007

R. M. Paterson Elementary School

Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2007

| | <u>Balance July 1, 2006</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Interfund Transfers</u> | <u>Balance June 30, 2007</u> |
|-----------------------------------|---------------------------------|-----------------------------|-----------------------------|--------------------------------|----------------------------------|
| Music | \$ 261.92 | \$ 0.00 | \$ 0.00 | \$ (261.92) | \$ 0.00 |
| Classes, Clubs and Departments | 24,237.27 | 112,693.64 | 112,827.09 | (2,184.48) | 21,919.34 |
| Trusts | 9,330.66 | 50,437.63 | 62,396.94 | 20,218.73 | 17,590.08 |
| General | 12,079.77 | 27,487.33 | 21,810.31 | 2,128.82 | 19,885.61 |
| Outside Organizations | <u>33,847.30</u> | <u>47,870.78</u> | <u>29,035.32</u> | <u>(19,901.15)</u> | <u>32,781.61</u> |
| TOTALS | <u>\$ 79,756.92</u> | <u>\$ 238,489.38</u> | <u>\$ 226,069.66</u> | <u>\$ (0.00)</u> | <u>\$ 92,176.64</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, 2007**

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 that 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, 2007**

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

Investments

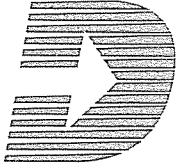
The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds 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, 2007 cash balance, totaling \$92,176.64 consists of \$46,164.10 in a noninterest bearing checking account with Wachovia Bank, \$45,718.54 in an investment account with the Clay County School Board, and a NSF checks receivable in the amount of \$294.00, which is expected to be collected.

NOTE 3 - INTEREST INCOME

Interest earned on the investment account during the year ended June 30, 2007 was \$2,393.74. This represented a yield of approximately 5.38% for that period.



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Sr.
Mr. Wayne Bolla
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, 2007.

ACCOUNTS PAYABLE

| | |
|------------------------|--------------------|
| Premier School Agendas | \$ 2,636.25 |
| Home Depot | <u>26.91</u> |
| Total | <u>\$ 2,663.16</u> |

ENCUMBRANCES

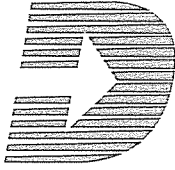
\$ 0.00

The accounts payable and encumbrances above agree with the Principal's Monthly Report for June 30, 2007.

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

DuVal + Company, CPA's, PA

DuVal & Company, CPA's, P.A.
August 8, 2007



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. David L. Owens, Superintendent of Schools
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Sr.
Mr. Wayne Bolla
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, 2007, 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.

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

1. Several problems exist with respect to teachers' receipts. On seven (7) occasions, teachers' receipts were altered. Per school board policy, these receipts should have been voided and reissued. On several occasions, teachers held money for 7 days or more. In one (1) instance, a teacher held money for 30 days before submission to the bookkeeper. Under school board policy, money collected by a teacher must be turned into the bookkeeper or principal on the same day.
2. A problem with documentation still exists with respect to disbursements. On one (1) occasion, a \$1,415 check to a T-shirt vendor had no supporting vendor invoice. On another occasion, the vendor invoice was an estimate and did not have the vendor name imprinted on it. The check was written to Ruby Tuesdays for \$150 with no receipt attached. In addition,

the number of attendees was not indicated. Further, a "box-top" reimbursement plan was approved from which teachers were to receive up to a \$50 reimbursement for supplies. According to the instructions provided by the school, receipts were required for reimbursement. During our testing, two (2) teachers received \$50 reimbursements with no supporting receipts while another teacher received a full \$50 despite supporting receipts that totaled \$49.05. During our testing of checks \$1000 and over, three (3) checks were written to the Clay County School Board with little or no documentation. All three checks were endorsed appropriately.

3. Several account balances were found to be non-compliant with respect to school board policy. Through direct correspondence with the school board offices, we determined that the bookkeeper was not calculating the allowable balance correctly. The school is correcting all accounts during the 2007-2008 fiscal year to ensure compliance.

Overall, we found the internal accounting records were very neat and orderly. In addition, we found the bookkeeper very responsive to requests for information. 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, CPA's, P.A.
August 8, 2007



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 31, 2007

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 2006-2007 school year. We are pleased that the procedures outlined in the Clay County School Board Internal Accounts Manual have been followed correctly and that you found our books to be neat and organized.

