

Adult & Community Education

Statement of Cash Receipts and Disbursements of the Internal Funds

For the Year Ended June 30, 2010

Adult & Community Education

Table of Contents

Independent Auditors' Report	1
Statement of Cash Receipts and Disbursements of the Internal Funds	2
Notes to the Financial Statements	3
Supplemental Information:	
Schedule of Accounts Payable and Encumbrances	5
Report on Internal Control Over Financial Reporting and on Compliance And Other Matters / Communication with Those Charged with Governance	6
Management's Response to Audit Findings	9



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Independent Auditors' Report

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Adult & Community Education (the School) for the year ended June 30, 2010. 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 statements 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 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 Adult & Community Education for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Coleman & Associates Cpa firm

August 13, 2010

**Adult & Community Education
Statement of Cash Receipts and Disbursement of the Internal Funds
For the Year Ended June 30, 2010**

<u>Accounts</u>	<u>Cash Balance July 1, 2009</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	<u>Cash Balance June 30, 2010</u>
Trust	\$ 1,429.67	\$ 5,159.84	\$ 4,331.99	\$ -	\$ 2,257.52
General	1,961.14	5,235.19	5,907.30	-	1,289.03
Totals	<u>\$ 3,390.81</u>	<u>\$ 10,395.03</u>	<u>\$ 10,239.29</u>	<u>\$ --</u>	<u>\$ 3,546.55</u>

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

**Adult & Community Education
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010**

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 Adult & Community Education (the School) within the Clay County, Florida school system.

The accompanying statement of cash receipts and disbursements of the internal funds is not intended to be a complete presentation of all of the internal account activities of the school system because this financial statement only includes the accounts at Adult & Community Education.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of the 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 accounting policy is to prepare its financial statements using a comprehensive basis of accounting known as cash. This means that revenues are recognized in the financial statements when received instead of when earned and expenses are recognized when paid rather than when the liability was incurred. This basis of accounting is not in conformity with generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present financial position and resulted of operations in conformity with generally accepted accounting principles.

Note 2 – Cash and Cash Equivalents

As of June 30, 2010, the School's total cash balance of \$3,546.55 consists of \$2,781.26 held in a non-interest bearing checking account and \$765.29 held in an investment account. The School earned \$2 during the fiscal year by investing excess funds into the Local Government Trust Fund (Florida PRIME).

Note 3 – Investments

The School Board has 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 (Florida PRIME). Florida PRIME was created in 1977 and currently has over 800 participants.

**Adult & Community Education
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010
(Concluded)**

Note 3 – Investments (concluded)

In accordance with GASB Statement No. 40, as of June 30, 2010, the School invested \$765 with the Florida PRIME with an average maturity of forty-six days.

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 Trust Fund or any intergovernmental investment pool, interest bearing time deposits or savings accounts held in qualified public depositories.

As of June 30, 2010, the Schools invested money in Florida PRIME. Florida PRIME is considered a SEC 2a-7 like fund and the account balance equals the fair value. Florida PRIME is rated by Standard and Poors and the current rating is AAAM.

The School did not have any investments in the Fund B Surplus Funds Trust Fund. The Fund B investments are not rated by any nationally recognized statistical rating agency.

Supplemental Information



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Schedule of Accounts Payable and Encumbrances

Mr. Ben Wortham, Superintendent
Ms. Denise Adams, Deputy Superintendent
Ms. Lisa Graham, Chairman
Mr. Frank Farrell, Vice-Chairman
Mr. Charles Van Zant, Jr., Member
Ms. Carol Vallencourt, Member
Ms. Carol Studdard, Member

Honorable Members:

The Clay County School Board has requested that we provide a schedule of accounts payable and encumbrances incurred as of June 30, 2010, for Adult & Community Education's internal funds as reported to us by the School.

Certain auditing procedures were applied to the verification of these accounts payable and encumbrances that we considered necessary. The following accounts payable and encumbrances, if any, were not paid during the School's fiscal year ending June 30, 2010, and accordingly, were not included in the statement of cash receipts and disbursements of the internal funds for the year ended June 30, 2010.

Accounts Payable as of June 30, 2010

<u>Amount</u>	<u>Vendor</u>
\$ --	

Encumbrances as of June 30, 2010

\$ --

The above accounts payable amount was reported on the June 30, 2010 Principal's Monthly Report. Encumbrances are not reported on the monthly principal's report.

Coleman & Associates Cpa firm

August 13, 2010



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Mr. Ben Wortham, Superintendent
Ms. Denise Adams, Deputy Superintendent
Ms. Lisa Graham, Chairman
Mr. Frank Farrell, Vice-Chairman
Mr. Charles Van Zant, Jr., Member
Ms. Carol Vallencourt, Member
Ms. Carol Studdard, Member

Honorable Members:

We have audited the internal funds financial statement of Adult & Community Education as of and for the fiscal year ended June 30, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

**Report on Internal Control over Financial Reporting
And on Compliance and Other Matters**

In planning and performing our audit of the internal funds of Adult & Community Education for the year ended June 30, 2010; in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

- The School paid for a staff Christmas dinner, at an average cost of approximately \$84 plus tip, per person. A listing of attendees was not included in the documentation. We recommend that the School keep a listing of attendees for all future staff events. We are also concerned that this would not be considered a de minimis fringe benefit and might be considered taxable to the employees. We recommend that the School discuss future events with the district and obtain an opinion as to whether such benefits are taxable to the employees and in accordance with District policies.
- We noted that a few purchases were made prior to the Principal signing the Request for Purchase Approval and Check requisition form. All purchases are required to be approved by the Principal in writing prior to ordering goods and services.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be significant deficiencies.

However, we did note a matter involving the internal control and its operation that we have described below:

- We noted the School collects monies for vending activities which has been reported as a trust account. The funds from vending activities are spent on an annual faculty breakfast and Christmas dinner among other things. We believe that the spending of these funds is more general in nature and not a trust activity. We recommend the School transfer vending receipts to the Principal's discretionary account and the disbursements described above can be charged to this account.

This communication is intended solely for the information and use of management, Clay County District School Board, the Florida Office of the Auditor General and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not, however, intended to limit the distribution of this report, which upon acceptance, is a matter of public record.

We would like to express that we observed the internal funds accounting records were neat and organized. We also noted that except for the comments described above we found that the School substantially followed the procedures outlined in the Clay County School Board Internal Accounts Manual.

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 dated June 22, 2010, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

The firm of Coleman and Associates, CPA Firm has remained independent of Clay County District School Board, as defined by AU Section 220, U.S. Professional Auditing Standards and the AICPA's Interpretation 101-3, *Performance of Nonattest Services*.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the internal funds financial statements are free of material misstatement. As part of our audit, we considered the internal control of Clay County District School Board. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. Our audit of the internal funds financial statements does not relieve you or management of your responsibilities.

We performed the audit according to the planned scope and timing. There was a discussion of the planned scope and timing at a meeting conducted on June 22, 2010.

Difficulties Encountered in Performing the Audit

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

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Clay County District Schools are described in Note 1 to the internal funds financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ending June 30, 2010. We noted no transactions entered into by the School during the year for which there was a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period

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

The disclosures in the financial statements are neutral, consistent, and clear. There are no particularly sensitive disclosures significantly affecting the financial statements.

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 statements 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 statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

It was a pleasure to work with the School's Principal, Bookkeeper and staff. We appreciate the opportunity to be of service to the Clay County District Schools and look forward to a continuing relationship.

