

2025

Student Activity Fund - Internal Accounts
Clay County District School Board

Financial Statements and
Independent Auditor's Report

June 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD
GREEN COVE SPRINGS, FLORIDA**

JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

Clay County District School Board and Superintendent
Green Cove Springs, Florida

Opinions

We have audited the accompanying financial statements of the Student Activity Fund - Internal Accounts (the Internal Accounts), a special revenue fund of the Clay County District School Board (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Internal Accounts of the District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Internal Accounts of the District are intended to present the financial position, the changes in financial position of only that portion of the governmental activities, and the aggregate remaining fund information of the District. They do not purport to, and do not, present fairly the financial position of the District, as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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Green Cove Springs, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control related to the Internal Accounts. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis and budgetary comparison information of the special revenue fund that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Internal Accounts' basic financial statements. The accompanying schedule of changes in fund balance - by school is presented for purposes of additional analysis and are not a required part of

Clay County District School Board and Superintendent
Green Cove Springs, Florida

INDEPENDENT AUDITOR'S REPORT

the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of changes in fund balance - by school is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025, on our consideration of the Internal Accounts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Internal Accounts' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Internal Accounts' internal control over financial reporting and compliance.

Purvis Gray

November 17, 2025
Ocala, Florida

BALANCE SHEET
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
JUNE 30, 2025

ASSETS

	Special Revenue Fund
Assets	
Cash and Cash Equivalents	\$ 4,920,641
Total Assets	<u>4,920,641</u>

LIABILITIES AND FUND BALANCE

Total Liabilities	-
Fund Balances	
Restricted for School Internal Funds	4,920,641
Total Fund Balances	<u>4,920,641</u>
Total Liabilities and Fund Balances	<u>\$ 4,920,641</u>

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue Fund
Revenues	
Contributions and Grants	\$ 11,060,134
Total Revenues	<u>11,060,134</u>
 Expenditures	
Program Services	10,823,891
Total Expenditures	<u>10,823,891</u>
 Net Change in Fund Balance	236,243
 Fund Balance - Beginning of Year	<u>4,684,398</u>
 Fund Balance - End of Year	<u>\$ 4,920,641</u>

See accompanying notes.

**NOTES TO FINANCIAL STATEMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA**

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Student Activity Fund - Internal Accounts (the Internal Accounts), a special revenue fund of the Clay County District School Board (the District) have been prepared to conform to generally accepted accounting principles (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Pursuant to Florida Statutes, Section 1001.51(11)(f), the Superintendent of Schools is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education. The following is a summary of the more significant of these policies:

Reporting Entity

The District and its governing board (the Board) are organized and operated under Section 4, Article IX, of the constitution of Florida and Chapter 1001 of Florida Statutes. The District's boundaries are coterminous with those of Clay County. Management of the District is independent of county and city governments. The membership of the Board of the District consists of five members elected by county-wide vote for overlapping four-year terms. The Superintendent is elected and acts as chief executive officer of the District.

For financial reporting purposes, the accompanying financial statements include only the activity accounted for in the Internal Accounts of the District and does not purport to present financial position and results of operations for the District as a whole. The District does, however, prepare an entity-wide annual financial report, which also includes the Internal Accounts, which can be obtained from the District's administrative offices.

The Internal Accounts are a single special revenue fund of the District as follows:

- **Special Revenue Fund**—to account for resources of the Internal Accounts, which are used to administer monies collected at the District's schools in connection with school, student athletic, class and club activities, and financial aid fee collections and expenditures. The fund is made up of all of the internal account activity of the District's elementary, junior or middle, high schools, a virtual K-12, and an adult community education center, and are unbudgeted public funds under the control and supervision of the District with individual school principals having day-to-day responsibility over their respective schools.

The collection and disbursement of Internal Accounts is performed in accordance with Florida Statutes, the school board rules, and the *Financial and Program Cost Accounting and Reporting for Florida Schools* manual, published by the Florida Department of Education.

A single fund level statement is presented for the Internal Accounts Special Revenue fund. No entity-wide statements are presented as there are no reconciling items between fund level and entity-wide.

Measurement Focus and Basis of Accounting

The accompanying financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose,

**NOTES TO FINANCIAL STATEMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA**

the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting.