The following is our response to the items noted during our audit. Teacher receipts were altered; teachers held money for 7 days or more; teachers; did not turn money collected into either the bookkeeper or principal on the same day. Mrs. Roni Campbell conducted an inservice regarding these procedures for the faculty on August 13, 2007. Problems with documentation with respect to disbursements; the principal will conduct an inservice with the faculty instructing them on proper procedures for providing receipts and invoices.

Thank you for your audit.

Sincerely,

Terry Grieninger
Principal

Cc: Roni Campbell, Accounting Coordinator

"We Care ➤ We Share ➤ We Dare!"

RIDEOUT ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2007

EMILY C. HELMS, CPA, PA
Certified Public Accountant

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EMILY C. HELMS, CPA, PA
Certified Public Accountant

1279 Kingsley Avenue, Suite 103
Orange Park, FL 32073

Kingsley Center

Telephone (904) 269-4292
Facsimile (904) 269-0391

INDEPENDENT AUDITOR'S REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of RideOut Elementary School for the year ended June 30, 2007. 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 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 statement of cash receipts, and disbursements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. 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 RideOut Elementary School for the year ended June 30, 2007, on the basis of accounting described in Note 1.



Emily C. Helms, CPA, PA
August 10, 2007

RIDEOUT ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS

For the year Ended June 30, 2007

| | Cash | Transactions | | | Cash |
|--------------------------------|-------------------------|----------------------|----------------------|-------------------------|--------------------------|
| | Balance July 1, 2006 | Receipts | Disburse- ments | Interfund Transfers | Balance June 30, 2007 |
| Music | \$ 53.23 | \$ 1,760.32 | \$ 1,509.58 | | \$ 303.97 |
| Classes, Clubs, Departments | 9,194.04 | 90,381.38 | 84,568.23 | (267.31) | 14,739.88 |
| Trust | 2,529.98 | 30,893.98 | 31,398.03 | 39.42 | 2,065.35 |
| General | 18,082.72 | 30,448.79 | 31,068.45 | 1,342.89 | 18,805.95 |
| Outside Organizations | - | 25,886.34 | 30,677.01 | 45,438.46 (1,115.00) | - 10,009.89 |
| Total | \$ 55,746.31 | \$ 184,161.48 | \$ 193,982.75 | \$ - | \$ 45,925.04 |

See accompanying notes and accountant's report.

RIDEOUT ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2007

NOTE 1 Summary of Significant Accounting Policies

Cash receipts and disbursements method of accounting

The school's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, certain revenues are recognized when received rather than when earned and certain 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 Cash

The June 30, 2007, total cash balance of \$45,925.04 as reported on the statement of cash receipts and disbursements consists of \$45,669.29 being held in a non interest bearing checking account insured by the FDIC and \$255.75 held as NSF Funds.

EMILY C. HELMS, CPA, PA
Certified Public Accountant

1279 Kingsley Avenue, Suite 103
Orange Park, FL 32073

Kingsley Center

Telephone (904) 269-4292
Facsimile (904) 269-0391

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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, RideOut Elementary School reported the following accounts payable and encumbrances as of June 30, 2007:

Accounts Payable

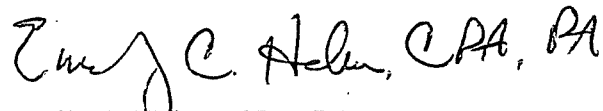
None

Encumbrances

None

The above accounts payable list agrees with the Principal's Monthly Report as of June 30, 2007.

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 2006-2007 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of RideOut Elementary School for the year ended June 30, 2007.



Emily C. Helms, CPA, PA
August 10, 2007

EMILY C. HELMS, CPA, PA
Certified Public Accountant

1279 Kingsley Avenue, Suite 103
Orange Park, FL 32073

Kingsley Center

Telephone (904) 269-4292
Facsimile (904) 269-0391

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

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of RideOut Elementary School for the year ended June 30, 2007, 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 item noted during our audit:

1. Check number 3711, in the amount of \$300.00, was for the purchase of a Gift Card from Wal-Mart. The Request for Purchase Approval and Check Requisition fail to identify the purpose and there was no documentation available that indicated who received this gift card. We recommend a review of the Internal Accounts Manual, Restricted Expenditures, page 9 to insure this purchase meets the guidelines as established by the Clay County School Board.

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

It has been a pleasure to have this opportunity to serve RideOut Elementary School and the Clay County District Schools.

