

Middleburg High School

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

For the Year Ended June 30, 2011

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Independent Auditors' Report

Mr. Ben Wortham, Superintendent of Schools and Board Members
Clay County, Florida

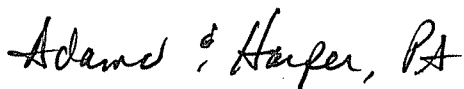
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Middleburg High School for the year ended June 30, 2011. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Middleburg High School for the year ended June 30, 2011, on the basis of accounting described in Note 1.



Adams & Harper, PA
Certified Public Accountants
July 28, 2011

**Middleburg High School
Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2011**

	Cash Balance July 1, 2010	Transactions			Cash Balance June 30, 2011
		Receipts	Disburse- ments	Transfers	
Athletics	\$ 93,051.51	\$ 215,667.94	\$ 202,592.35	\$ (13,292.16)	\$ 92,834.94
Music	7,302.56	158,410.68	160,031.32	(1,036.52)	4,645.40
Classes, Clubs, Departments	44,799.14	283,461.91	291,642.64	7,357.33	43,975.74
Trust	42,589.82	101,874.09	88,740.44	39,460.88	95,184.35
General	48,467.06	75,011.75	49,170.53	(27,971.69)	46,336.59
Outside Funds	23,664.26	48,335.49	59,144.66	(4,517.84)	8,337.25
Total	\$ 259,874.35	\$ 882,761.86	\$ 851,321.94	\$ 0.00	\$ 291,314.27

See accompanying notes and independent auditors' report

Middleburg High School
Notes to Statement of Cash Receipts
and Disbursements of the Internal Funds
For the Year Ended June 30, 2011

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 Middleburg 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 Middleburg High School.

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

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

Basis of accounting

The accompanying financial 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, this statement is not intended to present financial position nor 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 classified as cash equivalents, consisting of the State Board of Administration Local Government Surplus Trust Funds Investment Pool, which effective July 1, 2009, became known as Florida PRIME.

An investment in Florida PRIME is not insured or guaranteed by any government or government agency. Such investments are considered a contingent risk under generally accepted accounting principles.

Notes to Statement of Cash Receipts and Disbursements of the Internal Funds

Page 2

Note 2 - Cash

The June 30, 2011, ending cash balance of \$ 291,314.27 consists of \$ 29,968.90 held in the School's checking account (insured by the Federal Deposit Insurance Corporation (FDIC)), \$ 261,045.37 held in an investment account with Florida PRIME, as described in Note 1, and \$ 300.00 in the change fund.

Note 3 - Interest Income

Investment interest was earned on amounts invested with Florida PRIME, as described in Note 1, in the amount of \$ 810.23, representing an annual yield of approximately 0.29%.

Note 4 – Subsequent Events

The School has evaluated subsequent events through July 28, 2011, the date of the independent auditors' report. There were no material subsequent events to report.

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Schedule of Accounts Payable and Encumbrances

Mr. Ben Wortham, Superintendent of Schools and Board Members
Clay County, Florida

Honorable Members:

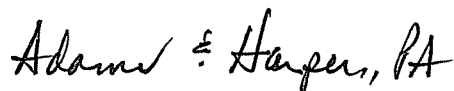
In accordance with the instructions prepared by the Clay County School Board, listed below is a schedule of the accounts payable and encumbrances at June 30, 2011 of the Middleburg High School internal funds as reported to us by the school.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of accounts payable and encumbrances. The accounts payable and encumbrances were not paid during the 2010-2011 fiscal year, and accordingly, are not recorded on the statement of receipts and disbursements of the internal funds of Middleburg High School for the year ended June 30, 2011.

<u>Accounts Payable</u>	<u>Vendor</u>	<u>Amount</u>
	The Student Planner, LLC	\$ 2,054.30
	Memories	447.00
	Reel Precision Products, Inc.	462.92
	Enterprise Car Rental	783.36
	JW Pepper & Son, Inc.	75.99
	TOTAL	\$ 3,823.57

<u>Encumbrances</u>	<u>Vendor</u>	<u>Amount</u>
	Memories	\$ 351.50
	Orlando Team Sports	432.00
	Park Avenue Florist	74.95
	TOTAL	\$ 858.45

The above accounts payable and encumbrances amounts agree with the Principal's Monthly Report as of June 30, 2011.



Adams & Harper, PA
Certified Public Accountants
July 28, 2011

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Mr. Ben Wortham, Superintendent of Schools and Board Members
Clay County, Florida

Honorable Members:

Our report on internal control and our communication with those charged with governance for Middleburg High School follows.

Independent Auditors' Report on Internal Control

In planning and performing our audit of the financial statement of Middleburg High School for the year ended June 30, 2011, we considered the School's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A 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 statement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness as defined above. However, we identified one deficiency in internal control over financial reporting which is described below, that we consider a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We consider the following item to be a significant deficiency in internal control.

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

While we acknowledge that personnel may not always be available to permit an acceptable separation of duties and responsibilities, we think it is important to make you aware of this condition and to encourage the use of oversight and monitoring. .

Auditor Communications With Those Charged With Governance

Professional standards require that we communicate with you concerning certain important items and matters related to our audit.

We have audited the statement of cash receipts and disbursements of Middleburg High School Internal Accounts (the "School") for the year ended June 30, 2011 and have issued our report thereon dated July 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated April 16, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Your Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Middleburg High School Internal Funds are described in Note 1 to the financial statement. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2011. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statement in the proper period.

Disclosures in the financial statements are clear and consistent. The use of the cash basis of reporting is highlighted to alert any reader of that convention.

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. No such adjustments were noted during our audit.

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 previously delivered to us in connection with our audit.

Other Audit Findings or Issues

We also wish to inform you that we discovered other minor compliance violations (listed below) and accordingly, we recommend you review the frequency and materiality of these violations and take mitigating actions to improve the general environment and climate of your operations. Without more attention by your staff and your bookkeeper to the compliance requirements as described in the Internal Accounts Manual, you are increasing your risk that errors or other more serious actions may occur and not be detected in the normal course of your operations. We encourage you to reinforce the importance of each staff person or teacher to follow the guidelines described in the Internal Accounts Manual, provide an adequate training environment for participating employees or volunteers to understand their duties, and for you to expect each such person to comply with the required steps of performance.

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

- Four account balances exceeded the allowable balance without proper documentation to leave the account balances overfunded.
- Two instances of no approval signature from the principal or bookkeeper on the Report of Monies Collected.
- Four instances of alterations without initials on the Report of Monies Collected.
- Seven instances where the money collected by a teacher was not turned in to the bookkeeper in a timely manner.
- Three instances of teacher receipt numbers not noted on the Report of Monies Collected.
- Three instances of no fundraiser number written on the Report of Monies Collected.
- Three instances of fundraisers being improperly completed.
- Two instances of fundraisers with no approval date from the principal.
- Two instances where the fundraiser recap section did not agree to the amounts posted in the general ledger.
- Two instances of Ticket Disbursement Sheet not properly completed.
- Two instances of Tickets Sold Reports with incorrect calculations.
- One instance where a Transfer Request did not have approval of the principal.
- Beginning inventory for school store was not documented.