Cash and Investments

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes; thus, all bank balances of the Internal Accounts of the District are fully insured or collateralized.

Per Section 230.23(10)(k), Florida Statutes, school boards should have policies pertaining to the investment of school funds that are not needed for immediate expenditures. The District's investment policy established permitted investments, asset allocation limits and issuer limits, credit rating requirements, and maturity limits to protect the District's cash and investment assets. The District maintains a common cash and investment pool for the use of all funds. The District has a formal investment policy that allows listed investment and investment types, including registered investment companies, intergovernmental investment pools, and other investments permitted by Section 218.415, Florida Statutes. Investments classified as cash equivalents include Florida PRIME. As of the year ended June 30, 2025, the District's Internal Accounts had \$1,789,008 invested in funds that the District reported as cash equivalents.

Investments consist of amounts placed in the State Board of Administration (SBA) for participation in Florida PRIME investment pools created by Section 218.405, Florida Statutes. The investment pools operate under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME meet all of the necessary criteria to elect to measure all of the investments at amortized cost. Like money market funds, a participant's account balance is a share of the investment pool, not the underlying securities, and reported at fair value, which is amortized cost. Amortized cost is considered the fair value of the participant's investment.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Risk Management

The Internal Accounts are exposed to various risks of loss related to theft of, damage to, and destruction of assets. The District provides commercial insurance to cover these risks of loss to the Internal Accounts.

Fund Balance

The Internal Accounts follow the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Internal Accounts is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

**NOTES TO FINANCIAL STATEMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA**

Fund balances are described below:

Non-Spendable Fund Balances—Non-Spendable Fund Balances are amounts that cannot be spent because they are either: (a) not in spendable form; or (b) legally or contractually required to be maintained intact.

Restricted Fund Balances—Restricted Fund Balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balances—Committed Fund Balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Internal Accounts' highest level of decision-making authority. The Board is the highest level of decision-making authority for the Internal Accounts that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Committed amounts cannot be used for any other purpose unless the Internal Accounts removes those constraints by taking the same type of action.

Assigned Fund Balances—Amounts in the Assigned Fund Balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The District has authorized the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily.

The Internal Accounts' policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Note 2 - Cash Deposits With Financial Institutions

Custodial Credit Risk

In the case of deposits, this is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit. All bank balances of the District are fully insured or collateralized as required by Chapter 280, Florida Statutes.

Note 3 - Investments

As of June 30, 2025, the Internal Accounts have the following investment:

Investments	Maturities	Fair Value
State Board of Administration: Florida PRIME	47 Day Average (A)	\$ 1,789,008

Notes: (A) Investments reported as cash equivalents for financial statement reporting purposes.

NOTES TO FINANCIAL STATEMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy does not specifically limit investment maturities as a means of managing its exposure to fair value losses from increasing interest rates but generally requires shorter-term investment maturities that are matched with cash flow needs to avoid selling securities prior to maturity.

Florida PRIME uses a weighted average days to maturity (WAM). A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

For Florida PRIME, with regard to redemption rates, Section 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the SBA can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days".

As of June 30, 2025, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

With regard to liquidity fees, Section 218.409(4), Florida Statutes, provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and propose of such fees. At present, no such disclosure has been made.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments to the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the *Florida Interlocal Cooperation Act* as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. The District's investment policy limits investments to the SBA Local Government Surplus Funds Trust Fund Investment Pool which, effective July 1, 2009, is known as Florida PRIME, or any intergovernmental investment pool; Securities and Exchange Commission registered money market funds with the highest credit quality rating;

**NOTES TO FINANCIAL STATEMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA**

interest-bearing time deposits or savings accounts held in qualified public depositories; direct obligations of the United States Treasury; Federal Agencies and Instrumentalities, any open-end or closed-end management-type investment company or registered investment trust investing in, or repurchase agreements collateralized by, obligations of the United States Government or any agency or instrumentality; and commercial paper and bankers' acceptances with quality credit ratings.

The District's investment in the Florida PRIME is rated AAAm by Standard & Poor's.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's investment policy addresses custodial credit risk in that all securities, with the exception of certificates of deposit, are held with a third-party custodian; and all securities purchased by, and all collateral obtained by the District should be properly designated as an asset of the District. The securities must be held in an account separate and apart from the assets of the financial institution.