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



Emily C. Helms, CPA, PA
August 10, 2007

RideOut Elementary School
3065 Apalachicola Boulevard, Middleburg, FL 32068
(904) 291-5430
(904) 291-5434 Fax

Laura A. Johnson
Principal

Brenda Shaddix
Assistant Principal

August 24, 2007

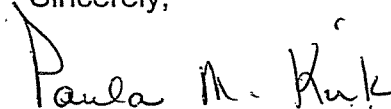
Mrs. Emily C. Helms
Certified Public Accountant
1279 Kingsley Avenue, Suite 103
Orange Park, FL 32073

Mrs. Helms,

In response to your audit, I will review the section of the Internal Accounts Manual, Restricted Expenditures and will follow the procedures outlined.

If you need further information from me, please feel free to call.

Sincerely,



Paula M. Kirk
Bookkeeper

RIDGEVIEW ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS OF THE
INTERNAL FUNDS

For the Year Ended June 30, 2007

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**S
H**

SHIRLEY W. HATCHER, CPA, P.A.

P.O. Box 541
Middleburg, FL 32050-0541
E-Mail Hatchcpa@bellsouth.net

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INDEPENDENT AUDITOR'S REPORT

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Mr. Wayne Bolla
Ms. Lisa Graham
Mr. Charles Van Zant
Mrs. Carol Studdard
Mrs. Carol Vallencourt

Honorable Members:

I have audited the accompanying statement of cash receipts and disbursements of the internal funds of Ridgeview Elementary School for the year ended June 30, 2007. 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 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 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 Ridgeview Elementary School for the year ended June 30, 2007, on the basis of accounting described in Note 1.

Shirley W. Hatcher, CPA, P.A.
SHIRLEY W. HATCHER, CPA, P.A.
August 14, 2007

RIDGEVIEW ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For the Year Ended June 30, 2007

| | Cash Balance July 1, 2005 | Transactions | | Interfund Transfers | Cash Balance June 30, 2007 |
|---------------------------------|---------------------------------|----------------------|----------------------|------------------------|----------------------------------|
| | | Receipts | Disburse- ments | | |
| Music | \$ 47.10 | \$ 798.00 | 1,100.13 | \$ 275.00 | \$ 19.97 |
| Classes, Clubs & Departments | 7,218.03 | 42,911.20 | 47,761.10 | 4,337.63 | 6,705.76 |
| Trust | 8,617.86 | 35,315.44 | 35,961.45 | (2,523.46) | 5,448.39 |
| General | 6,515.25 | 23,298.85 | 27,509.76 | 5,061.33 | 7,365.67 |
| Outside Organizations | <u>11,269.38</u> | <u>21,768.13</u> | <u>18,955.23</u> | <u>(7,150.50)</u> | <u>6,931.78</u> |
| Total | \$ <u>33,667.62</u> | \$ <u>124,091.62</u> | \$ <u>131,287.67</u> | \$ <u>.00</u> | \$ <u>26,471.57</u> |

See accompanying notes to statement of cash receipts and disbursements.

RIDGEVIEW ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2007

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

Interest of \$936.07 was earned on the SBA Investment account, at the rate of approximately 5.36%.

NOTE 3

Of the June 30, 2007 cash balance of \$26,471.57 as reported on the Statement of Cash Receipts and Disbursements, \$8,593.67 is being held in a non-interest bearing checking account insured by the FDIC, and \$17,877.90 is being held in an investment account with the School Board.



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Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Mr. Wayne Bolla
Ms. Lisa Graham
Mr. Charles Van Zant
Mrs. Carol Studdard
Mrs. Carol Vallencourt

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Ridgeview Elementary School reported the following accounts payable or encumbrances at June 30, 2007 for the internal funds.

Accounts Payable

| | |
|------------------------|-----------------|
| Perma-Bond | \$450.00 |
| Copyfax, Inc. | <u>156.02</u> |
| Total Accounts Payable | <u>\$606.02</u> |

Encumbrance

None

The above amount agrees with the list provided by the school at June 30, 2007, and 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 14, 2007



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Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Mr. Wayne Bolla
Ms. Lisa Graham
Mr. Charles Van Zant
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 Ridgeview Elementary School for the year ended June 30, 2007, 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 reports of List of Sequential Checks and List of Sequential Receipts included checks and/or receipts from the previous year. More care should be taken to ensure the reports total the Principal's Report for the month.
2. One check has been outstanding for more than six months and should be voided in accordance with the Internal Funds Manual.
3. Numerous purchases were made prior to approval. According to the Internal Funds Manual, approval of purchases must be made in advance.
4. The supporting documentation of one check did not total the amount of the check nor the requisition. More care should be taken to ensure all disbursements are substantiated.
5. Numerous white copies of voided teachers' receipts are missing. Teachers should be reminder to retain the white copies of voided receipts.