Mr. Ben Wortham, Superintendent of Schools and Board Members
Clay County, Florida
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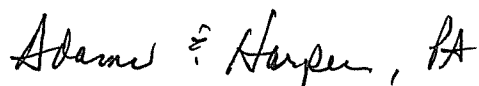
Follow-up on Prior Year Audit Findings

As part of our current year audit, we considered your attention toward prior year audit findings. Last year no violations were noted on the governance letter from the auditors.

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

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

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



Adams & Harper, PA
Orange Park, FL
July 28, 2011

MIDDLEBURG HIGH SCHOOL

3750 County Road 220 Middleburg, FL 32068

Phone: (904) 213-2100

Fax: (904) 291-5462

John O'Brian

Principal

Michelle Harris
Assistant Principal

Abby Neal
Assistant Principal

Clayton Anderson
Assistant Principal

W. Alan Powers
Athletic Director

August 10, 2011

Adams & Harper, PA
1665 Kingsley Ave, Suite 100
Orange Park, Florida 32073

Sirs:

We have reviewed the management letter for our 2010-2011 audit.

It was noted that purchase orders were frequently processed with missing or invalid information. Bookkeeper will take more care when checking for valid dates and completed information on purchase orders prior to approval.

More care will be taken to ensure that account balances are within the required limits at the end of the year.

Teachers will be reminded periodically that any changes need to be initialed on the Report of Monies Collected. Teachers will also be reminded that teacher receipt numbers have to be written on the Report of Monies Collected. The Bookkeeper will take more care in verifying that this has been completed when Report of Monies Collected is turned in. Bookkeeper will also take more care in verifying that approval signatures are on Report of Monies Collected and Transfer Requests.

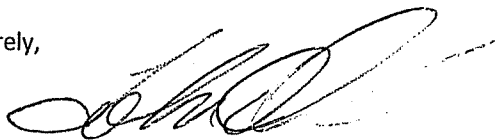
Principal will reiterate to teachers the importance of turning all monies collected into the Bookkeeper daily. Teachers whom turn in monies late will be required to submit a letter of explanation that will have to be signed by Principal.

Ticket Inventory sheets will be double checked by Bookkeeper upon receipt to ensure proper calculations going forward. The ticket disbursement procedures will be reviewed with all parties handling tickets and disbursement sheets.

The school store sponsor has been reminded to follow the Clay County School Board IAM procedures and provide a beginning and ending school store inventory.

Fundraising procedures will be reviewed with teachers prior to beginning fundraising. Bookkeeper will address the proper and correct way to complete fundraising recap at the completion of a fundraiser.

Sincerely,



John O'Brian
Principal
Middleburg High School

MONTCLAIR ELEMENTARY SCHOOL

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2011**

EMILY C. HELMS, CPA, PA
Certified Public Accountant

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Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

Mr. Ben H. Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Janice Kerekes
Ms. Carol Studdard
Ms. Stephanie Van Zant
Mr. Frank Farrell
Ms. Lisa Graham

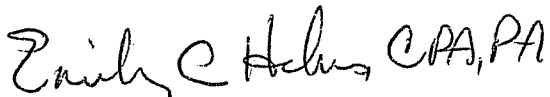
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Montclair Elementary School for the year ended June 30, 2011. 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 Montclair Elementary School for the year ended June 30, 2011, on the basis of accounting described in Note 1.



Emily C. Helms, CPA, PA
August 15, 2011

MONTCLAIR ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2011

	Cash	Transactions			Cash
	Balance		Disburse-	Interfund	Balance
	July 1, 2010	Receipts	ments	Transfers	June 30, 2011
Classes, Clubs, Departments	\$ 6,045.86	33,734.39	34,457.41	(746.43)	4,576.41
Trust	\$ 16,691.06	8,789.91	11,278.84	(360.30)	13,841.83
General	\$ 3,790.62	13,995.22	17,611.29	1,106.73	1,281.28
Outside Organizations	\$ 5,434.66	19,643.27	16,542.39		8,535.54
Total	\$ 31,962.20	\$ 76,162.79	\$ 79,889.93	\$ -	\$ 28,235.06

See accompanying notes and accountant's report.

MONTCLAIR ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2011

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 Montclair Elementary School (the School) within the Clay County, Florida school system.

The accompanying financial statement is not intended to be a complete presentation of all the internal account activities of the school system because this financial statement only includes the accounts at Montclair 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 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 classified as cash equivalents with the Florida State Board of Administration (SBA) Local Government Investment Pool (Florida PRIME).

An investment in Florida PRIME is not insured or guaranteed by any government or government agency. Such investments are considered a contingent risk under generally accepted accounting principles.

MONTCLAIR ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2011

NOTE 2 Cash

The June 30, 2011, total cash balance of \$28,235.06 as reported on the statement of cash receipts and disbursements consists of \$4,342.98 being held in a non interest checking account insured by the FDIC, \$21,852.28 held in an investment account with the Clay County School and \$2,039.80 held as uncollected NSF Funds.

The school confirmed that there are no other bank accounts set up other than those listed above.

NOTE 3 Investments

In accordance with GASB Statement No. 40, as of June 30, 2011 the School invested \$21,852.28 with Florida Prime. The weighted average days to maturity of the Florida PRIME at June 30, 2011, is 31 days. Interest was earned on amounts invested through the Clay County School Board in the amount of \$20.78. Investment interest is maintained in a separate fund account.

- **Interest Rate Risk:** Clay 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:** Clay 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, 2011 the Schools invested money in Florida PRIME. The State Board of Administration's interpretation of GASB 31 is that Florida Prime is currently considered a SEC 2a-7 like fund, thus the account balance equals the fair value. The Florida PRIME is rated by Standard and Poor's. 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.

NOTE 4 Subsequent Events

The School has evaluated subsequent events through August 15, 2011, the date of the independent auditor's report. There were no material subsequent events to report.

Supplemental Information

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Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Montclair Elementary School reported the following accounts payable and encumbrances as of June 30, 2011:

Accounts Payable

None

Encumbrances

None

The above accounts payable and encumbrance lists agree with the Principal's Monthly Report as of June 30, 2011.

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 2010-2011 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Montclair Elementary School for the year ended June 30, 2011.

Emily C Helms, CPA, PA.

Emily C. Helms, CPA, PA
August 15, 2011

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Ms. Stephanie Van Zant
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

We have audited the internal funds financial statement of Montclair Elementary School as of and for the year ended June 30, 2011 and have issued our report thereon dated August 15, 2011. 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, we considered Montclair Elementary School's (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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

A deficiency in internal control exists when the design or operation of the 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 significant deficiency in internal control, or combination of deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected. We did not find any deficiency that we considered to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected. We did not find any deficiency that we considered to be a material weakness.

As part of our audit, we also considered the correction of the prior year findings:

- The bookkeeper did not timely request permission to write-off NSF checks during the 2010-2011 school year. However, the bookkeeper did request the write-off of uncollectible NSF checks on July 18, 2011. The bookkeeper should review page 23 of the Clay County School Board Internal Accounts Manual, Procedures For Insufficient Funds Checks to insure that NSF checks are timely collected and merchandise is not delivered.