The District's investments in the money market mutual funds are held by the safekeeping agent in the name of the District.

SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN FUND BALANCE - BY SCHOOL
STUDENT ACTIVITY FUNDS - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

	Beginning Balance			Ending Balance
	June 30, 2024	Revenues	(Expenditures)	June 30, 2025
Adult Community Education	\$ 9,950	\$ 5,102	\$ (5,878)	\$ 9,174
Argyle Elementary	33,743	80,075	(85,666)	28,152
Bannerman Learning Center	44,577	35,749	(70,698)	9,628
Charles E. Bennett Elementary	21,549	52,771	(60,263)	14,057
Clay High	518,275	955,660	(939,174)	534,761
Clay Hill Elementary	14,803	60,966	(63,752)	12,017
Clay Virtual Academy	2,017	5,005	(2,430)	4,592
Coppergate Elementary	24,678	62,111	(54,497)	32,292
Discovery Oaks Elementary	37,854	131,746	(136,322)	33,278
Doctors Inlet Elementary	9,902	66,928	(60,702)	16,128
Fleming Island Elementary	88,068	147,067	(154,245)	80,890
Fleming Island High	648,700	1,419,784	(1,434,345)	634,139
Green Cove Springs Jr. High	108,686	183,087	(191,489)	100,284
Grove Park Elementary	17,401	32,735	(31,219)	18,917
Keystone Heights Elementary	49,345	113,256	(107,537)	55,064
Keystone Heights High	365,602	658,179	(592,903)	430,878
Lake Asbury Elementary	42,464	143,746	(136,408)	49,802
Lake Asbury Jr. High	123,784	421,839	(361,167)	184,456
Lakeside Elementary	40,733	114,011	(105,093)	49,651
Lakeside Jr. High	112,169	289,327	(273,302)	128,194
McRae Elementary	33,953	81,863	(86,583)	29,233
Middleburg Elementary	9,733	43,184	(42,857)	10,060
Middleburg High	410,738	962,729	(865,289)	508,178
Montclair Elementary	15,197	38,669	(36,489)	17,377
Oakleaf High School	444,110	1,320,487	(1,321,850)	442,747
Oakleaf Jr. High	96,188	331,255	(340,643)	86,800
Oakleaf Village Elementary	82,832	154,816	(168,138)	69,510
Orange Park Elementary	68,887	119,122	(139,955)	48,054
Orange Park High	246,092	733,958	(750,922)	229,128
Orange Park Jr. High	75,069	135,809	(132,969)	77,909
Paterson Elementary	71,309	157,454	(143,323)	85,440
Plantation Oaks Elementary	52,349	75,846	(73,737)	54,458
RideOut Elementary	37,349	115,138	(117,723)	34,764
Ridgeview Elementary	23,436	37,399	(46,126)	14,709
Ridgeview High School	378,147	773,758	(700,591)	451,314
S. Bryan Jennings Elementary	11,125	26,182	(18,903)	18,404
Shadowlawn Elementary	20,005	68,097	(69,615)	18,487
Spring Park Elementary	18,082	119,109	(116,732)	20,459
Swimming Pen Creek Elementary	44,074	126,092	(131,987)	38,179
Thunderbolt Elementary	65,764	141,513	(164,571)	42,706
Tynes Elementary	36,644	123,123	(110,392)	49,375
W.E. Cherry Elementary	12,628	75,210	(69,425)	18,413
Wilkinson Elementary	26,594	72,493	(78,036)	21,051
Wilkinson Jr. High	89,793	247,684	(229,945)	107,532
Total	\$ 4,684,398	\$ 11,060,134	\$ (10,823,891)	\$ 4,920,641

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Clay County District School Board and Superintendent
Green Cove Springs, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Student Activity Fund - Internal Accounts (the Internal Accounts) of Clay County District School Board (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated November 17, 2025.