6. Ten transfer forms could not be located. All transfers must be approved and the forms completed before a transfer is made.
7. Fundraising forms for two fundraising activities could not be located. All fundraising forms should be completed in accordance with the Internal Funds Manual.

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

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 14, 2007

Ridgeview Elementary School

421 Jefferson Avenue

Orange Park, FL 32065-6791

Phone: (904) 213-2952 Fax: (904) 213-2960

Ruth Casias
Principal

"Committed to Excellence"

Sara Burge
Assistant Principal

August 31, 2007

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

RE: 2006-2007 Internal Accounts Audit

Thank you for your time and effort in conducting the audit of our 2006-2007 Internal accounts. It was a pleasure to meet with you and I appreciate your patience in sitting down with Marilyn Cram, our bookkeeper and myself and going over each item in detail. Your guidelines enable us to set policy in the school to assure a favorable report each year.

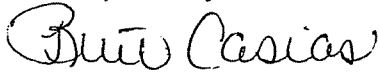
In response to each item of note on the audit:

1. List of Sequential Checks and List of Sequential Receipts indicated that items from a previous year had been thrown into the list. A computer glitch in the accounting system had been identified and the problem addressed and to the best of our knowledge that has been rectified. Care will be taken to watch for this type of inaccuracy, so that Principal reports are matched and reconciled.
2. In the future, Mrs. Cram will be diligent in keeping track of outstanding checks and void them according to policy.
3. Unacceptable practices of making purchases before prior approval will be addressed with teachers as well as making that an agenda item at faculty meeting on September 7, 2007.
4. Supporting documentation for a check that is issued will be investigated more thoroughly and accurate records will be kept in the future that have proper documentation.
5. Procedural guidelines regarding receipt books will be discussed with teachers as well as being on the September 7, 2007 faculty meeting agenda.
6. And 7. Due to a change in staff these items could not be located but caution will be taken and noted to follow procedure on both of these issues for future practice.

I am pleased with Mrs. Cram's work in the short time she has been the bookkeeper at Ridgeview Elementary School. Mrs. Cram is a quick learner, who is meticulous and conscientious with our records. I have every confidence that she will do a great job.

Again, I appreciate your thorough report and hope to work with you again in the future.

Respectfully,

A handwritten signature in cursive script that reads "Ruth Casias". The signature is written in black ink and is positioned above the printed name.

Ruth Casias, Principal

RIDGEVIEW HIGH SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2007

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John A. Adams, CPA
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Kathlyn C. Jordan, CPA

Members:
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of Certified Public Accountants

Independent Auditor's Report

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

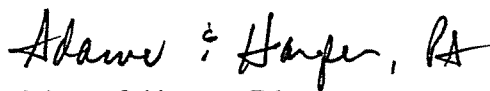
Honorable Members:

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, 2007. 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 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 Ridgeview High School for the year ended June 30, 2007, on the basis of accounting described in Note 1.



Adams & Harper, PA
Certified Public Accountants
August 15, 2007

**Ridgeview High School
Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2007**

| | Cash Balance July 1, 2006 | Transactions | | | Cash Balance June 30, 2007 |
|--------------------------|---------------------------------|----------------------|------------------------|----------------|----------------------------------|
| | | Receipts | Disburse- ments | Transfers | |
| Athletics | \$ 51,645.92 | \$ 248,473.51 | \$ (272,150.58) | \$ 22,048.73 | \$ 50,017.58 |
| Music Classes, Clubs, | 6,406.07 | 127,516.14 | (110,307.01) | (758.00) | 22,857.20 |
| Departments | 60,585.95 | 289,419.46 | (299,346.35) | 2,686.44 | 53,345.50 |
| Trust | 31,792.08 | 62,929.25 | (60,174.97) | (2,744.23) | 31,802.13 |
| General | 27,745.85 | 90,468.64 | (58,028.68) | (21,432.94) | 38,752.87 |
| Outside Organizations | 21,479.03 | 49,147.38 | (63,151.06) | 200.00 | 7,675.35 |
| Total | \$ 199,654.90 | \$ 867,954.38 | \$ (863,158.65) | \$ 0.00 | \$ 204,450.63 |

See accompanying notes and independent auditor's report

Ridgeview High School
Notes to Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2007

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 Ridgeview 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 Ridgeview 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 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, 2007, ending cash balance of \$ 204,450.63 consists of \$ 99,557.24 held in the School's non-interest bearing checking account (insured by the FDIC), \$ 102,795.39 held in an investment account with the Clay County School Board, and \$ 2,098.00 representing uncollected NSF checks.