We did note the following matters that were not in accordance with the rules and regulations presented in the Internal Accounts Manual:

- The following accounts exceeded the maximum, balance allowed:

Account 3406	\$ 179.02
Account 3414	6.06
Account 3416	14.29
Account 3800	210.35
Account 5110	191.87

We recommend that the bookkeeper review page 10 of the Clay County Internal Accounts Manual, Account Balances which states in part ...if the ending account balance is greater than the results of the formulas...one of two procedures is necessary: a written notice or the overage must be transferred to the general fund....

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.

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

Communication with Those Charged with Governance

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

Our Responsibility under Generally Accepted Auditing Standards

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 Emily C. Helms, CPA, PA 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 misstatements. 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 outlined in the Clay County District School Board letter dated May 20, 2011.

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, 2011. 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.

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 aggregate, to the financial statements taken as a whole.

Disagreements with Management

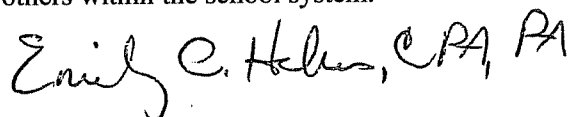
For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such agreements arose during the course of our audit.

Management Representations

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

We commend the principal and the bookkeeper for an excellent job. It has been a pleasure to have this opportunity to serve Montclair 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 15, 2011



Montclair Elementary School

2398 Moody Avenue

Orange Park, Florida 32073

Phone (904) 278-2030 • Fax (904) 278-2090

William Miller
Principal

Scott Voytko
Assistant Principal

August 30, 2011

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

CC: Roni Campbell
Clay County School Board

Emily-

This is in response to the noted items in Montclair Elementary School's annual audit for the school year 2010/2011.

1. We have written off the majority of NSF Checks from previous years, and will make a diligent effort to collect on the remaining NSF checks. The bookkeeper has reviewed the procedures for Insufficient Funds Checks on page 23 of the Clay County School Board Internal Accounts Manual.
2. We will also make sure that at the end of each school year any accounts that exceed the allowable maximum balance in accordance to The Clay County School Board Internal Accounts Manual will be moved to Account 5100 (Principals Discretionary Funds).

We will continue to follow the procedures outlined in the Internal Funds Manual of the Clay County School Board, and make every effort to correct the above.

Sincerely,

William Miller
Principal

Stacia Hood
Principals Secretary/Bookkeeper

Oakleaf High School

Statement of Cash Receipts and Disbursements of the Internal Funds

For the Year Ended June 30, 2011

Oakleaf High School

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COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Independent Auditors' Report

Mr. Ben Wortham, Superintendent
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice-Chairman
Ms. Lisa Graham
Mr. Charles Van Zant, Jr.
Ms. Janice Kerekes

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Oakleaf High School (the School) for the year ended June 30, 2011. 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 Oakleaf High School for the year ended June 30, 2011 on the basis of accounting described in Note 1.

Coleman & Associates Cpa firm

August 17, 2011

Oakleaf High School
Statement of Cash Receipts and Disbursement of the Internal Funds
For the Year Ended June 30, 2011

<u>Accounts</u>	<u>Cash Balance July 1, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	<u>Cash Balance June 30, 2011</u>
Athletics	\$ 11,085.47	\$ 174,238.83	\$ 127,501.28	\$ (3,866.40)	\$ 53,956.62
Music	--	68,732.48	63,067.22	(584.18)	5,081.08
Classes, Clubs	1,521.81	161,382.91	139,820.62	16.04	23,100.14
Trust	--	7,500.99	7,005.90	557.58	1,052.67
General	515.03	27,745.76	20,494.54	1.89	7,768.14
Outside Organizations	1,493.60	74,438.71	64,571.30	3,875.07	15,236.08
Totals	\$ 14,615.91	\$ 514,039.68	\$ 422,460.86	\$ --	\$ 106,194.73

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

**Oakleaf High School
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011**

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 Oakleaf High School (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 Oakleaf High School.

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 results of operations in conformity with generally accepted accounting principles.

Note 2 – Cash and Cash Equivalents

As of June 30, 2011, the School's total cash balance of \$106,194.73 was held in a non-interest bearing checking account and \$0 held in an investment account at year end.

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.

Oakleaf High School
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2011
(Concluded)

Note 3 – Investments (concluded)

The schools invested funds with Florida PRIME during the fiscal year and these investments had an average maturity of thirty-one days. In accordance with GASB Statement No. 40, investment information is as follows:

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.

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, which demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk.

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.

Note 4 - Subsequent Events

Generally accepted accounting principles require the disclosure of significant events or transactions that occur after the balance sheet date but before the financial statements are issued. The School has evaluated subsequent events through August 17, 2011 and found no significant events or transactions that should be recorded. The evaluation date is considered to be the date the financial statements are available to be issued.

Supplemental Information



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Schedule of Accounts Payable and Encumbrances

Mr. Ben Wortham, Superintendent
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice-Chairman
Ms. Lisa Graham
Mr. Charles Van Zant, Jr.
Ms. Janice Kerekes,

Honorable Members:

The Clay County School Board has requested that we provide a schedule of accounts payable and encumbrances incurred as of June 30, 2011, for Oakleaf High School'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, 2011, and accordingly, were not included in the statement of cash receipts and disbursements of the internal funds for the year ended June 30, 2011. Accounts payable and encumbrances are as follows:

Accounts Payable as of June 30, 2011

\$ 54.95 Park Avenue Florist

Encumbrances as of June 30, 2011

\$ 2,546.40 Ares Sportswear
1,200.00 Riddell
8,772.77 Varsity Spirt Fashions
\$ 12,519.17 Total Encumbrances

The above accounts payable amount was reported on the June 30, 2011 Principal's Monthly Report. Encumbrances are not reported on the monthly principal's report.

Coleman & Associates Cpa firm

August 17, 2011



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Mr. Ben Wortham, Superintendent
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice-Chairman
Ms. Lisa Graham
Mr. Charles Van Zant, Jr.
Ms. Janice Kerekes

Honorable Members:

We have audited the internal funds financial statement of Oakleaf High School as of and for the fiscal year ended June 30, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the internal funds of Oakleaf High School for the year ended June 30, 2011; 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting was for the limited purpose described above and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. *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.

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 very well organized. We also noted that 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, 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. We performed the audit according to the planned scope and timing. Our audit of the internal funds financial statements does not relieve you or management of your responsibilities.

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, 2011. 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. The disclosures in the financial statements are neutral, consistent, and clear. There were no particularly sensitive estimates significantly affecting the internal funds 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

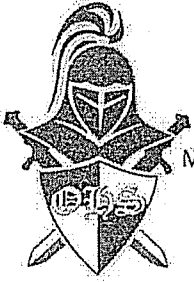
We have requested certain representations from management that are included in the management representation letter.

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 17, 2011



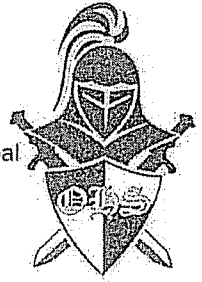
Oakleaf High School

David S. Broskie-Principal

Michelle Daly-Vice Principal • Brenda Troutman-Assistant Principal • Tom Pittman-Assistant Principal

4035 Plantation Oaks Boulevard • Orange Park, Florida 32065

PHONE (904) 213-1900 • FAX (904) 272-8599



August 25, 2011

Timothy M. Coleman, CPA, CVA
Coleman and Associates, CPA Firm
P. O. Box 8279
Fleming Island, FL 32006

Dear Mr. Coleman:

This letter is in response to your audit report for Oakleaf High School for the fiscal year ended June 30, 2011.