Our report on the financial statements includes a paragraph explaining that the financial statements include only the financial statements of the Internal Accounts and does not include other funds of the District.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Internal Accounts' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 Internal Accounts' internal control. Accordingly, we do not express an opinion on the effectiveness of the Internal Accounts' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
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may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described below, that we consider to be a significant deficiency:

■ **2025-01—Segregation of Duties**

One of the tenets of sound internal control is the segregation of incompatible duties among employees. The basic premise is that, to minimize the risk of employee errors and fraudulent activities, duties should be segregated so that individuals do not perform all accounting functions for a single area. During our audit of the Internal Accounts, we identified instances where the bookkeeper is the sole individual responsible for deposits, preparing disbursements, recording transactions in the general ledger, and reconciling bank statements. This condition is common among internal accounts in school districts across the state of Florida and is not unique to the District. The District has recognized this weakness and has established and implemented detective controls to mitigate this risk. These include the monthly review and approval of the principal's report and bank reconciliation by each principal, the distribution of monthly account reports to each school sponsor or instructor for their respective accounts, and monthly reviews performed by the internal audit department.

We recommend that the District further its efforts to mitigate the segregation of duties issues and continue to emphasize the importance of detection controls over cash receipting and bank deposits and disbursements.

Management's Response: Management continues to emphasize the importance of strong detective and preventive controls. Bookkeepers are not permitted to be the initial collectors of any funds, as this restriction is necessary to preserve an appropriate level of segregation of duties. Since bookkeepers are responsible for preparing deposits, recording transactions, and reconciling bank accounts, participating in the initial collection of funds would create an unacceptable risk of errors or potential misuse.

In addition to the existing controls, management is currently updating the Internal Accounts Handbook to further strengthen standardized procedures and provide improved guidance for schools. The District is also working to migrate internal accounts processes into the District's ERP system, which will enhance monitoring, controls, and system-based segregation of duties. Management will continue to reinforce the importance of adhering to established controls and will provide ongoing training and support to school staff.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Internal Accounts' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions

Clay County District School Board and Superintendent
Green Cove Springs, Florida

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
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WITH *GOVERNMENT AUDITING STANDARDS***

was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management in the accompanying management letter dated November 17, 2025.

Internal Accounts' Response to Findings

The Internal Accounts' response to the findings identified in our audit is described above. The Internal Accounts' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Internal Accounts' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Internal Accounts' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

November 17, 2025
Ocala, Florida

MANAGEMENT LETTER

Clay County District School Board and Superintendent
Green Cove Springs, Florida

In planning and performing our audit of the financial statements of the financial statements of the Student Activity Fund - Internal Accounts (the Internal Accounts) of Clay County District School Board (the District) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the District's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Internal Accounts' 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 was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of certain matters that represent opportunities for strengthening internal controls and improving operating efficiency. Our comments regarding these matters are provided on pages 16 through 65.

This communication is intended solely for the information and use of management, those charged with governance, and others within the Internal Accounts, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

November 17, 2025
Ocala Florida

CERTIFIED PUBLIC ACCOUNTANTS

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MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Adult Community Center			
Finding 1	Repeated Comment From Prior Year	2025-01 Proof of Two Signatures on Checks	Principal's Response
While the current Bookkeeper was out for part of September and all of October and November, the individual covering her duties did not retain images of signed checks. As a result, the auditor was unable to verify that two signatures were present on any checks issued during that period. The auditor and current Bookkeeper were also unable to locate check images through the bank's online platform. The auditor was unable to substantiate whether two signatures were present on the checks.	No	Per Redbook Chapter 8, Section III, 1.3(a), "All checks must be signed with two signatures as prescribed by the principal, if not prescribed by district school board policy."	We confirm that the two-signature policy is consistently followed; however, to resolve the audit finding that compliance could not be substantiated due to incomplete documentation, we will ensure complete copies of all signed checks are made and properly filed for future review.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Bannerman Learning Center			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraising	Principal's Response
<p>We noted one instance in which there were no pre-approval signatures prior to the start of the fundraiser. Additionally, for that same fundraiser, the sponsor and bookkeeper signed off on the reconciliation on the first day of the event rather than after it concluded.</p> <p>The fundraiser began on 11/18/24 and ended on 11/20/24. The reconciliation was approved and signed on 11/18/24 by the sponsor and bookkeeper, and on 11/21/24 by the principal, for fundraiser FR #24253.</p>	No	<p>Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."</p>	<p>We will refer to the IA manual and Redbook, and will follow the procedures.</p>