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

Coleman & Associates Cpa firm

August 13, 2010



CENTER FOR ADULT AND COMMUNITY EDUCATION
SCHOOL DISTRICT OF CLAY COUNTY

2306 Kingsley Avenue
Orange Park, Florida 32073
(904) 272-8170

Ben Wortham
Superintendent of Schools
Green Cove Springs 284-6500
Orange Park 272-8170
Keystone Heights 352-473-2761

August 17, 2010

Mr. Timothy Coleman
Coleman & Associates, CPA Firm
P.O. Box 8279
Fleming Island, FL 32006

Dear Mr. Coleman:

Thank you for your thorough and professional audit of our internal accounts for the 2009/2010 school year. We are pleased that the financial statement, which was prepared on the basis of cash receipts and disbursements, has been represented correctly.

The following is a response to the items noted in the auditor's report.

1. Every effort will be made to discuss future school events with the district and obtain an opinion as to whether such benefits are taxable to the employees and in accordance with District policies.
2. Every effort will be made to transfer vending receipts to the Principal's discretionary account in order for the disbursements described in the Auditor's report to be charged to this account.
3. Every effort will be made to insure that no purchases will be made prior to the Principal signing the Request for Purchase Approval and Check requisition form. All purchases will be approved by the Principal in writing prior to ordering goods and services.

Sincerely,

John Chappell
Supervisor

**Argyle Elementary School
Internal Funds**

**Statement of Cash Receipts
and Disbursements**

June 30, 2010

**Argyle Elementary School
Internal Funds
Statement of Cash Receipts and Disbursements
June 30, 2010**

Table of Contents

Independent Auditors' Report	1
Statement of Cash Receipts and Disbursements	2
Notes to Financial Statement	3
Management Letter	4



Independent Auditors' Report

District School Board
Clay County, Florida

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the Argyle Elementary School Internal Funds for the year ended June 30, 2010. 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 Argyle Elementary 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 Argyle Elementary School Internal Funds for the year ended June 30, 2010, on the basis of accounting described in Note 1.

DDF CPA Group

July 23, 2010

ddfcpa.com

- P.O. Box 996, Starke, Florida 32091
107 Edwards Road, Starke, Florida 32091 | tel 904.964.7404 toll 800.771.7404 fax 904.964.6583
- P.O. Box 9089, Fleming Island, Florida 32006
4729 US Highway 17 S, Suite 204, Fleming Island, Florida 32003 | tel 904.264.9768 toll 866.811.9701 fax 904.269.7091

**Argyle Elementary School
Internal Funds
Statement of Cash Receipts and Disbursements
For the Year Ended June 30, 2010**

	<u>Balance July 1, 2009</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Interfund Transfers</u>	<u>Balance June 30, 2010</u>
Music	\$ 338.16	\$ 2,406.48	\$ 3,829.57	\$ 1,210.48	\$ 125.55
Classes, Clubs and Departments	10,865.77	46,783.86	47,629.48	(1,826.80)	8,193.35
Trusts	9,085.51	16,785.48	16,131.51	(2,019.95)	7,719.53
General	5,475.63	24,227.57	22,483.75	2,960.72	10,180.17
Outside Organizations	<u>8,249.27</u>	<u>16,076.95</u>	<u>11,086.03</u>	<u>(324.45)</u>	<u>12,915.74</u>
	<u>\$ 34,014.34</u>	<u>\$ 106,280.34</u>	<u>\$ 101,160.34</u>	<u>\$ -</u>	<u>\$ 39,134.34</u>

See accompanying Notes to Financial Statement

**Argyle Elementary School
Internal Funds
Notes to Financial Statement
For the Year Ended June 30, 2010**

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 Argyle Elementary 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 Argyle Elementary 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, 2010 cash balance, totaling \$39,134.34 consists of \$38,985.28 in a non-interest bearing checking account and \$149.06 in checks returned to the school for insufficient funds. The School will either collect and re-deposit the NSF checks or seek approval from the District School Board to write them off as uncollectible after collection efforts have been exhausted. Interest earnings for the year ended June 30, 2010 amounted to \$0.

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, 2010.

<u>Vendor</u>	<u>Amount</u>
GCS Auto & Truck Supply	23.92
Publix	17.04
Sam's Club	\$ 1,080.26
	\$ <u>1,121.22</u>

There were no encumbrances at June 30, 2010.



Management Letter

District School Board
Clay County, Florida

In planning and performing our audit of the financial statement of Argyle Elementary School as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, 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 Argyle Elementary School's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies in the Argyle Elementary School's internal control to be material weaknesses:

- The fundraising forms were not always completed (inventory section) and documentation to support the cash receipts generated from some fundraisers was inadequate. Due to the high level of risk that is associated with fundraisers, the principal should carefully consider the sponsor's willingness to meet the financial reporting obligations when approving fundraisers.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in Argyle Elementary School's internal control to be significant deficiencies:

- A review of outstanding accounts payable balances revealed that one invoice caused an account (EBD) to exceed the resources available in that account. Before purchases are approved, it should be ascertained that sufficient funds are available in the account to cover the purchase.

- During our audit, we noted an instance where ticket admissions were collected; however there was no evidence that a Report of Tickets Sold was completed. The Internal Accounts Manual should be reviewed for the appropriate accounting procedures regarding ticket sales.
- During our testing of purchasing and cash disbursements it is unclear in some instances when the approval by the principal is taking place, since the date is filled in by the bookkeeper and is dated the same day as the check date. The Internal Accounts Manual requires that purchases be approved prior to receiving the goods or services. We suggest that supporting documentation reflect such timing in approval.

As part of our audit, we considered the correction of prior year findings. With regard to the findings from the June 30, 2009 audit report, all items noted were either corrected or we noted that improvement was made.

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

July 23, 2010



We are all Pioncers...

...Pathfinders on the Trail of a New Frontier

Theresa Roman, Principal
troman@mail.clay.k12.fl.us

Jessica Parman, Assistant Principal
jparman@mail.clay.k12.fl.us

September 02, 2010

DDF CPA GROUP.
P.O. Box 996
Fleming Island FL 32006

Dear DDF CPA Group:

This letter is in response to the audit report of the internal funds of Argyle Elementary School for the year ending June 30, 2010. Steps have been taken to correct the items noted in our audit draft for the 2010-2011 school year.

1. In regards to the Fundraiser forms not being complete and having inadequate documentation: On August 9th and the 10th the bookkeeper reviewed fundraiser form guidelines and explained to all the importance of completing the inventory section of the form and providing all necessary documentation.
2. In regards to the outstanding accounts payable invoice causing an account to exceed its resources: The bookkeeper will ascertain that sufficient funds are available in each account to cover expenditures.
3. In regards to the missing Report of Tickets Sold form: The bookkeeper reviewed the Internal Accounts Manual, located the missing form and will have a Report of Tickets Sold form with each Monies Collected form when tickets are sold.
4. In regards to the bookkeeper filling in the date approved for the principal on check requisitions: The bookkeeper will ensure that the principal will sign and date all forms.

Argyle Elementary appreciates the patience and guidance of our auditor, DDF CPA Group. We would like to thank DDF CPA Group for being extremely helpful and understanding.

Sincerely,

A handwritten signature in cursive script that reads "Theresa Roman".