Note 3 - Interest Income

Investment interest was earned on amounts invested through the Clay County School Board in the amount of \$ 5,382.19, representing an annual return of approximately 5.4 %. No interest was earned on the School's checking account.

ADAMS & HARPER, PA

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Schedule of Accounts Payable and Encumbrances

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

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, 2007 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 accounts payable and encumbrances. These accounts payable and encumbrances were not paid during the 2006 - 2007 fiscal year, and accordingly, are not recorded on the statement of receipts and disbursements of the internal funds of Ridgeview High School for the year ended June 30, 2007.

Accounts Payable

| <u>Vendor</u> | <u>Amount</u> |
|------------------------|---------------------------|
| Algy Team Collection | \$ 1,305.65 |
| Daisy Outdoor Products | 200.00 |
| TOTAL | <u>\$ 1,505.65</u> |

Encumbrances

| <u>Vendor</u> | <u>Amount</u> |
|----------------------|---------------------------|
| Algy Team Collection | \$ 3,449.15 |
| College Board | 180.00 |
| Neff Company | 2,594.00 |
| Orlando Team Sports | 2,489.25 |
| TOTAL | <u>\$ 8,712.40</u> |

The above accounts payable amount agrees with the Principal's Monthly Report as of June 30, 2007.

Adams & Harper, PA

Adams & Harper, PA
Certified Public Accountants
August 15, 2007

ADAMS & HARPER, PA

Certified Public Accountants

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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 Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Wayne Bolla
Ms. Lisa Graham

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, 2007, 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 report the following items noted during our audit:

1. When reviewing a sample of cash receipts, several items were noted:
 - Six (6) instances of deposits being held too long
 - One (1) instance of the date being wrong on the computer generated deposit slip
 - Nine (9) instances of "Reports of Monies Collected" being altered and not being voided
 - Two (2) instances of money held too long by teachers
 - Two (2) instances of receipt numbers not being recorded on "Reports of Monies Collected"
 - One (1) transfer request that was not signed by the principal
 - All five (5) fundraising recaps observed were filled out incompletely or incorrectly
 - Three (3) instances of fundraising receipts being held and not returned to the bookkeeper in a timely fashion
 - Two (2) instances of deposits and one (1) instance of expenses reported on the fundraising recaps not agreeing to the general ledger activity
 - All eight (8) of the Report of Tickets Sold or Admissions sampled were missing the dates the reports were received and the receipt numbers. This also occurred in the last audit year.
 - Three (3) bank deposits were deposited later than the computer recorded deposit. Night depositories were used in each instance, but the date was still later than the next banking day.

These items are not in compliance with Clay County School Board procedures as outlined in Internal Accounts Manual, pages 16-21, 47-48.

2. When reviewing a sample of cash disbursements, several items were noted:

- Three (3) check requisition forms without receipt documentation
- One (1) check over the allotted amount with no competitive bid being received
- One (1) purchase requisition with the incorrect purchase amount recorded
- Twenty Seven (27) instances of purchase requisitions being filled out incompletely or incorrectly

These items are not in compliance with Clay County School Board procedures as outlined in Internal Accounts Manual, pages 34-38.

3. When reviewing the Principal's Monthly Reports, one item was noted:

- Three (3) instances of Principal's Monthly Report not being approved until after the 15th of the month

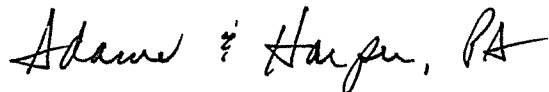
These items are not in compliance with Clay County School Board procedures as outlined in Internal Accounts Manual, pages 54-57.

During our audit engagement, we also noted that a new scholarship was added to the school's accounts without written approval. While all parties involved have noted that this arrangement was agreed to verbally, the internal accounts manual requires that all new scholarships be requested in writing as outlined in the internal accounts manual on page 64.

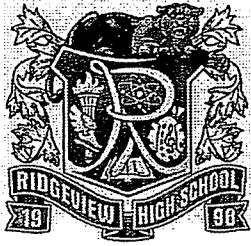
The internal funds accounting records were overall neat and orderly. We found that the School substantially followed the procedures outlined in the Internal Accounts Manual of the Clay County School Board. However, the recurrence of items identified above suggests the school's administrative staff should re-emphasize the importance to complying with procedures and instructions contained in the Internal Accounts Manual.

It has been a pleasure to serve Ridgeview High School and the Clay County District Schools.