Although there were no comments on your audit report we would like to say it has been a pleasure working with your staff and thank you for your services as Oakleaf High School's auditor for the fiscal year ended June 30, 2011.

Sincerely,

David S. Broskie
Principal

cc: Roni Campbell, Accounting Coordinator, CCSB
Bonnie Newman, Bookkeeper, OLH

OAKLEAF JUNIOR HIGH
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2011

Joan O. Michael, CPA, PA
Certified Public Accountant

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Joan O. Michael, CPA, PA
Certified Public Accountant

JOAN O. MICHAEL, CPA, PA
Certified Public Accountant

669 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

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

INDEPENDENT AUDITOR'S REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Oakleaf Junior High School for the year ended June 30, 2011. 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 is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Oakleaf Junior High School for the year ended June 30, 2011, on the basis of accounting described in Note 1.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 12, 2011

OAKLEAF JUNIOR HIGH

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2011

	Cash Balance July 1, 2010	Transactions			Cash Balance June 30, 2011
		Receipts	Disburse- ments	Transfers	
Athletics	\$ 31,163.46	\$ 89,361.22	\$ 89,176.45	\$ (3,399.02)	\$ 27,949.21
Music	272.57	38,166.86	36,021.52	866.79	3,284.70
Classes, Clubs, Departments	20,198.84	108,640.86	99,617.44	1,270.47	30,492.73
Trust	1,828.06	23,364.80	24,582.52	(169.50)	440.84
General	12,995.82	28,025.65	32,711.01	1,532.24	9,842.70
Outside Organizations	884.36	28.99	468.99	(100.98)	343.38
Total	\$ 67,343.11	\$ 287,588.38	\$ 282,577.93	\$ -	\$ 72,353.56

See accompanying notes and independent auditor's report.

OAKLEAF JUNIOR HIGH
NOTES TO STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS OF THE INTERNAL FUNDS
For The Year Ended June 30, 2011

NOTE 1 Summary of Significant Accounting Policies

Reporting entity

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

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

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.

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 classified as cash equivalents, consisting of the State Board of Administration Local Government Surplus Trust Funds Investment Pool.

NOTE 2 Cash

The June 30, 2011, total cash balance of \$72,353.56 as reported on the statement of cash receipts and disbursements consists of \$61,511.61 being held in a non interest bearing checking account insured by the FDIC, \$10,104.40 held in an investment account with the Clay County School and \$737.55 in uncollected NSF checks.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$28.99. 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
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice Chairman
Ms Janice Kerekes
Mr. Charles Van Zant, Jr.
Ms. Lisa Graham

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Oakleaf Junior High reported the following accounts payable and encumbrances as of June 30, 2011:

Accounts Payable

None.

Encumbrances

None.

The above accounts payable list agrees with the Principals Report as of June 30, 2011. 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 2010-2011 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Oakleaf Junior High for the year ended June 30, 2011.

Joan O. Michael, CPA, PA
Joan O. Michael, CPA, PA
August 12, 2011

JOAN O. MICHAEL, CPA, PA

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669 Kingsley Avenue
Orange Park, FL 32073

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

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Oakleaf Junior High School for the year ended June 30, 2011, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the school's internal control.

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

1. Check numbers 4601 dated November 3, 2010 and 4901 dated March 11, 2011 were found with only one signature. As noted in the prior year's audit, page 35 of the internal accounts manual (IAM) requires two signatures, preferably that of the principal and the bookkeeper.
2. Two (2) incomplete requests for purchase approvals. One (1) missing vendor name and one (1) missing the bookkeeper's signature. Page 36 of the IAM provides instructions for the proper completion of the request for purchase approval.
3. One (1) instance of money being held over the weekend. Page 16 on the IAM states that no funds will be held over a weekend or holiday.

As part of our audit, we also considered the correction of prior year findings. With regard to the findings from the prior year audit report, non-sufficient funds checks from prior years have been cleared up and only those relating to the 2010-11 school year remain on the books.

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 our audit. The school records were neat and orderly and we found that, overall, procedures established by the Internal Accounts Manual were followed by the school. It has been a pleasure to serve the Clay County School Board during our audit. Please feel free to contact us with any questions or comments concerning the audit.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 12, 2011



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

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

August 26, 2011

Joan A. Michael, CPA, PA
669 Kingsley Avenue
Orange Park, Florida 32073

Dear Ms. Michael:

In response of the audit report of the internal funds of OakLeaf Junior High for the year ending June 30, 2011, the following steps will be implemented:

- (1) Check numbers 4601 and 4901 were found with only one signature.

The principal and the bookkeeper will conduct a second review of all checks prior to disbursement. Additionally, all staff members will be made aware of the two signature requirement and asked to verify that any checks processed for vendors, reimbursements, etc. do, in fact, have two signatures.

- (2) Two incomplete requests for purchase approvals

The bookkeeper will conduct a second review of all requests. The principal will also review all requests in order to ensure all signatures and vendor names are included. Staff members have received training and also asked for assistance with ensuring all requests are completed in full.

- (3) One instance of money being held over the weekend.

Bookkeeping procedures and responsibilities of faculty members have been addressed with our staff. We have ensured that all staff understand that all money must be turned in on the day it is collected – no exceptions.

OakLeaf Junior High appreciates your time and service to the Clay County School District.

Sincerely,
Nancy A. Crowder
Nancy A. Crowder

OAKLEAF VILLAGE ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2011

Joan O. Michael, CPA, PA
Certified Public Accountant

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Facsimile (904) 264-8057

INDEPENDENT AUDITOR'S REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Oakleaf Village Elementary School for the year ended June 30, 2011. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Oakleaf Village Elementary School for the year ended June 30, 2011, on the basis of accounting described in Note 1.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 2, 2011

OAKLEAF VILLAGE ELEMENTARY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS

For the year Ended June 30, 2011

	Cash Balance July 1, 2010	Receipts	Disburse- ments	Transfers	Cash Balance June 30, 2011
Music	\$ 7,389.44	\$ 11,475.50	\$ 10,162.04	\$ -	\$ 8,702.90
Classes, Clubs, Departments	5,813.64	66,273.56	61,445.02	(2,339.34)	\$ 8,302.84
Trust	1,125.62	30,090.30	18,542.10	(9,500.00)	\$ 3,173.82
General	16,291.54	58,394.08	63,376.92	11,839.34	\$ 23,148.04
Outside Organizations	-	-	-	-	-
Total	\$ 30,620.24	\$ 166,233.44	\$ 153,526.08	\$ -	\$ 43,327.60

See accompanying notes and independent auditor's report.

OAKLEAF VILLAGE ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2011

NOTE 1 Summary of Significant Accounting Policies

Reporting entity

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

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

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

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

Basis of accounting

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

NOTE 2 Cash

The June 30, 2011, total cash balance of \$43,327.60 as reported on the statement of cash receipts and disbursements consists of \$42,601.60 being held in a non interest bearing checking account insured by the FDIC, and there was \$726.00 in uncollected NSF checks.