Theresa Roman
Principal

R.C. Bannerman Learning Center

Statement of Cash Receipts and Disbursements of the Internal Funds

For the Year Ended June 30, 2010

R.C. Bannerman Learning Center

Table of Contents

Independent Auditors' Report	1
Statement of Cash Receipts and Disbursements of the Internal Funds	2
Notes to the Financial Statements	3
Supplemental Information:	
Schedule of Accounts Payable and Encumbrances	5
Report on Internal Control Over Financial Reporting and on Compliance And Other Matters / Communication with Those Charged with Governance	6
Management's Response to Audit Findings	9



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Independent Auditors' Report

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of R.C. Bannerman Learning Center (the School) for the year ended June 30, 2010. 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 statements 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 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.C. Bannerman Learning Center for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Coleman & Associates Cpa firm

August 12, 2010

**R.C. Bannerman Learning Center
Statement of Cash Receipts and Disbursement of the Internal Funds
For the Year Ended June 30, 2010**

<u>Accounts</u>	<u>Cash Balance July 1, 2009</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	<u>Cash Balance June 30, 2010</u>
Classes, Clubs and Departments	\$ 1,776.91	\$ 5,718.85	\$ 5,822.81	\$ (113.62)	\$ 1,559.33
Trust	12,175.27	22,924.66	23,043.18	65.00	12,121.75
<u>General</u>	<u>1,214.03</u>	<u>3,218.61</u>	<u>2,833.92</u>	<u>48.62</u>	<u>1,647.34</u>
Totals	<u>\$ 15,166.21</u>	<u>\$ 31,862.12</u>	<u>\$ 31,699.91</u>	<u>\$ --</u>	<u>\$ 15,328.42</u>

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

**R.C. Bannerman Learning Center
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010**

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 R.C. Bannerman Learning Center (the School) within the Clay County, Florida school system.

The accompanying statement of cash receipts and disbursements of the internal funds is not intended to be a complete presentation of all of the internal account activities of the school system because this financial statement only includes the accounts at R.C. Bannerman Learning Center.

The Florida Department of Education and Clay County District Schools have established rules and regulations concerning the administration of the 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 accounting policy is to prepare its financial statements using a comprehensive basis of accounting known as cash. This means that revenues are recognized in the financial statements when received instead of when earned and expenses are recognized when paid rather than when the liability was incurred. This basis of accounting is not in conformity with generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present financial position and resulted of operations in conformity with generally accepted accounting principles.

Note 2 – Cash and Cash Equivalents

As of June 30, 2010, the School's total cash balance of \$8,320.83 was held in a non-interest bearing checking account and \$7,007.61 held in an investment account. The School earned \$7.61 during the fiscal year by investing excess funds into the Local Government Trust Fund.

Note 3 – Investments

The School Board has 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 (Florida PRIME). Florida PRIME was created in 1977 and currently has over 800 participants.

**R.C. Bannerman Learning Center
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010
(Concluded)**

Note 3 – Investments (concluded)

In accordance with GASB Statement No. 40, as of June 30, 2010, the School invested \$7,007.61 with the Florida PRIME with an average maturity of forty-six days.

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 Trust Fund or any intergovernmental investment pool, interest bearing time deposits or savings accounts held in qualified public depositories.

As of June 30, 2010, the Schools invested money in Florida PRIME. Florida PRIME is considered a SEC 2a-7 like fund and the account balance equals the fair value. Florida PRIME is rated by Standard and Poors and the current rating is AAAm.

The School did not have any investments in the Fund B Surplus Funds Trust Fund. The Fund B investments are not rated by any nationally recognized statistical rating agency.

Supplemental Information



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Schedule of Accounts Payable and Encumbrances

Mr. Ben Wortham, Superintendent
Ms. Denise Adams, Deputy Superintendent
Ms. Lisa Graham, Chairman
Mr. Frank Farrell, Vice-Chairman
Mr. Charles Van Zant, Jr., Member
Ms. Carol Vallencourt, Member
Ms. Carol Studdard, Member

Honorable Members:

The Clay County School Board has requested that we provide a schedule of accounts payable and encumbrances incurred as of June 30, 2010, for R.C. Bannerman Learning Center's internal funds as reported to us by the School.

Certain auditing procedures were applied to the verification of these accounts payable and encumbrances that we considered necessary. The following accounts payable and encumbrances, if any, were not paid during the School's fiscal year ending June 30, 2010, and accordingly, were not included in the statement of cash receipts and disbursements of the internal funds for the year ended June 30, 2010.

Accounts Payable as of June 30, 2010

\$ --

Encumbrances as of June 30, 2010

\$ --

The above accounts payable amount was reported on the June 30, 2010 Principal's Monthly Report. Encumbrances are not reported on the monthly principal's report.

Coleman & Associates Cpa firm

August 12, 2010



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Mr. Ben Wortham, Superintendent
Ms. Denise Adams, Deputy Superintendent
Ms. Lisa Graham, Chairman
Mr. Frank Farrell, Vice-Chairman
Mr. Charles Van Zant, Jr., Member
Ms. Carol Vallencourt, Member
Ms. Carol Studdard, Member

Honorable Members:

We have audited the internal funds financial statement of R.C. Bannerman Learning Center as of and for the fiscal year ended June 30, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

**Report on Internal Control over Financial Reporting
And on Compliance and Other Matters**

In planning and performing our audit of the internal funds of R.C. Bannerman Learning Center for the year ended June 30, 2010; in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies.

However, we did note a matter involving the internal control and its operation that we have described below:

- We noted the School collects monies for vending activities which has been reported as a trust account. The funds from vending activities are spent on an annual faculty breakfast and Christmas dinner among other things. We believe that the spending of these funds is more general in nature and not a trust activity. We recommend the School transfer vending receipts to the Principal's discretionary account and the disbursements described above can be charged to this account.

This communication is intended solely for the information and use of management, Clay County District School Board, the Florida Office of the Auditor General and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not, however, intended to limit the distribution of this report, which upon acceptance, is a matter of public record.

We would like to express that we observed the internal funds accounting records were neat and organized. We also noted that except for the comments described above we found that the School substantially followed the procedures outlined in the Clay County School Board Internal Accounts Manual.

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 dated June 22, 2010, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

The firm of Coleman and Associates, CPA Firm has remained independent of Clay County District School Board, as defined by AU Section 220, U.S. Professional Auditing Standards and the AICPA's Interpretation 101-3, *Performance of Nonattest Services*.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the internal funds financial statements are free of material misstatement. As part of our audit, we considered the internal control of Clay County District School Board. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. Our audit of the internal funds financial statements 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. There was a discussion of the planned scope and timing at a meeting conducted on June 22, 2010.

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 by Clay County District Schools are described in Note 1 to the internal funds financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ending June 30, 2010. We noted no transactions entered into by the School during the year for which there was a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period

Qualitative Aspects of Accounting Practices (concluded)

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

The disclosures in the financial statements are neutral, consistent, and clear. There are no particularly sensitive disclosures significantly affecting the financial statements.

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 statements 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 statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

It was a pleasure to work with the School's Principal, Bookkeeper and staff. We appreciate the opportunity to be of service to the Clay County District Schools and look forward to a continuing relationship.