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



Adams & Harper, PA
Certified Public Accountants
August 15, 2007



Ridgeview High School

466 Madison Avenue
Orange Park, Florida 32065

August 31, 2007

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

Dear Madam or Sir,

In response to your audit of Ridgeview High School, I will be meeting with faculty and sponsors to review procedures. I will remind them that all changes must be initialed and noted of the reason for the change. They will also be reminded to complete all forms and turn in money as soon as possible. I will continue to review the items for accuracy. Any future scholarships that may be created will be sent to the county for approval.

It has been a pleasure, as always working with your staff.

Sincerely,

Annie Taylor
Bookkeeper

John Westmoreland
Principal

S. Bryan Jennings Elementary School

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

June 30, 2007

**S. Bryan Jennings Elementary School
Statement of Cash Receipts
and
Disbursements of the
Internal Funds**

June 30, 2007

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| Independent Auditors' Report on the Internal Control Structure and Other Matters | 6 |



Independent Auditors' Report

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of S. Bryan Jennings Elementary School for the year ended June 30, 2007. 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 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 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 S. Bryan Jennings Elementary School for the year ended June 30, 2007, on the basis of accounting described in Note 1.

DDF CPA Group

August 14, 2007

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

S. Bryan Jennings Elementary School
Statement of Cash Receipts and Disbursements of the Internal Funds
As of and for the Fiscal Year Ended June 30, 2007

| | <u>Balances</u> <u>July 1, 2006</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Interfund</u> <u>Transfers</u> | <u>Balances</u> <u>June 30, 2007</u> |
|-----------------------------------|--|---------------------|----------------------|--------------------------------------|---|
| Athletics | \$ -- | \$ 700.00 | \$ 620.00 | \$ -- | \$ 80.00 |
| Music | 105.71 | 232.00 | 204.70 | -- | 133.01 |
| Classes, clubs and departments | 7,095.90 | 27,559.44 | 27,552.78 | 529.55 | 7,632.11 |
| Trust | 685.50 | 19,361.05 | 17,971.53 | (529.55) | 1,545.47 |
| General | 16,365.04 | 20,641.81 | 16,471.24 | -- | 20,535.61 |
| Outside organizations | <u>9,298.78</u> | <u>28,543.52</u> | <u>35,605.26</u> | <u>--</u> | <u>2,237.04</u> |
| Total | <u>\$ 33,550.93</u> | <u>\$ 97,037.82</u> | <u>\$ 98,425.51</u> | <u>\$ --</u> | <u>\$ 32,163.24</u> |

The accompanying "Notes to the Statement of Cash Receipts and Disbursements" form an integral part of this statement.

**S. Bryan Jennings Elementary School
Notes to Statement of Cash Receipts and Disbursements
As of and for the Fiscal Year Ended June 30, 2007**

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 S. Bryan Jennings Elementary School (the 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 S. Bryan Jennings 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.

Note 2 - Cash and Cash Equivalents

The June 30, 2007 cash balance, totaling \$32,163.24, consists of \$10,191.39 in a non-interest bearing checking account with Wachovia Bank and \$21,951.85 in an investment account with the Clay County School Board. The school board invests its funds with the SBA. The remaining \$20.00 is for checks returned for insufficient funds during the school year. The School expects to collect the returned checks.

Note 3 - Interest Income

The School earned \$1,149.36 in interest in the investment account with the Clay County School Board. This represents a yield of approximately 5.38 percent during that period for monies invested with the SBA.

Note 4 - 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 also with the Florida State Board of Administration (SBA), Local Government Surplus Funds Trust Fund (LGSF).

S. Bryan Jennings Elementary School
Notes to Statement of Cash Receipts and Disbursements
As of and for the Fiscal Year Ended June 30, 2007
(Concluded)

Note 4 – Investments (concluded)

In accordance with GASB Statements No. 40, as of June 30, 2007, the School had the following investment:

| <u>Investment</u> | <u>Maturities</u> | <u>Fair Value</u> |
|--------------------------------------|-------------------|-------------------|
| State Board of Administration - LGSF | 54 Day Average | \$21,952 |

Interest Rate Risk. The District School Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District School Board policy limits investments to the Local Government Surplus Funds Trust Fund or other intergovernmental investment pool; interest-bearing time deposits or savings accounts held in qualified public depositories.

As of June 30, 2007, the investment in the Local Government Surplus Funds Trust Fund investment pool was unrated.



Schedule of Accounts Payable and Encumbrances

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

Honorable Members:

As requested by the Clay County School Board, we reviewed and tested the accounts payable and encumbrances for S. Bryan Jennings Elementary School at June 30, 2007. The School reported to us there were \$0 in encumbrances and \$0 in accounts payable outstanding at fiscal year end.