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
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice Chairman
Ms Janice Kerekes
Mr. Charles Van Zant, Jr.
Ms. Lisa Graham

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Oakleaf Village Elementary School reported the following accounts payable and encumbrances as of June 30, 2011:

Accounts Payable

None.

Encumbrances

None.

The above accounts payable list agrees with the Principals Report as of June 30, 2011. 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 2010-2011 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Oakleaf Village Elementary School for the year ended June 30, 2011.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 2, 2011

JOAN O. MICHAEL, CPA, PA

Certified Public Accountant

669 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

Telephone (904) 269-6748
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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice Chairman
Ms Janice Kerekes
Mr. Charles Van Zant, Jr.
Ms. Lisa Graham

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Oakleaf Village Elementary School for the year ended June 30, 2011, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the school's internal control.

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

1. Four (4) instances of purchases being made prior to purchase approval.
2. Four (4) instances where check dates differed from the issue date on the purchase order.
3. One (1) instance where the check amount exceeded approved amount.
4. Four (4) instances of incomplete fundraiser forms.

As part of our audit, we also considered the correction of prior year findings. With regard to the findings from the June 30, 2010 audit report, the items were corrected.

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

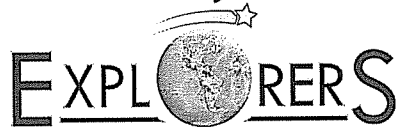
We would like to thank the Principal, bookkeeper and staff for their cooperation and courtesy extended to us during our audit. The school records were neat and orderly and we found that, overall, procedures established by the Internal Accounts Manual were followed by the school. It has been a pleasure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

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA

August 2, 2011

Oakleaf Village Elementary



410 Oakleaf Village Parkway
Orange Park, Florida 32065
Phone: (904)291-5458 Fax: (904)291-5471

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

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

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

This letter is in response to the documented notations you have listed on my 2010/11 audit:

1. Four instances of purchases being made prior to purchase approval.
2. Four instances where check date differed from the issue date on the purchase order.
3. One instance where the check amount exceeded approved amount.
4. Four instances of incomplete fundraiser forms.

Response:

- I will be more cautious of the dates recorded on the request for checks form when processing checks.
- As far as the amount exceeding the approved amount on the check, we had one instance of a family not receiving a fundraising order. We purchased the missing order and added the second invoice to cut one check but did not change the approved amount. I will try my best to make sure this doesn't happen again.
- Our run/walk club participated in some fun runs. I did not realize that "race participation awards" were considered a fundraiser. The sponsor of this event has left for the school year so the signature line was blank. I have informed the sponsor that she needs to fill out a fun raising form when they participate this coming year.

I thank you for your time and it was a pleasure working with you this year.

Pam Norwood

Handwritten signature of Pam Norwood in cursive script.

Bookkeeper

Colette Wyant

Handwritten signature of Colette Wyant in cursive script.

Principal

ORANGE PARK ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS OF THE INTERNAL FUNDS

For the Year Ended June 30, 2011

ORANGE PARK ELEMENTARY SCHOOL

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INDEPENDENT AUDITORS' REPORT

District School Board
Clay County, Florida

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Orange Park Elementary School for the year ended June 30, 2011. 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 the statement of cash receipts and disbursements of Orange Park Elementary School's internal funds, 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 the statement of cash receipts and disbursements of the internal funds, the accompanying financial statement includes only the financial activities of Orange Park Elementary School's internal accounts. The financial statement does not include other financial activities of the District School Board.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Orange Park Elementary School for the year ended June 30, 2011, on the basis of accounting described in Note 1.

Magers & Associates, LLC
Magers & Associates, LLC
August 18, 2011

ORANGE PARK ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS
For the Year Ended June 30, 2011

	Cash Balances July 1, 2010	Receipts	Disbursements	Interfund Transfers	Cash Balances June 30, 2011
Athletics	\$ 1.57	\$ 75.00	\$ -	\$ (76.57)	\$ -
Music	219.39	154.00	334.38	-	39.01
Classes, Clubs & Department	4,765.81	49,624.78	48,672.32	(764.00)	4,954.27
Trust	1,249.88	12,519.07	12,184.50	(146.26)	1,438.19
General	7,913.48	21,750.50	27,373.16	1,072.83	3,363.65
Outside Organizations	15,964.29	15,447.55	16,795.09	(86.00)	14,530.75
TOTAL	<u>\$ 30,114.42</u>	<u>\$ 99,570.90</u>	<u>\$ 105,359.45</u>	<u>\$ -</u>	<u>\$ 24,325.87</u>

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

ORANGE PARK ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

The Florida Department of Education and Clay County District School Board 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.

Basis of Accounting

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

NOTE 2 – CASH BALANCE

The cash balance of \$24,325.87 at June 30, 2011, consists of \$141.60 being held in a non-interest bearing checking account, \$24,033.96 invested with the State Board of Administration, and \$150.31 in uncollected checks which are expected to be collected.

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 Boards of Administration (SBA), Local Government Investment Pool.

NOTE 3 – INTEREST INCOME

Interest was earned on funds invested with the Clay County School Board in the amount of \$77.42 for the fiscal year ended June 30, 2011.

ORANGE PARK ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For the Year Ended June 30, 2011

NOTE 4 – ACCOUNTS PAYABLE AND ENCUMBRANCES

Orange Park Elementary School reported accounts payable, as listed below, and no encumbrances at June 30, 2011 for the internal funds.

Accounts Payable

Channing Bete	\$156.18
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Encumbrance

NONE



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

Honorable Members:

We have audited the statement of cash receipts and disbursements of the internal funds of Orange Park Elementary School (the "School") for the year ended June 30, 2011, and have issued our report thereon dated August 18, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Report on Internal Control

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

A 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.

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

However, we noted the following exceptions to the established internal control procedures:

- Disbursement for a prior year expense was not listed on the 2009/2010 list of accounts payable
- One instance where a disbursement was not supported by a receipt
- One instance where the student name was not indicated on the receipt
- One instance where the deposit was not made within five days
- One instance where the teacher did not turn in receipts daily
- Several instances where the software skipped receipt numbers

Communication with Those Charged with Governance

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

Our Responsibility Under U.S. Generally Accepted Auditing Standards

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

Planned Scope and Timing of the Audit

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

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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

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

Difficulties Encountered in Performing the Audit

We encountered no 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. There were no misstatements identified during the audit.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

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

District School Board
Clay County, Florida
Page 4

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

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

Magers & Associates, LLC
Magers & Associates, LLC
August 18, 2011



Orange Park Elementary School

1401 Plainfield Avenue
Orange Park, Florida 32073-3996
Telephone: (904) 278-2040
An Equal Opportunity Employer

August 29, 2011

Magers & Associates, LLC
165 Wells Rd.
Suite 405
Orange Park, FL 32073

Dear Ms. Magers:

Per this letter, we are responding to the following deficiencies in our audit for the year ending June 30, 2011.

A disbursement for a prior year expense was not listed on the 2009/2010 list of accounts payable.