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

Coleman & Associates Cpa firm

August 12, 2010

Bannerman Learning Center

608 Mill Street • Green Cove Springs, Florida 32043

Phone: (904) 529-2100

Fax: (904) 529-1025



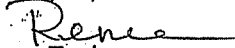
Linda K. Turner, Principal
Patrick Capriola, Assistant Principal

August 17, 2010

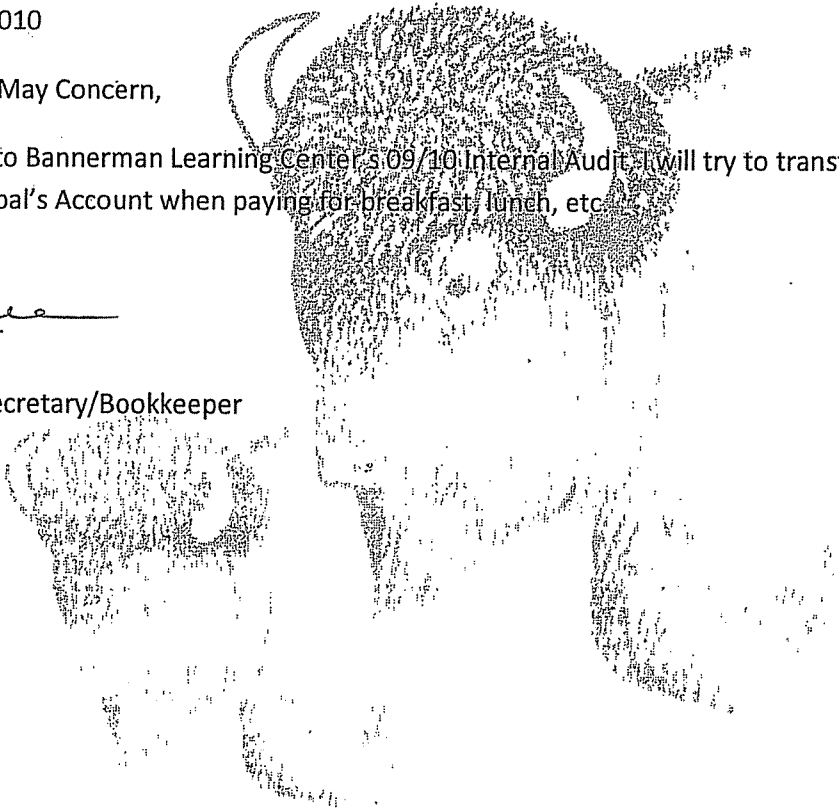
To Whom It May Concern,

In response to Bannerman Learning Center's 09/10 Internal Audit, I will try to transfer vending monies to the Principal's Account when paying for breakfast / lunch, etc.

Thank you,


Renee Taylor

Principal's Secretary/Bookkeeper



CHARLES E. BENNETT ELEMENTARY SCHOOL

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

For the Year Ended June 30, 2010

CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Statement of Cash Receipts and Disbursements	2
Notes to the Statement of Cash Receipts and Disbursements	3
Supplementary Information	
Accounts Payable and Encumbrances	5
Management Letter	6

**S
H**

SHIRLEY W. HATCHER, CPA, P.A.

P.O. Box 541
Middleburg, FL 32050-0541
E-Mail Hatcher CPA@comcast.net

(904) 282-7771
Fax (904) 282-6990

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 Charles E. Bennett Elementary School for the year ended June 30, 2010. 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 Charles E. Bennett Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.

Shirley W. Hatcher, CPA, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 11, 2010

CHARLES E. BENNETT ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For the Year Ended June 30, 2010

	Cash Balance <u>July 1, 2009</u>	<u>Transactions</u>			Cash Balance <u>June 30, 2010</u>
		<u>Receipts</u>	<u>Disburse- ments</u>	<u>Interfund Transfers</u>	
Music	\$ 793.92	\$ 6,068.98	\$ 3,993.35	\$ (1,376.74)	\$ 1,492.81
Classes, Clubs & Departments	9,751.31	36,669.83	36,433.72	(2,705.32)	7,282.10
Trust	1,992.50	15,243.25	16,994.22	1,132.71	1,374.24
General	5,196.15	6,669.87	6,890.96	2,949.35	7,924.41
Outside Organization	<u>7,947.23</u>	<u>8,524.05</u>	<u>6,222.83</u>	<u>.00</u>	<u>10,248.45</u>
Total	<u>\$ 25,681.11</u>	<u>\$ 73,175.98</u>	<u>\$ 70,535.08</u>	<u>\$.00</u>	<u>\$ 28,322.01</u>

See accompanying notes to statement of cash receipts and disbursements.

CHARLES E. BENNETT ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2010

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 Charles E. Bennett 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 Charles E. Bennett 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.

CHARLES E. BENNETT ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
(CONTINUED)
For the Year Ended June 30, 2010

NOTE 2 – Cash and Cash Equivalents

Of the June 30, 2010 cash balance of \$28,322.01 as reported on the Statement of Cash Receipts and Disbursements, \$7,226.20 is being held in a non-interest bearing checking account insured by the FDIC and \$21,095.81 in the investment account with the School Board.

NOTE 3 - Interest Income

Interest on the investment account for the year was \$60.54, which amounts to an annual yield of approximately 0.28%.

**S
H**

SHIRLEY W. HATCHER, CPA, P.A.

P.O. Box 541
Middleburg, FL 32050-0541
E-Mail Hatchercpa@comcast.net

(904) 282-7771
Fax (904) 282-6990

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, Charles E. Bennett Elementary School reported one accounts payable item and no encumbrances at June 30, 2010 for the internal funds.

Accounts Payable

Park Avenue Florist	\$ 100.00
---------------------	-----------

Encumbrances

NONE

The above amount agrees with the list provided by the school at June 30, 2010 and 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, PA

SHIRLEY W. HATCHER, CPA, P.A.
August 11, 2010



SHIRLEY W. HATCHER, CPA, P.A.

P.O. Box 541
Middleburg, FL 32050-0541
E-Mail Hatchercpa@comcast.net

(904) 282-7771
Fax (904) 282-6990

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 Charles E. Bennett Elementary School for the year ended June 30, 2010, 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. Reports of Monies Collected forms are incomplete, i.e., signatures of sponsors missing on several forms, student(s) names are missing on various forms when needed, and the fundraising numbers are not included on the forms. Several white copies of voided teacher receipts were missing.
2. Differences in amounts paid and supporting documentation were noted on several occasions. When the invoices/receipts do not agree with the requisition, an explanation of the changes should be made on the supporting documentation.
3. Recipient signatures were missing on two separate instances. One containing eight (8) gift cards and one instance containing three (3) gift certificates. Signed acknowledgement forms are required per the Internal Funds Manual.

4. Several instances of purchases prior to approval were noted. All purchases should be approved in advance per 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, PA

SHIRLEY W. HATCHER, CPA, P.A.
August 11, 2010

Charles E. Bennett Elementary School

1 South Oakridge Avenue
Green Cove Springs, FL 32043
(904) 529-2126
(904) 529-2133 – FAX

Evelyn Chastain
Principal

www.clay.k12.fl.us/ceb/

Mark G. Phelps
Assistant Principal

August 30, 2010

Ms. Shirley W. Hatcher
Certified Public Accountant
PO Box 541
Middleburg, FL 32068

Dear Ms. Hatcher:

Dolly Conner and I would like to thank you for the way you conducted our post audit discussions. Since Dolly is new to this position, I appreciate the thoughtful ideas and constructive comments that will help with future audits. We are in the process of implementing the changes necessary to correct the areas of concern noted.