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Clay Virtual Academy
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Argyle Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Cash Collections	Principal's Response
During receipt testing, we noted one instance in which cash received outside the school office was not remitted to the bookkeeper within one business day. Specifically, \$150.75 for Safety Patrol was collected on 12/12/2024, received by the office on 12/16/2024, and deposited on 12/20/2024.	No	Per Redbook, Chapter 8, Section III, 1.4(b), "Collections made outside of the school office must be turned in to the school office no later than the next business day."	The principal and the bookkeeper will collaborate to remind teachers of the importance of submitting funds during regular working hours to ensure timely processing.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Charles E. Bennett Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Class and Club Accounts	Principal's Response
During the review, it was noted in the Internal Control Questionnaire that budgets were not being retained for all class and club accounts.	Yes - In previous year during the time of review, it was noted in the Internal Control Questionnaire that budgets were not being retained for all class and club accounts.	Per the Internal Accounts Manual, Chapter 1, page 7, "Each school's organization, class, club, or department shall operate within a budget formulated by the organization members." Per the Redbook requirements, Chapter 8, Section 1.11, "Each school organization should operate within a budget formulated by the organization. The format of the budget shall be prescribed by district school board policies."	CEB's Bookkeeper was not aware of the Redbook requirement. She is currently working to correct the mistake to create Internal budgets for all classes.
Finding 2	Repeated Comment From Prior Year	2025-02 Activity Transfers	Principal's Response
During the review, we noted that Transfer #22 for \$300, described as "From VPK to Second Grade," was not properly approved or authorized by the principal.	No	Per the Internal Accounts Manual, Chapter 10, page 46, "Upon the approval of the Transfer Request form by the principal, the bookkeeper will enter the transfer number on the transfer request." A single individual should not be able to complete a transaction without secondary approval. We recommend that all transfers be reviewed and approved by a secondary individual. (Segregation of Duties)	As a Secretarial team, CEB has improved organizational procedures while secretaries are out for extended leave.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Clay Hill Elementary
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Coppergate Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraisers	Principal's Response
During our testing, we noted one instance in which the fundraiser recap was not properly completed within 30 days of the event's conclusion. Fundraiser FR #29 started on 1/13/2025 and ended on 2/5/2025; the recap was not available or dated at the time of our review.	Yes - During our review of fundraisers in the prior year, the auditor was not able to be provided any supporting documentation or forms completed. Only thing available on-site was a Fundraiser Log.	Per Rebook, Chapter 8, Section 2.3(e), a financial report shall be filed with the principal's office at the close of each fundraising activity. Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."	The principal will make sure a financial report is filed with the principal's office at the close of each fundraising activity. The principal will ensure that the Fundraiser Application and Financial Recap Part A and the Before Event sections are completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Doctors Inlet Elementary
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Discovery Oaks Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Missing Purchase Order	Principal's Response
During our testing of disbursements, we were unable to locate one of the purchase orders included in a check disbursement. Specifically, PO #772 for \$49.99 could not be found.	No	<p>2020 Clay County Internal Accounts Manual, Chapter 4 - Cash Disbursements & Expenditures, page 26: "The purchase order must be generated before making a purchase or obligating the school to purchase items using Internal Accounts funds... The principal's signature approval must be obtained before generating the Purchase Order."</p> <p>Per the Redbook, Chapter 8, Section 3.3.2, a signed commitment from the principal or designee(s) must be on file before any purchase is made.</p>	<p>This finding was from the previous secretary. We do not have that issue now.</p>