Response: This disbursement was for the yearbook. For the school year 2011-2012, the financial guidelines have been addressed in Section 4 of the Faculty Handbook. Teachers cannot hold invoices and ask for payment in the following fiscal year. Mrs. McCullough has also addressed this problem in the faculty meeting, reminding teachers to follow District Guidelines and Policies.

One instance where a disbursement was not supported by a receipt.

Response: The receipt was missing from the check requisition. Ms. Wussick is aware of this issue and will take corrective action to make sure that each receipt will be attached to the check requisitions.

One instance where the student name was not indicated on the receipt.

One instance where the teacher did not turn in receipts daily.

Response: Each teacher has received a copy of the Bookkeeping Procedures and Monies Collected procedures. Ms. Wussick will send out an additional memo regarding this issue.

One instance where the deposit was not made within five days.

Response: Ms. Wussick was out sick and the deposit was not made. The Assistant Principal has been trained to take the deposit funds to the bank to be held until Monday of the following week.

We noted several instances where the software skipped receipt number.

Response: The issue is with the laser printer. Sometimes it will feed two or three papers through at a time. Therefore, it has caused the number sequence to be off. Ms. Wussick will now run them one at a time to ensure that the numbers stay in proper order.

Sincerely,

A handwritten signature in black ink that reads "Carole McCullough". The signature is written in a cursive style with a large, sweeping flourish at the end.

Carole McCullough

Principal

CM:tjw

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

**Orange Park High School
Internal Funds**

**Statement of Cash Receipts
and Disbursements**

June 30, 2011

**Orange Park High School
Internal Funds
Statement of Cash Receipts and Disbursements
June 30, 2011**

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Independent Auditors' Report

District School Board
Clay County, Florida

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of Orange Park High School Internal Funds for the year ended June 30, 2011. 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 Orange Park High School Internal Funds. The financial statement does not include other financial activities of the District School Board.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of Orange Park High School Internal Funds for the year ended June 30, 2011, on the basis of accounting described in Note 1.

DDF CPA Group

August 16, 2011

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

**Orange Park High School
Internal Funds
Statement of Cash Receipts and Disbursements
For the Year Ended June 30, 2011**

	<u>Cash Balances July 1, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Interfund Transfers</u>	<u>Cash Balances June 30, 2011</u>
Athletics	\$ 74,087.21	\$ 239,453.89	\$ 221,649.62	\$ (43,259.52)	\$ 48,631.96
Music	10,189.77	67,382.13	69,371.56	917.90	9,118.24
Classes, Clubs and Departments	121,470.13	264,997.75	289,145.94	(6,851.39)	90,470.55
Trusts	44,227.97	42,556.39	62,977.22	(5,672.70)	18,134.44
General	49,488.79	31,687.40	45,015.05	47,942.11	84,103.25
Outside Organizations	<u>20,838.27</u>	<u>46,982.25</u>	<u>42,899.19</u>	<u>6,923.60</u>	<u>31,844.93</u>
	<u>\$ 320,302.14</u>	<u>\$ 693,059.81</u>	<u>\$ 731,058.58</u>	<u>\$ -</u>	<u>\$ 282,303.37</u>

See accompanying Notes to Financial Statement

**Orange Park High School
Internal Funds
Notes to Financial Statement
For the Year Ended June 30, 2011**

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

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

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

Basis of Accounting

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

Note 2 - Cash and Cash Equivalents

The June 30, 2011 cash balance, totaling \$282,303.37 consists of \$30,569.33 in a non-interest bearing checking account, \$251,306.54 invested with the State Board of Administration and \$427.50 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, 2011 amounted to \$1,046.32.

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, 2011.

<u>Vendor</u>	<u>Amount</u>
Lowe's	\$ 948.78
Sam's Club	476.04
Wal-Mart	101.52
Jerry Williams (Official)	75.00
Roselyn Farley (Official)	50.00
Henry King (Official)	100.00
David Ditota (Official)	50.00
Jay Petty (Official)	100.00
David Livesay (Official)	50.00
Margaret Busbee (Official)	50.00
John Grizayard (Official)	50.00
Bale Company	230.25
	2,281.59
	\$ 2,281.59

There were no encumbrances at June 30, 2011.



Management Letter

District School Board
Clay County, Florida

In planning and performing our audit of the financial statements of Orange Park High School as of and for the year ended June 30, 2011, 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 opinions 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 Orange Park High 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.

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 Orange Park High School's internal control to be material weaknesses:

- Pursuant to Section IV (F) of the internal accounts manual, teacher/sponsors must complete a Request for Purchase and Check Requisition Form to obtain written approval from the principal or designee prior to making the actual purchase. We noted instances where purchases were made without prior approval from the principal or designee. We suggest that teachers/sponsors are reminded of proper purchasing procedures. This finding is repeated from the 2010 audit.
- Section I (I) of the internal accounts manual governs fundraising controls. Generally, the total number of items sold multiplied by the selling price of each item should equal total cash deposited and any differences should be accompanied by a detailed explanation. We found instances where revenue reported on the financial recap section of the fundraiser form was greater or lower than total deposits related to that fundraising activity as recorded in the general ledger. This finding is repeated from the 2010 audit.

As part of our audit, we considered the correction of prior year findings. With regard to the findings from the June 30, 2010 audit report, all items noted were corrected with the exception of the two findings noted above.

Communication With Those Charged With Governance

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

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the Statement of Cash Receipts and Disbursements 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 sensitive estimates significantly affecting the financial statement.

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. There were no misstatements identified during the audit.

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 dated August 16, 2011.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This 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.

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

DDF CPA Group

August 16, 2011

ORANGE PARK HIGH SCHOOL



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

Home of the Raiders

**TREASURE PICKETT
PRINCIPAL**

**VICE PRINCIPAL
Ray Dukes**

ASSISTANT PRINCIPALS

**Michael Elia
Bill Fletcher
Anthony Williams**

August 22, 2011

Douglas, Douglas, & Farnsworth
P. O. Box 9089
Fleming Island, FL 32006

Dear Sirs,

Thank you for the courteous and efficient manner with which you conducted the recent audit of the Internal Funds of Orange Park High School for 2010-2011.

We will take the following steps to eliminate the items noted in your audit report for the school year 2011-2012.

1. The faculty will be reminded of the proper purchasing procedures in obtaining prior approval before an item is ordered or purchased.
2. The faculty will be reminded of how important it is to be accurate in the financial recap of the Fundraising Form. If there are any differences, a detailed explanation should be included.

Treasure Pickett
Principal

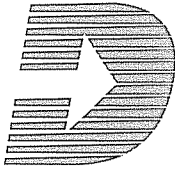
ORANGE PARK JUNIOR HIGH SCHOOL

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

**FOR THE YEAR ENDED
JUNE 30, 2011**

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DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Orange Park Junior High School for the year ended June 30, 2011. This financial statement is the responsibility of the Clay County School Board. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Orange Park Junior High School for the year ended June 30, 2011, on the basis of accounting described in Note 1.