1. Dolly Conner has reiterated to the staff the importance of filling out Monies Collected Forms completely and thoroughly. Faculty members were also reminded that if a receipt is voided, that both copies need to be retained by the teacher in the receipt book.
2. On two occasions the invoices did not match the amount of the checks. One of these was to our yearbook company and involved copies that could be sold or returned if not sold. We should have asked for a revised statement. The other situation was a RIF program grant that was a 50-50 dollar match. A copy of the grant should have been attached to the supporting documentation.
3. Recipient signatures were not available for gift card winners. The signatures for the two activities were obtained at the end of the school year. The teacher coordinating this activity was retiring and the signed acknowledgement forms were somehow misplaced when she was packing up her room.
4. We will ensure that all purchases are preapproved prior to purchasing items.

Thank you for your kind comments at the end of your report. They were very much appreciated.

Sincerely,



Evelyn Chastain, Principal

EC/dc

An Equal Opportunity Employer

CLAY HIGH SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2010

EMILY C. HELMS, CPA, PA
Certified Public Accountant

CONTENTS

	PAGE
Independent Auditor's Report	3
Statement of Cash Receipts and Disbursements Of the Internal Funds	4
Notes to Statement of Cash Receipts and Disbursements of the Internal Funds	5
Supplemental Information	
Accounts Payable and Encumbrance Letter	7
Management Letter	9

EMILY C. HELMS, CPA, PA
Certified Public Accountant

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

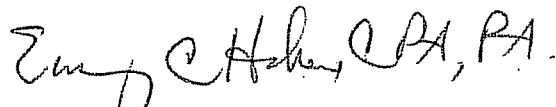
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Clay High School for the year ended June 30, 2010. 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 Clay High School for the year ended June 30, 2010, on the basis of accounting described in Note 1.



Emily C. Helms, CPA, PA
August 18, 2010

CLAY HIGH SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2010

	Cash	Transactions			Cash
	Balance	Receipts	Disburse- ments	Interfund Transfers	Balance
	July 1, 2009				June 30, 2010
Athletics	\$ 64,058.97	\$ 289,774.28	\$ 282,317.52	\$(1,450.23)	\$ 70,065.50
Music	9,873.98	24,391.63	20,181.01	(1,059.73)	13,024.87
Classes, Clubs, Departments	37,817.90	179,160.25	182,102.83	6,169.69	41,045.01
Trust	25,063.86	57,007.30	55,392.62	620.13	27,298.67
General	10,239.73	55,527.18	55,524.98	(6,855.39)	3,386.54
Outside Organizations	10,419.03	41,570.97	51,772.06	2,575.53	2,793.47
Total	\$ 157,473.47	\$ 647,431.61	\$ 647,291.02	\$ -	\$ 157,614.06

See accompanying notes and accountant's report.

CLAY HIGH SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2010

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 Clay 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 Clay 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. 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.

CLAY HIGH SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2010

NOTE 2 Cash

The June 30, 2010, total cash balance of \$157,614.06 as reported on the statement of cash receipts and disbursements consists of \$21,786.72 being held in an interest checking account insured by the FDIC, \$135,478.73 held in an investment account with the Clay County School and \$348.61 held as uncollected NSF Funds.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$395.55. Investment interest is maintained in a separate fund account.

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. Ben H. 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, Clay High School reported the following accounts payable and encumbrances as of June 30, 2010:

Accounts Payable

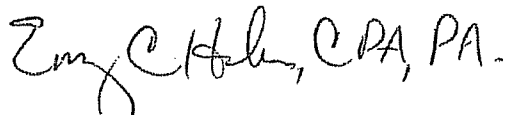
Amazon	\$ 149.55
Baker's Sporting Goods	348.00
Brown & Cartwright Ace Hardware	16.06
Clayton Richardson	54.00
Enterprise Leasing	285.60
FHSAA	50.00
Herff Jones	3,202.49
Home Depot	128.33
Hometown Trophies	912.50
Jerry Williams	783.00
Josh Freeman	138.93
Orlando Team Sports	12,960.00
Peter McCabe	64.90
Sam's Club Direct	562.96
Skinshield	1,104.00
Varsity	1,432.60
Walmart	449.48
Winn Dixie	91.94
Xerox Corporation	224.00
	<u>\$ 22,958.34</u>

Encumbrances

CP&S	\$ 3,817.50
Kiefer & Associates	718.85
Orlando Teas Sports	5,082.00
Pearson Education	<u>851.48</u>
	<u>\$ 10,469.83</u>

The above accounts payable and encumbrance lists do not agree with the Principal's Monthly Report as of June 30, 2010.

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 2009-2010 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Clay High School for the year ended June 30, 2010.



Emily C. Helms, CPA, PA
August 18, 2010

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. Ben H. 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:

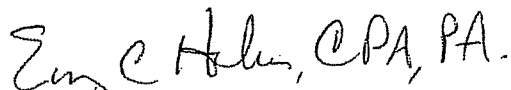
In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Clay High School for the year ended June 30, 2010, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control structure.

Deficiencies reported in the prior year management letter have been corrected.

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.

We commend the principal and the bookkeeper for an excellent job. It has been a pleasure to have this opportunity to serve Clay High 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 18, 2010

CLAY HIGH SCHOOL

2025 Highway 16 West - Green Cove Springs, FL 32043

Phone (904) 529-3000 - Fax (904) 529-3214

Peter J. McCabe, Principal
Cary Dicks, Assistant Principal



Deborah Segreto, Vice Principal
Matthew L. Lewis, Assistant Principal

August 30, 2010

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

Dear Mrs. Helms:

I would like to thank you for the recommendations and comments you shared with the bookkeeper and me during the exit interview for this year's internal account audit.

Clay High School will continue to comply with the procedures set forth in the Internal Accounts Manual.

It was a pleasure working with you this year.

Sincerely,

Peter J. McCabe
Principal

CLAY HILL ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2010

Steven W. Keenan, CPA
Certified Public Accountant

CONTENTS

	PAGE
Independent Auditor's Report	3
Statement of Cash Receipts and Disbursements Of the Internal Funds	4
Notes to Statement of Cash Receipts and Disbursements of the Internal Funds	5
Supplemental Information	
Accounts Payable and Encumbrance Letter	6
Management Letter	7

Steven W. Keenan, CPA
Certified Public Accountant

STEVEN W. KEENAN, CPA
Certified Public Accountant

673 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

Telephone (904) 579-4323
Facsimile (904) 579-4294

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

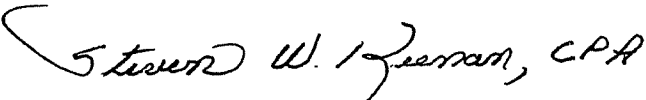
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Clay Hill Elementary School for the year ended June 30, 2010. 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 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 Clay Hill Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.


Steven W. Keenan, CPA
August 12, 2010

CLAY HILL ELEMENTARY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2010

	Cash	Transactions			Cash
	Balance July 1, 2009	Receipts	Disburse- ments	Transfers	Balance June 30, 2010
Music	\$ -	\$ 150.00	\$ 697.59	\$ 566.29	\$ 18.70
Classes, Clubs, Departments	13,833.51	40,622.17	40,830.53	564.77	\$ 14,189.92
Trust	1,281.94	14,774.69	13,744.98	185.19	2,496.84
General	6,127.10	15,020.42	16,328.88	1,497.75	6,316.39
Outside Organizations	5,888.72	15,274.75	16,377.66	(2,814.00)	1,971.81
Total	\$ 27,131.27	\$ 85,842.03	\$ 87,979.64	\$ -	\$ 24,993.66

See accompanying notes and independent auditor's report.

CLAY HILL ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2010

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 Clay Hill 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 Clay Hill 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, 2010, total cash balance of \$24,993.66 as reported on the statement of cash receipts and disbursements consists of \$12,343.99 being held in a non interest bearing checking account insured by the FDIC, \$12,649.67 held in an investment account with the Clay County School and no uncollected NSF checks.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$36.32. This represents a yield of approximately .3 percent.