The accounts payable does agree with the Principal's Report for June 30, 2007.

Such auditing procedures as we considered necessary were applied to the verification of these accounts payable and encumbrances. The following accounts payable and encumbrances were not paid during the year ended June 30, 2007 and, accordingly, were not included in the statement of cash receipts and disbursements of the internal funds for the year then ended.

DDF CPA Group

August 14, 2007



Independent Auditors' Report on the Internal Control Structure and Other Matters

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

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of S. Bryan Jennings Elementary School (the School) for the year ended June 30, 2007, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, we noted certain matters involving the internal control structure and its operation 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 ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are presented below.

1. The Internal Accounts Manual of the Clay County School Board requires monies collected to be supported by individual receipts or tally sheets if monies were collected from numerous individuals for the same type of collection activity. Funds collected by the PFA for the sale of cookie dough and candy, and also funds collected at various book fairs were not supported by individual receipts or tally sheets. We recommend that the School require teachers and sponsors to issue individual receipts or prepare tally sheets as policy requires.
2. The PFA helped raise \$37,842 for the school during the year by conducting various fundraising activities. As noted in the previous comment, the receipts were not accompanied by individual receipts and tally sheets. Additionally, several deposits made in February were over \$2,000 and we believe these funds were collected over a period of days and held before being turned in for deposit. School Board rules require funds to be turned in daily, if the monies are collected outside of School. We recommend that the School remind the PFA of this School Board requirement.

This report is intended solely for the information and use of the Clay County District Schools. This restriction is not, however, intended to limit the distribution of this report, which, upon acceptance, is a matter of public record.

We wish to take this opportunity to thank the Principal, bookkeeper and staff for their cooperation and courtesies extended to us during our examination. We appreciate the opportunity to be of service to the Clay County District Schools 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.

DDF CPA Group

August 14, 2007

S. Bryan Jennings Elementary School

215 Corona Drive - Orange Park, FL 32073

Phone: (904) 213-3021

www.clay.k12.fl.us/sbj

Fax: (904) 213-3014

Mr. Dana L. Archibald
Principal

Ms. Tiffany R. Myrick
Assistant Principal

August 27, 2007

Tim Coleman, CPA, CVA
DDF CPA Group
4729 U.S. Highway 17, South
Suite 204
Orange Park, FL 32003

Dear Mr. Coleman:

I am responding to your audit report dated August 14, 2007, for the internal funds of S. Bryan Jennings Elementary School for the 2006-07 school year. We are pleased to have received such positive comments regarding the condition of our internal accounts records.

As to your notes regarding the fund-raising procedures used by our Parent-Faculty Association volunteers, we have instituted more stringent controls regarding the documentation and reporting of their fund-raising activities and are providing additional training and supervision.

The bookkeeper and I are committed to following appropriate and responsible internal funds accounting procedures as outlined by the Clay County School Board.

Thank you for your thorough audit of our procedures.

Sincerely,



Dana Archibald
Principal

sam

cc: R. Campbell ✓

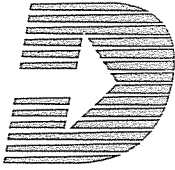
SWIMMING PEN CREEK ELEMENTARY SCHOOL

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

**FOR THE YEAR ENDED
JUNE 30, 2007**

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DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Sr.
Mr. Wayne Bolla
Ms. Lisa Graham

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Swimming Pen Creek Elementary School for the year ended June 30, 2007. 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 Swimming Pen Creek Elementary School for the year ended June 30, 2007, on the basis of accounting described in Note 1.

DuVal & Company, CPA's, PA
DuVal & Company, CPA's, P.A.
August 8, 2007

Swimming Pen Creek Elementary School

Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2007

| | <u>Balance July 1, 2006</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Interfund Transfers</u> | <u>Balance June 30, 2007</u> |
|-----------------------------------|---------------------------------|-----------------------------|-----------------------------|--------------------------------|----------------------------------|
| Music | \$ 548.69 | \$ 1,409.90 | \$ 1,109.38 | \$ (469.38) | \$ 379.83 |
| Classes, Clubs and Departments | 9,932.76 | 49,824.21 | 49,896.61 | 1,961.49 | 11,821.85 |
| Trusts | 2,146.50 | 17,260.93 | 18,502.51 | (220.71) | 684.21 |
| General | 3,348.69 | 16,828.46 | 18,372.81 | 2,508.34 | 4,312.68 |
| Outside Organizations | <u>3,350.13</u> | <u>38,910.55</u> | <u>35,123.53</u> | <u>(3,779.74)</u> | <u>3,357.41</u> |
| TOTALS | <u>\$ 19,326.77</u> | <u>\$ 124,234.05</u> | <u>\$ 123,004.84</u> | <u>\$ (0.00)</u> | <u>\$ 20,555.98</u> |

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

SWIMMING PEN CREEK ELEMENTARY SCHOOL

Notes to Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2007

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 Swimming Pen Creek 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 Swimming Pen Creek 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 statement is 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.