DuVal & Company, CPA's, PA

DuVal & Company, CPA's, P.A.
August 13, 2011

Orange Park Junior High School

Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2011

	Balance July 1, 2010	Receipts	Disbursements	Interfund Transfers	Balance June 30, 2011
Athletics	\$ 14,709.67	\$ 56,150.40	\$ 51,355.15	\$ (1,340.89)	\$ 18,164.03
Music	858.09	25,266.25	24,774.35	(94.07)	1,255.92
Classes, Clubs and Departments	18,622.65	39,430.69	38,741.47	(2,939.64)	16,372.23
Trusts	2,642.35	17,583.33	18,829.43	(676.20)	720.05
General	19,273.80	12,033.83	10,371.59	5,050.80	25,986.84
Outside Organizations	0.00	0.00	0.00	0.00	0.00
TOTALS	<u>\$ 56,106.56</u>	<u>\$ 150,464.50</u>	<u>\$ 144,071.99</u>	<u>\$ 0.00</u>	<u>\$ 62,499.07</u>

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

ORANGE PARK JUNIOR HIGH SCHOOL
Notes To Statement of Cash Receipts and Disbursements
of the Internal Funds
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

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

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

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

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

Basis of accounting

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

ORANGE PARK JUNIOR HIGH SCHOOL

Notes to Statement of Cash Receipts and Disbursements of the Internal Funds For the Year Ended June 30, 2011

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, 2011 cash balance, totaling \$62,499.07 consists of \$22,172.71, in a non-interest bearing checking account with Wachovia Bank and \$40,326.36 in an investment account with the Clay County School Board. There are no NSF checks outstanding.

The school confirmed that there are no other bank accounts set up other than those listed above.

NOTE 3 - INTEREST INCOME

Interest earned on the investment account during the year ended June 30, 2011 was \$ 116.02. This represented a yield of approximately .29% for that period.



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

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

Honorable Members:

As requested by the Clay County School Board, listed below is a schedule of accounts payable and encumbrances for Orange Park Junior High School at June 30, 2011.

ACCOUNTS PAYABLE

Varsity Sports Fashions	\$4,743.71
-------------------------	------------

ENCUMBRANCES

Superior	\$3,000.00
----------	------------

The accounts payable and encumbrances above agree with the Principal's Monthly Report for June 30, 2011.

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

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

DuVal & Company, CPA's, P.A.
August 13, 2011



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

Mr. Ben Wortham, Superintendent of Schools
Clay County, Florida
Ms. Janice Kerekes
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Wayne Bolla
Ms. Lisa Graham

Honorable Members:

In connection with our audit of Orange Park Junior High School's (the "school") financial statement as of June 30, 2011 and for the year ended, and our audit of the school's internal control over financial reporting as of June 30, 2011 ("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 and those charged with governance, significant deficiencies and material weaknesses identified during the integrated audit. We are also responsible for communicating to management deficiencies that are of a lesser magnitude than a significant deficiency.

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 did not find any deficiencies that we consider to be material weaknesses.

A significant deficiency, or a combination of deficiencies, in internal control over financial reporting that, in the auditor's professional judgment, is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not find any deficiencies that we consider to be significant deficiencies.

As a part of our audit, we also consider the correction of prior year findings. The deficiencies noted in the prior year audit were substantially corrected. There was only one occasion where the date on the Report of Monies Collected was one week prior to the date of the bank deposit.

Overall, we found the internal accounting records neat and orderly. All of the issues listed in the prior-year auditor's report were addressed and substantially corrected. In addition, we found the procedures outlined in the Internal Funds Manual of the Clay County School Board were substantially followed by the school. The bookkeeper is doing an outstanding job in facilitating compliance with the manual.

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 District 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, 2011

ORANGE PARK JUNIOR HIGH SCHOOL

Home of the Wildcats

Janice Tucker
Vice Principal

Joyce Orsi
Principal

Al De Jesus
Assistant Principal

August 22, 2011

DuVal Fields Consulting, LLC
428 Walnut Street
Green Cove Springs, Fl. 32043

Dear Madame and Sirs,

This letter is being written to respond to the audit of our Internal Accounts for the school year 2010/2011.

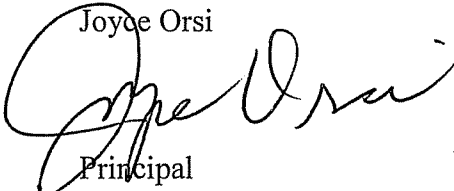
1. In response to Monies Collected form being dated one week prior to the date of the bank deposit. Faculty and Staff have been instructed to correctly date, document and turn in all funds collected by 2:00 pm on the last school day of the week. Thereby, allowing the bookkeeper to get it to the bank in accordance with the Internal Accounts Manual.

I also appreciate the note in reference to our school making substantial corrections, from the prior year. Mrs. Fritz, our bookkeeper has worked very hard with the faculty and staff to insure better control over these processes.

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

Again thank you for your time.

Joyce Orsi



Principal
Orange Park Junior High

R.M. PATERSON ELEMENTARY SCHOOL

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For The Year Ended June 30, 2011**

Steven W. Keenan, CPA
Certified Public Accountant

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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
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice Chairman
Ms. Lisa Graham
Ms. Janice Kerekes
Mr. Charles Van Zant, Jr.

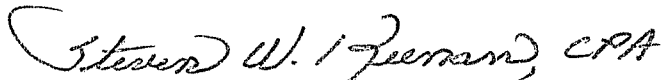
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of R.M. Paterson Elementary School for the year ended June 30, 2011. 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 R.M. Paterson Elementary School for the year ended June 30, 2011, on the basis of accounting described in Note 1.



Steven W. Keenan, CPA
August 4, 2011

R.M. PATERSON ELEMENTARY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For the year Ended June 30, 2011

	Cash Balance July 1, 2010	Transactions			Cash Balance June 30, 2011
		Receipts	Disburse- ments	Transfers	
Music	\$ -	\$ -	\$ -	\$ -	\$ -
Classes, Clubs, Departments	19,730.35	71,656.39	67,813.20	(5,674.35)	17,899.19
Trust	4,088.33	25,223.22	22,355.73	(373.03)	6,582.79
General	27,444.91	24,288.67	25,763.83	7,710.38	33,680.13
Outside Organizations	24,548.59	19,991.27	15,165.56	(1,663.00)	27,711.30
Total	\$ 75,812.18	\$ 141,159.55	\$ 131,098.32	\$ -	\$ 85,873.41

See accompanying notes and independent auditor's report.

R.M. PATERSON ELEMENTARY SCHOOL

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS For The Year Ended June 30, 2011

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 R.M. Paterson Elementary School within the Clay County, Florida school system.

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

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.

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 classified as cash equivalents, consisting of the State Board of Administration (SBA), Local Government Surplus Trust Funds Investment Pool.

NOTE 2 Cash

The June 30, 2011, total cash balance of \$85,873.41 as reported on the statement of cash receipts and disbursements consists of \$25,129.14 being held in a non interest bearing checking account insured by the FDIC, \$60,538.82 held in an investment account with the Clay County School and \$205.45 in uncollected NSF checks.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$173.65. This represents a yield of approximately .29 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
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice Chairman
Ms. Lisa Graham
Ms. Janice Kerekes
Mr. Charles Van Zant, Jr.