STEVEN W. KEENAN, CPA
Certified Public Accountant

673 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

Telephone (904) 579-4323
Facsimile (904) 579-4294

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, Clay Hill Elementary School reported the following accounts payable and encumbrances as of June 30, 2010:

Accounts Payable

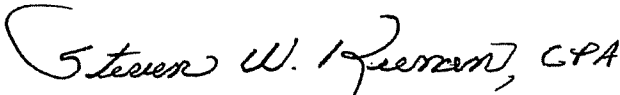
Dell Computers	\$461.94
Postive Promotions	\$205.95

Encumbrances

Book Bonanza	\$398.41
--------------	----------

The above accounts payable list agrees with the Principals Report as of June 30, 2010. 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 2009-2010 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Clay Hill Elementary School for the year ended June 30, 2010.


Steven W. Keenan, CPA
August 12, 2010

STEVEN W. KEENAN, CPA

Certified Public Accountant

673 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

Telephone (904) 579-4323
Facsimile (904) 579-4294

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:

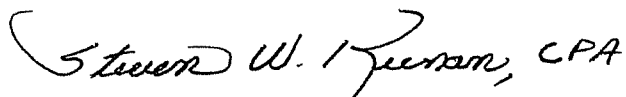
In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Clay Hill Elementary School for the year ended June 30, 2010, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our 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:

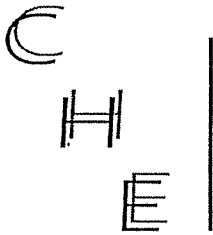
1. Seven Report of Monies Collected forms were incomplete with receipt numbers or source information not entered as required on page 17 of the Internal Accounts Manual. This discrepancy was noted on the prior year audit.

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 expeditious 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.



Steven W. Keenan, CPA
August 12, 2010



Clay Hill Elementary School



6345 CR 218 West
Jacksonville, Florida 32234

Main Office: 289-7193 ☐ Fax: 289-9667 ☐ Guidance: 289-9947 ☐ Clinic: 289-9163 ☐ Cafeteria: 289-7954

Larry Davis
Principal

www.clay.k12.fl.us/che

Bonnie Barker
Assistant Principal

August 20, 2010

Steven W. Keenan, CPA

673 Kingsley Avenue

Orange Park, Fla. 32073

To Whom It May Concern:

This letter is in response to the recent audit of our bookkeeping procedures at Clay Hill Elementary School for the 2009/10 school year. My responses to the one (1) item noted is as follows:

Item #1: *Incomplete Monies Collected Form.* Response: The collection of the monies collected forms policy will be followed as per the Internal Accounts Manual. Bookkeeper will issue a statement to all staff regarding the proper procedures of placing the correct information on the monies collected forms. Bookkeeper will conduct a monthly self audit of all monies collected forms and make corrections if necessary.

Please feel free to contact me if you should have any additional information or concerns regarding our bookkeeping practices at Clay Hill Elementary School.

Sincerely,

Larry Davis

Principal

COPPERGATE ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2010

EMILY C. HELMS, CPA, PA
Certified Public Accountant

CONTENTS

	PAGE
Independent Auditor's Report	3
Statement of Cash Receipts and Disbursements Of the Internal Funds	4
Notes to Statement of Cash Receipts and Disbursements of the Internal Funds	5
Supplemental Information	
Accounts Payable and Encumbrance Letter	6
Management Letter	7

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

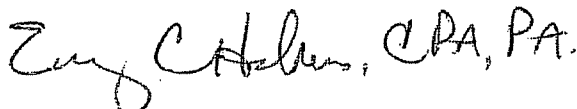
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Coppergate Elementary School for the year ended June 30, 2010. 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 Coppergate Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.



Emily C. Helms, CPA, PA
August 12, 2010

COPPERGATE ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2010

	Cash	Transactions			Cash
	Balance		Disburse-	Interfund	Balance
	July 1, 2009	Receipts	ments	Transfers	June 30, 2010
Music	\$ 325.90	\$ 1,678.67	\$ 1,768.43	\$	236.14
Classes, Clubs, Departments	6,651.97	41,109.34	44,441.03	3,397.66	6,717.94
Trust	13,307.70	20,293.68	33,180.26	1,991.63	2,412.75
General	1,820.59	25,131.03	20,306.93	(1,619.61)	5,025.08
Outside Organizations	2,084.01	9,271.00	5,238.74	(3,769.68)	2,346.59
Total	\$ 24,190.17	\$ 97,483.72	\$ 104,935.39	\$ -	\$ 16,738.50

See accompanying notes and accountant's report.

COPPERGATE ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2010

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 Coppergate 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 Coppergate 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. 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, 2010 total cash balance of \$ 16,738.50 as reported on the statement of cash receipts and disbursements consists of \$ 16,738.50 being held in a government advantage interest bearing checking account insured by the FDIC.

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. Ben H. 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, Coppergate Elementary School reported the following accounts payable and encumbrances as of June 30, 2010:

Accounts Payable

None

Encumbrances

None

The above accounts payable list agrees with the Principal's Monthly Report as of June 30, 2010.

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 2009-2010 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Coppergate Elementary School for the year ended June 30, 2010.

Emily C. Helms, CPA, PA.

Emily C. Helms, CPA, PA
August 12, 2010

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. Ben H. Wortham, Superintendent of Schools,

Clay County, Florida

Ms. Carol Vallencourt

Ms. Carol Studdard

Mr. Charles Van Zant, Jr.

Mr. Frank Farrell

Ms. Lisa Graham

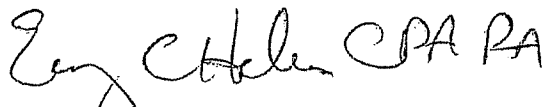
Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Coppergate Elementary School for the year ended June 30, 2010, 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.

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.

We commend the principal and the bookkeeper for an excellent job. It has been a pleasure to have had the opportunity to serve Coppergate 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 12, 2010



COPPERGATE ELEMENTARY SCHOOL

2250 CR 209 NORTH
MIDDLEBURG, FL 32068-4371
PHONE (904) 291-5594
FAX (904) 291-5597

"Home of the Colts"

www.clay.k12.fl.us/CGE

David Nix
Principal

Debra Gaynes
Asst. Principal

August 23, 2010

Emily C. Helms, CPA
1279 Kingsley Avenue, Suite 103
Orange Park, FL 32073

Dear Ms. Helms:

Thank you for your time and effort in your audit of the Coppergate Elementary Internal Accounts. It was a pleasure seeing you again and hearing your assessment of our accounts.

I was very pleased with your positive comments and your compliments for our bookkeeper, Bonnie Dubberly. Mrs. Dubberly takes great pride in her work and is very conscientious in her duties. I know she was grateful, as was I, for your acknowledgement of the good job she does. We are so fortunate to have an exemplary faculty and staff, who strive to do the best job possible, and I think this is reflected in many areas, including this audit.

We have enjoyed our association with you these last three years and hope to work with you again in the future.