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Discovery Oaks Elementary			
Finding 2	Repeated Comment From Prior Year	2025-02 Fundraisers	Principal's Response
During our testing, we noted multiple fundraisers that lacked the proper forms and documentation required per Chapter 8 of the Redbook and School Board Policy. For Fundraiser FR #20, the fundraiser recap did not appear to have the principal's signature, although the bookkeeper and sponsor signed on 3/25/25. Fundraiser FR #8 did not appear to include the bookkeeper's signature on the pre-approval section of the form. For Fundraiser FR #23, the recap was not signed within 30 days; however, this delay was due to awaiting vendor approval.	Yes - During testing in the prior year, the auditor noted one fundraiser wasn't properly reconciled within 30 days of the final sale, and wasn't properly approved before the start date.	Per Rebook, Chapter 8, Section 2.3(e), a financial report shall be filed with the principal's office at the close of each fundraising activity. Section 2.4 goes on to note that each fundraising activity shall have the approval of the organization sponsor and the principal.	We did have a miscommunication between the district office and ourselves which took place the day of the audit. The only fundraiser over 30 days was booster gobble wobble which was due to vendor approval for shoes. We have put procedures in place to ensure this does not occur in the future.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Fleming Island Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraising Events Lacking Documented Approval	Principal's Response
During our testing, we noted one instance in which the fundraiser recap was not properly completed within 30 days of the event's conclusion. Fundraiser FR #25 started on 10/1/24 and ended on 10/18/24, but the reconciliation was not signed off and approved until 1/6/2025.	No	<p>Per Redbook, Chapter 8, Section 2.3(e), "A financial report shall be filed with the principal's office at the close of each fundraising activity."</p> <p>Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."</p>	We will continue to share our expectations with our team regarding prompt completion of appropriate fundraiser forms. We will also monitor deadlines to follow up as needed with our sponsors.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Grove Park Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraiser Financial Recap Submission	Principal's Response
During our testing, we noted an instance in which the fundraiser recap was not properly completed within 30 days of the event's conclusion. Fundraiser FR #25-10 ended on 2/25/25, but the reconciliation was not signed off and approved until 4/10/25.	No	<p>Per the Clay County Internal Accounts Manual, Chapter 5, page 33, "The [fundraiser] reconciliation shall be completed within 30 days after the final sale."</p> <p>Per the Redbook, Chapter 8, Section 2.3(e) A financial report shall be filed with the principal's office at the close of each fundraising activity.</p>	<p>Noted and documented. Communication to Bookkeeper.</p> <p>Tracking system in place, regular scheduled reminders, establish an escalation process.</p>
Finding 2	Repeated Comment From Prior Year	2025-02 Receipt of Donation	Principal's Response
During our cash receipt sampling, we noted one instance in which a large donation of \$7,500, received on 12/18/24, was not deposited until 1/10/25, exceeding the five-business-day requirement. Due to the amount, this deposit required approval from the District and was also delayed because it occurred during the holidays when some individuals were out of the office.	No	Per Redbook, Chapter 8, Section 1.4(c), "All money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be deposited within five (5) working days."	<p>Noted and documented. Train staff, donation log, daily checks.</p>