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, R.M. Paterson Elementary School reported the following accounts payable and encumbrances as of June 30, 2011:

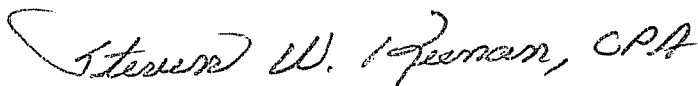
Accounts Payable

None

Encumbrances

None

The above accounts payable list agrees with the Principals Report as of June 30, 2011. 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 2010-2011 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of R.M. Paterson Elementary School for the year ended June 30, 2011.



Steven W. Keenan, CPA
August 4, 2011

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
Mr. Frank Farrell, Chairman
Ms. Carol Studdard, Vice Chairman
Ms. Lisa Graham
Ms. Janice Kerekes
Mr. Charles Van Zant, Jr.

Honorable Members:

In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of R.M. Paterson Elementary School for the year ended June 30, 2011, 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.

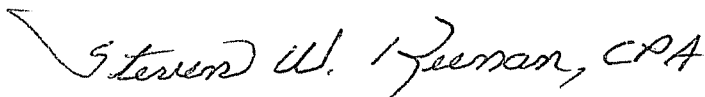
During our audit, we found one item that needed to be brought to your attention.

1. No Fundraising application was completed and forwarded to Business Affairs for approval to collect monies to assist the Hayes family, a combat wounded soldier, in the amount of \$6,000. Page 11 of the Internal Accounts Manuel (IAM) requires prior approval and additionally states individuals are not to be recipients of school fundraising activities.

As part of our audit, we also considered the correction of prior year findings. No discrepancies were noted in the prior year audit for correction.

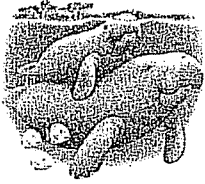
This report is intended solely for the information and use of Clay County School Board, management, and others within the school system.

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 4, 2011



Robert M. Paterson Elementary

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



Terry Grieninger, Principal

Pamela L. White, Assistant Principal

August 12, 2011

Steven W. Keenan, CPA
673 Kingsley Avenue
Orange Park, FL. 32073

Dear Sir:

Thank you for the thorough and professional audit of our internal accounts for the 2010-2011 school year.

The following is my response to the item noted during your audit. I will follow the procedures in the Internal Accounts Manual that requires prior approval for fundraisers. Further, there will be no fund raising for an individual.

I appreciate your acknowledgement of Mrs. Plummer and the diligent work that she performs. I agree that she is an exemplary employee.

I appreciate your diligent work in completing our audit.

Sincerely,

Terry Grieninger
Principal

Cc: Roni Campbell, Accounting Coordinator

PLANTATION OAKS ELEMENTARY SCHOOL

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

For the Year Ended June 30, 2011

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*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
Ms. Janice Kerekes

Honorable Members:

I have audited the accompanying statement of cash receipts and disbursements of the internal funds of Plantation Oaks Elementary School for the year ended June 30, 2011. 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 auditing standards generally accepted in the United States of America. 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 Plantation Oaks Elementary School for the year ended June 30, 2011, on the basis of accounting described in Note 1.

Shirley W. Hatcher, CPA, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 11, 2011

PLANTATION OAKS ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For the Year Ended June 30, 2011

	Cash Balance <u>July 1, 2010</u>	<u>Transactions</u>			Cash Balance <u>June 30, 2011</u>
		<u>Receipts</u>	<u>Disburse- ments</u>	<u>Interfund Transfers</u>	
Athletics	\$ 32.80	\$.00	\$ 32.80	\$.00	\$.00
Music	104.37	1,843.00	1,303.38	300.00	943.99
Classes, Clubs & Departments	6,774.93	41,711.93	35,945.13	(5,190.54)	7,351.19
Trust	1,268.92	6,066.49	5,161.37	(143.81)	2,030.23
General	10,492.24	33,705.35	27,311.44	9,568.38	26,454.53
Outside Organization	<u>3,148.30</u>	<u>12,595.46</u>	<u>11,209.73</u>	<u>(4,534.03)</u>	<u>.00</u>
Total	<u>\$ 21,821.56</u>	<u>\$ 95,922.23</u>	<u>\$ 80,963.85</u>	<u>\$.00</u>	<u>\$ 36,779.94</u>

See accompanying notes to statement of cash receipts and disbursements.

**PLANTATION OAKS ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2011**

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 Plantation Oaks 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 Plantation Oaks 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, as 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.

**PLANTATION OAKS ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
(CONTINUED)
For the Year Ended June 30, 2011**

NOTE 2 – Cash and Cash Equivalents

The June 30, 2011 cash balance of \$36,779.94 as reported on the Statement of Cash Receipts and Disbursements is being held in a non-interest bearing checking account insured by the FDIC.

NOTE 3 - Interest Income

There was no interest earned during the year ended June 30, 2011.

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SHIRLEY W. HATCHER, CPA, P.A.

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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Plantation Oaks Elementary School reported no accounts payable items and no encumbrances at June 30, 2011 for the internal funds.

Accounts Payable

NONE

Encumbrances

NONE

The above amount agrees with the list provided by the school at June 30, 2011 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, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 11, 2011



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Honorable Members:

In planning and performing my audit of the statement of cash receipts and disbursements of the internal funds of Plantation Oaks Elementary School for the year ended June 30, 2011, I considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statement and not for the purpose of expressing an opinion on the effectiveness of the school's internal control. Accordingly, I do not express an opinion on the effectiveness of Plantation Oaks Elementary School's internal control.

My 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.

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. I did not find any deficiencies that I consider to be material weaknesses in internal control of Plantation Oaks Elementary School.


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 the governance. During my audit, I found no items considered to be significant deficiencies in internal control for Plantation Oaks Elementary School.

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

1. Sales tax was paid on the vendor's invoice for purchase of yearbooks. Sales tax on yearbooks is specifically exempted for tax.
2. Receipt and disbursement of Teacher Lead Money was coded to 5100 – General Account and should be accounted for through the trust account 4450 – Teacher Lead Money.

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

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


SHIRLEY W. HATCHER, CPA, P.A.
August 11, 2011

Plantation Oaks Elementary

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www.clay.k12.fl.us

Mrs. Lee Oliver
Principal

Mrs. Kim Marks
Assistant Principal



August 23, 2011

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

Re: Plantation Oaks Elementary School Audit for Year Ending June 30, 2011

To Shirley W. Hatcher:

Thank you for your diligence in reviewing our records. I truly value your input and know the county does as well. As Chris is a 2nd year bookkeeper, I'm delighted by your lack of findings and the improvements she made over the year.

I would like to address the two "points" noted in your audit:

1. In regards to sales tax being paid on yearbooks:
 - a. This has been addressed with the vendor and they have updated our account to reflect our "Tax Exempt" status.
 - b. Additionally, the vendor has issued a credit in the amount of the tax paid (to be applied to this year's invoice).
2. In regards to the Teacher Lead Money:
 - a. The 4450 account is set up, and Chris simply forgot that the money was intended to be deposited into the trust account. I will ensure that it is put into this account from here forward.

Chris and I are grateful for the training your audit has provided and believe our practices will continue to improve. Thank you for all you do.

Sincerely,

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

Lee Oliver
Principal

c.c. Roni Campbell