Sincerely,

David Nix, Principal

DN:bd

DOCTORS INLET ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2010

EMILY C. HELMS, CPA, PA
Certified Public Accountant

CONTENTS

	PAGE
Independent Auditor's Report	3
Statement of Cash Receipts and Disbursements Of the Internal Funds	4
Notes to Statement of Cash Receipts and Disbursements of the Internal Funds	5
Supplemental Information	
Accounts Payable and Encumbrance Letter	7
Management Letter	8

EMILY C. HELMS, CPA, PA
Certified Public Accountant

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

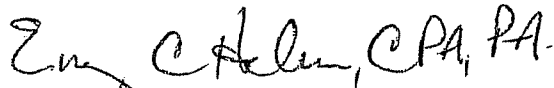
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Doctors Inlet Elementary School for the year ended June 30, 2010. 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 Doctors Inlet Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.



Emily C. Helms, CPA, PA
August 11, 2010

DOCTORS INLET ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS

For the year Ended June 30, 2010

	Cash		Transactions		Cash
	Balance July 1, 2009	Receipts	Disburse- ments	Interfund Transfers	Balance June 30, 2010
Music	\$ 45.29	\$ 1,673.23	\$ 1,768.52	\$ 50.00	\$ -
Classes, Clubs, Departments	18,713.42	54,704.12	54,376.49	1,652.95	20,694.00
Trust	4,234.42	14,100.34	13,173.81	(1,617.37)	3,543.58
General	6,326.11	4,833.10	9,501.84	1,664.42	3,321.79
Outside Organizations	4,327.52	17,582.40	17,671.56	(1,750.00)	2,488.36
Total	\$ 33,646.76	\$ 92,893.19	\$ 96,492.22	\$ -	\$ 30,047.73

See accompanying notes and accountant's report.

DOCTORS INLET ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2010

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 Doctors Inlet 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 Doctors Inlet 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. 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 Statue, 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.

DOCTORS INLET ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2010

NOTE 2 Cash

The June 30, 2010, total cash balance of \$ 30,047.73 as reported on the statement of cash receipts and disbursements consists of \$ 17,300.11 being held in a non-interest bearing checking account insured by the FDIC; \$ 12,740.62 being held in an investment account with the Clay County School; and \$ 7.00 held as uncollected funds.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$ 36.55. Investment interest is maintained in a separate fund account.

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. Ben H. 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, Doctors Inlet Elementary School reported the following accounts payable and encumbrances as of June 30, 2010:

Accounts Payable

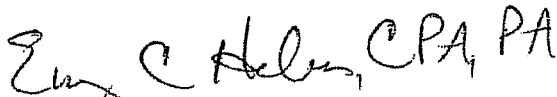
None

Encumbrances

None

The above accounts payable list agrees with the Principal's Monthly Report as of June 30, 2010.

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 2009-2010 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Doctors Inlet Elementary School for the year ended June 30, 2010.



Emily C. Helms, CPA, PA
August 11, 2010

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. Ben H. 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:

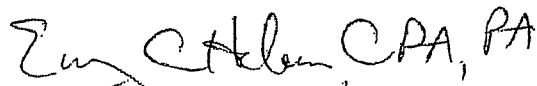
In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Doctors Inlet Elementary School for the year ended June 30, 2010, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control structure.

Deficiencies reported in the prior year management letter have been corrected.

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.

We commend the principal and the bookkeeper for an excellent job. It has been a pleasure to have this opportunity to serve Doctors Inlet 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 11, 2010

Doctors Inlet Elementary School

Anne H. Miller
Principal
Ruth Casias
Assistant Principal



2634 County Road 220
Middleburg, Florida 32068
(904) 213-3000
Fax: (904) 213-3011

September 1, 2010


Emily C. Helms, CPA, PA
1279 Kingsley Ave. Ste 103
Orange Park, FL 32073

Dear Ms Helms,

Thank you for conducting our 2009-10 Internal Accounts Audit.
We will continue to work with our teachers and staff to perform another great audit like
this year.

Thank you, again; and we look forward to working with you next summer.

Sincerely,



Anne H. Miller
Principal
AHM/ncl

FLEMING ISLAND ELEMENTARY SCHOOL

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2010**

Joan O. Michael, CPA, PA
Certified Public Accountant

CONTENTS

	PAGE
Independent Auditor's Report	3
Statement of Cash Receipts and Disbursements Of the Internal Funds	4
Notes to Statement of Cash Receipts and Disbursements of the Internal Funds	5
Supplemental Information	
Accounts Payable and Encumbrance Letter	6
Management Letter	7

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
Facsimile (904) 264-8057

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 Fleming Island Elementary School for the year ended June 30, 2010. 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 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 Fleming Island Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 13, 2010

FLEMING ISLAND ELEMENTARY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2010

	Cash	Transactions			Cash
	Balance July 1, 2009	Receipts	Disburse- ments	Transfers	Balance June 30, 2010
Music	\$ 1,069.07	\$ 2,301.37	\$ 2,706.24		\$ 664.20
Classes, Clubs, Departments	18,036.50	106,484.16	103,526.32	70.09	21,064.43
Trust	25,202.34	31,676.70	32,107.23	5,595.35	30,367.16
General	5,775.94	24,422.14	28,867.32	1,784.56	3,115.32
Outside Organizations	10,379.56	34,374.52	24,433.82	(7,450.00)	12,870.26
Total	\$ 60,463.41	\$ 199,258.89	\$ 191,640.93	\$ -	\$ 68,081.37

See accompanying notes and independent auditor's report.

FLEMING ISLAND ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2010

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 Fleming Island 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 Fleming Island 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, 2010, total cash balance of \$68,081.37 as reported on the statement of cash receipts and disbursements consists of \$38,377.82 being held in a non interest bearing checking account insured by the FDIC, \$29,703.55 held in an investment account with the Clay County School and no uncollected NSF checks.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$85.25. This represents a yield of approximately .3 percent.

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, Fleming Island Elementary School reported the following accounts payable and encumbrances as of June 30, 2009:

Accounts Payable

None

Encumbrances

None

The above accounts payable list agrees with the Principals Report as of June 30, 2010. 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 2009-2010 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Fleming Island Elementary School for the year ended June 30, 2010.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA

August 13, 2010

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:

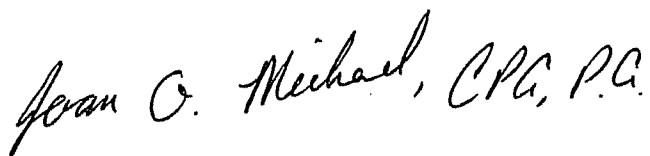
In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Fleming Island Elementary School for the year ended June 30, 2010, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing 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. All examined Reports of Monies Collected forms are incomplete due to missing receipt numbers. The bookkeeper is required to enter the receipt number on the Report of Money collected forms after completion of the official receipt as noted during the prior year audit and on page 18 of the Internal Accounts Manual.

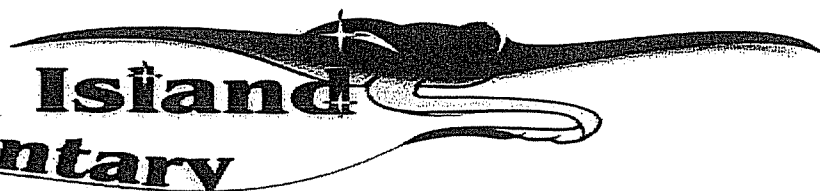
This report is intended solely for the information and use of Clay County School Board, management, and others within the school system.

We would like to thank the Principal, bookkeeper and staff for the expeditious 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
August 13, 2010

Fleming Island Elementary



4425 Lakeshore Drive
Orange Park, Fl. 32003

Phone: 904-278-2020
Fax: 904-278-2026

Sandra Mead
Principal

Jeanne Hiatt Jones
Assistant Principal

August 17, 2010

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

Dear Sirs:

Responding to the audit of internal funds at Fleming Island Elementary School.