SWIMMING PEN CREEK ELEMENTARY SCHOOL

**Notes to Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Investments

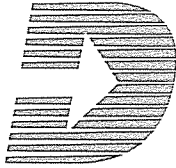
The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds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

NOTE 2 - CASH

The June 30, 2007 cash balance, totaling \$20,555.98 consists of \$20,438.98 in a noninterest bearing checking account with Wachovia Bank. Also included is a NSF checks receivable in the amount of \$117.00, which is expected to be collected.

NOTE 3 - INTEREST INCOME

None - Swimming Pen Creek Elementary School did not have an investment account with the Clay County School Board.



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Sr.
Mr. Wayne Bolla
Ms. Lisa Graham

Honorable Members:

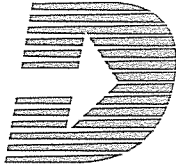
As requested by the Clay County School Board, listed below is a schedule of accounts payable and encumbrances for Swimming Pen Creek Elementary School at June 30, 2007.

| | |
|-----------------------------|--------------------|
| <u>ACCOUNTS PAYABLE</u> | <u>\$ 0.00</u> |
| <u>ENCUMBRANCES</u> | |
| AAA Auto Club South | \$ 92.00 |
| Active Parenting Publishers | 194.55 |
| Barco Products | 3,202.00 |
| School Specialty | <u>83.92</u> |
| Total | <u>\$ 3,572.47</u> |

The accounts payable and encumbrances above agree with the Principal's Monthly Report for June 30, 2007.

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

DuVal & Company, CPA's, P.A.
August 8, 2007



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. David L. Owens, Superintendent of Schools
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Sr.
Mr. Wayne Bolla
Ms. Lisa Graham

Honorable Members:

In planning and performing our audit of the statement of receipts and disbursements of the internal funds of Swimming Pen Creek Elementary School for the year ended June 30, 2007, 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.

The deficiencies reported in the prior year management letter appear to have been corrected. We would like to point out the following items observed during our audit:

1. During our cash receipts testing we noted the following items:
 - A. On two (2) occasions, the Report of Monies Collected was not signed by the principal or the bookkeeper.
 - B. On one (1) occasion, the teacher receipts were dated five (5) days after the Report of Monies Collected.
2. During our cash disbursement testing, we noted that on one (1) occasion, there was no signature on the Purchase Approval Form.

3. On one (1) occasion, the bookkeeper did not void the check the correct way which requires her to destroy the signature line and write "Void" across the check.

4. On the opening and closing inventory for the school store, there was no second signature and the principal did not sign off on the inventory. The inventory is also not on the official school store inventory form.

Overall, we found the internal accounting records were 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.

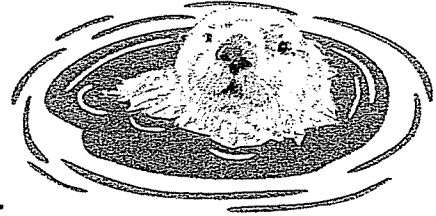
This report is intended solely for the information and use of the Clay County School Board management and others within the organization.

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, P.A.

DuVal & Company, CPA's, P.A.
August 8, 2007

Swimming Pen Creek Elementary
1630 Woodpecker Lane
Middleburg, FL 32068
904-278-5707



Principal: Lenore Paulk

August 30, 2007

Duval & Company, CPA's, PA
428 Walnut Street
Green Cove Springs, FL 32043

To Whom It May Concern:

Please accept this letter as my response to the Internal Account audit you conducted during the summer for the 2006-2007 school year. I was very pleased to find that the accounts were very neat and orderly. This is a reflection on the school and in particular Mrs. Beth Hamilton, the bookkeeper. She always strives for perfection.

We will take extra measures to make sure that the items noted will be double checked at the time of the transactions to assure that we have the proper signatures, dates and taken whatever actions necessary to be in compliance with the Internal Funds Manual as discussed.

Thank you again for your commendation on the bookkeeping procedures at Swimming Pen Creek Elementary and we look forward to working with you again next year.

Sincerely,

Handwritten signature of Lenore Paulk

Lenore Paulk
Principal

cc: Roni Campbell