1. The bookkeeper will complete the Monies Collected forms with the receipt number of the official receipts.

Thank you very much for your suggestions.

Sincerely,

Sandra Mead,
Principal

Cc: George Copeland, Assistant Superintended

FLEMING ISLAND HIGH SCHOOL

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

**FOR THE YEAR ENDED
JUNE 30, 2010**

CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Statement of Cash Receipts and Disbursements	2
Notes to Statement of Cash Receipts and Disbursements	3-4
Supplementary Information	
Accounts Payable and Encumbrances	5-6
Management Letter	7-9



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 Fleming Island High School for the year ended June 30, 2010. 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 Fleming Island High School for the year ended June 30, 2010, on the basis of accounting described in Note 1.

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

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

August 13, 2010

Fleming Island High School

Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2010

	Balance July 1, 2009	Receipts	Disbursements	Interfund Transfers	Balance June 30, 2010
Athletics	\$ 34,065.22	\$ 240,320.10	\$ 236,788.90	\$ 2,197.72	\$ 39,794.14
Music	20,542.83	138,229.41	143,351.88	7,808.00	23,228.36
Classes, Clubs and Departments	77,754.30	331,489.52	282,820.05	(4,890.70)	121,533.07
Trusts	8,684.56	53,179.45	48,221.77	1,628.49	15,270.73
General	21,160.87	76,328.10	83,620.41	2,242.09	16,110.65
Outside Organizations	49,545.42	249,238.70	209,096.46	(8,985.60)	80,702.06
TOTALS	<u>\$ 211,753.20</u>	<u>\$ 1,088,785.28</u>	<u>\$ 1,003,899.47</u>	<u>\$ 0.00</u>	<u>\$ 296,639.01</u>

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

FLEMING ISLAND HIGH SCHOOL

Notes to Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2010

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 Fleming Island 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 Fleming Island 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.

FLEMING ISLAND HIGH SCHOOL

**Notes to Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2010**

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, 2010 cash balance, totaling \$296,639.01 consists of \$124,516.50 in a non-interest bearing checking account with Wachovia Bank, \$169,852.51 in an investment account with the Clay County School Board, \$990 in cash on hand pending deposit, \$780.00 in outstanding NSF checks receivable, and \$500.00 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 SBA investment account during the year ended June 30, 2010 was \$487.48. This represented a yield of approximately 0.29% 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 Fleming Island High School at June 30, 2010.

ACCOUNTS PAYABLE

Home Depot Credit Services	\$ 166.23
Park Avenue Florist	1,001.05
Gov Connection	730.44
RBI School Recognition	522.49
Post Net	42.51
Lawn Star	1,450.00
Enterprise	256.74
Neff Company	275.12
Walmart	55.93
World Sporting Goods, Inc.	3,634.00
Chevron	54.26
J. W. Pepper	235.95
Baker's Sporting Goods	748.00
Winn Dixie	45.00
Sam's Club Direct	<u>177.12</u>
Total	<u>\$9,394.84</u>

ENCUMBRANCES

Varsity	\$17,656.40
Resilite Sports Products, Inc.	97.58
OTS (Orlando Team Sports)	2,655.75
Logo Xpress	<u>4,531.67</u>
Total	<u>\$24,941.40</u>

The accounts payable and encumbrances above agree with the Principal's Monthly Report for June 30, 2010.

DuVal & Company, CPA's, PA

DuVal & Company, CPA's, P.A.
August 13, 2010



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 connection with our audit of Fleming Island High School's (the "school") financial statement as of June 30, 2010 and for the year ended, and our audit of the school's internal control over financial reporting as of June 30, 2010 ("integrated audit"), the standards established by the American Institute of Certified Public Accountants required 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 deficiencies that are of a lesser magnitude than a significant deficiency.

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:

A material weakness in internal control appears to continue in the area of ticket inventory. The master ticket inventory log was incomplete. New rolls of tickets received during the year were not entered in the master ticket inventory. Numerous ticket disbursement sheets were also incomplete. We noted gaps in the sequence of ticket numbers with no explanation of their disposition. Hundreds of tickets were unaccounted for based on inspection of the logs and information provided by the bookkeeper as to the remaining ticket inventory in the school's possession. This is potentially a serious problem. Tickets could be sold and monies collected by unauthorized persons.

This was a finding in the prior year audit by the predecessor auditor. To which, the school's response was:

"Ticket inventory and logs are kept by the athletic director. The bookkeeper will continue to monitor these logs. The athletic director was shown where the gaps in the numbers were on the logs and is aware of the need for accuracy."

This policy of distribution and accounting for the tickets appears to be in direct conflict with the internal funds manual which states, "All tickets used for school events must be purchased through an Internal Account Purchase Order and logged by the bookkeeper prior to using."

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

1. During our receipts testing, we noted that, on multiple occasions during our receipt testing month, monies were not turned into the bookkeeper on a daily basis; and on multiple occasions, it appears that funds were held over the weekend.
2. The preparation of fundraising forms appears to have improved from the audit results of prior years (i.e., forms were fully completed). However, in many instances, the fundraisers were not signed as approved until after the date the fundraiser was scheduled to begin.

As part of our audit, we consider the correction of the prior year findings. With regard to the predecessor auditor's findings from June 30, 2009, the current status is as follows:

1. In the area of purchases and school expenditures, we noted that forms were properly completed and authorized as required by the internal funds manual.
2. As stated above, the school appears to have made progress in the area of fundraisers. Forms were found to be fully completed, including the financial recaps. In tracing fundraisers of \$2,500 or greater, we were able to

trace the funds through the general ledger. However, there were a number of fundraisers where the forms were signed as approved **after** the date of the beginning of the fundraiser.

Overall, we found the internal accounting records 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 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.

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 matters, please contact us.

DuVal & Company, CPA's, P.A.
DuVal & Company, CPA's, P.A.
August 13, 2010



Fleming Island High School

2233 Village Square Parkway
Fleming Island, FL 32003
Phone: (904) 541-2100
Fax: (904) 541-2110

William S. "Sam" Ward
Principal

Dan Finley
Vice Principal

Teresa Hankel
Assistant Principal

Greg Henderson
Assistant Principal

Tara Richardson
Assistant Principal

September 2, 2010

Duval & Company, CPA's, P.A.
428 Walnut Street
Green Cove Springs, FL 32043

To Whom It May Concern:

A new Master Inventory Log has been made for the 2010/2011 school year. Unusable tickets have been sent to Ms. Roni Campbell at the county office for proper disposal. Any new tickets received during this year will be added to the new Master Inventory Log. We will continue to work to see that all ticket disbursement sheets will be properly filled out. In the future, the bookkeeper will redouble her efforts in monitoring the logs which are kept by the athletic director.

This year, a copy of bookkeeping procedures was placed in every teacher's mailbox which emphasized that money must be turned in daily. The bookkeeper will continue to reinforce proper procedures through periodic emails as well. These emails will also include reminders to obtain approval first for all fundraising activities. We will also stress the use of correct forms for all transactions. If money for a fundraiser is received and no form is on file, the bookkeeper will request a form be completed and document that a reminder was given at that time.

As always, we will continue to strive to improve our service. Please accept our gratitude to you for your help in that effort.

Sincerely,

Susan Edmonds,
Bookkeeper

William S. Ward
Principal

"Preparing tomorrow's leaders, today."