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Keystone Heights Elementary
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Lake Asbury Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraiser Financial Recap Submission	Principal's Response
During our testing, we noted a fundraiser for which the final approval of the financial recap form occurred more than 30 days after the fundraiser ended. Fundraiser FR#8 ended on 9/24/24, with the final reconciliation approved and signed off on 12/13/24.	No	<p>Per the Redbook, Chapter 8, Section 2.3(e) A financial report shall be filed with the principal's office at the close of each fundraising activity.</p> <p>Per the Clay County Internal Accounts Manual, Chapter 5, page 33, "The reconciliation shall be completed within 30 days after the final sale."</p>	The teacher who organized the fundraiser did not return to the business for many, many weeks after the event date. This made the deposit and the closing of the fundraiser go past the 30 day period.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Lakeside Elementary
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: McRae Elementary
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Montclair Elementary
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Middleburg Elementary
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Oakleaf Village Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraising Events	Principal's Response
During our testing, we noted a fundraiser for which the final approval of the financial recap form was dated inconsistently. Fundraiser FR#4 ended on 5/1/2025, but the final reconciliation was signed off and approved on 1/29/2025, before the dated end date.	Yes - During testing in the previous year, the auditor noted one fundraiser wasn't properly reconciled within 30 days of the final sale.	Per the Redbook, Chapter 8, Section 2.3(e) A financial report shall be filed with the principal's office at the close of each fundraising activity. Per the Clay County Internal Accounts Manual, Chapter 5, page 33, "The reconciliation shall be completed within 30 days after the final sale."	We acknowledge the late approval of the fundraiser recap. The bookkeeper will continue to monitor due dates, and the principal will review and approve all submissions promptly to ensure compliance with the 30-day requirement whenever possible. Unfortunately, we are dependent on the vendor to provide the proceeds check in order to close the fundraiser, and this process has exceeded the 30-day deadline.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Orange Park Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraiser Financial Recap Submission	Principal's Response
During our testing, we noted a fundraiser for which final approval of the financial recap form occurred more than 30 days after the fundraiser's end date. Fundraiser FR#25-9 ended on 11/21/24, with the financial recap signed and approved on 12/10/24.	No	<p>Per the Redbook, Chapter 8, Section 2.3(e) A financial report shall be filed with the principal's office at the close of each fundraising activity.</p> <p>Per the Clay County Internal Accounts Manual, Chapter 5, page 33, "The reconciliation shall be completed within 30 days after the final sale."</p>	OPE had one expense for custodial services that went beyond our 30 day window for closing out this fundraiser. The Bookkeeper will ensure that all fundraisers are completed within the 30 days of the end of each fundraiser moving forward.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Paterson Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraising Events Lacking Documented Approval	Principal's Response
During our testing, we noted a fundraiser for which the request for pre-approval did not include the bookkeeper's signature. Fundraiser FR#25-04 started on 8/1/2024, with the sponsor signing the request for pre-approval on 7/1/2024. The pre-approval form was signed by the principal but not dated, and the bookkeeper's signature was missing.	No	Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds."	This form has been corrected.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Plantation Oaks Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Purchase Order Approval for P-Card Transaction	Principal's Response
The auditor noted a purchase made on a purchasing card for which the principal did not sign a purchase order. The purchase was for \$181.56 at Sam's Club.	No	<p>2020 Clay County Internal Accounts Manual, Chapter 4 - Cash Disbursements & Expenditures, page 26: "The purchase order must be generated before making a purchase or obligating the school to purchase items using Internal Accounts funds... The principal's signature approval must be obtained before generating the Purchase Order."</p> <p>Per the Redbook, Chapter 8, Section 3.3.2, a signed commitment from the principal or designee(s) must be on file before any purchase is made.</p>	I recognize the deficiency and will be more conscientious to sign the proper documentation.
During our testing, we noted a fundraiser form that lacked the required signature approvals. The event ended on 9/19/2024, and while the financial recap was signed by the bookkeeper on 10/25/2024, it was not signed by the sponsor or principal.	No	<p>Per the Redbook, Chapter 8, Section 2.3(e), "A financial report shall be filed with the principal's office at the close of each fundraising activity."</p> <p>Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."</p>	I recognize the deficiency and will be more conscientious to sign the proper documentation.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: RideOut Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraisers	Principal's Response
During our testing, we noted one instance in which approval occurred after the start of the event. Fundraiser FR #5 started on 8/23/2024, with approval dated 9/15/2024, after the start date. The approval of the financial recap was dated 6/2/2025, more than 30 days after the event ended.	No	Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."	Fundraiser forms will be filled out prior to events from myself or any staff member planning the fundraiser. All forms that need to be signed after an event will be signed within the 30 days.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Ridgeview Elementary
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: S Bryan Jennings Elementary
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Shadowlawn Elementary
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Spring Park Elementary
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Swimming Pen Creek Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 P-Card Receipt Documentation	Principal's Response
Through discussions with the Bookkeeper and Principal, we learned that between 8/21/2024, and 11/13/2024, there were 27 purchasing card transactions with no supporting receipt documentation, totaling approximately \$4,022. Most of these transactions occurred while the previous Bookkeeper was in the role. Although the Principal stated she was aware of the transactions when they occurred, the lack of receipt documentation represents a breakdown in controls over purchasing card transactions and limits the ability to verify the appropriateness of the expenditures.	No	Per the Clay County Internal Accounts Manual, Chapter 4, page 27, "The bookkeeper should review the documentation to (1) Ensure that items have been received and the invoice/receipt amount matches the purchase order amount." A lack of documented receipt would constitute an exception.	I approved all purchase card transactions and provided a receipt to the bookkeeper. Once I was made aware of the missing receipts, we put systems in place to ensure documentation is filed properly. I have regular meetings with the bookkeeper to prevent these breakdowns in communication.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Swimming Pen Creek Elementary			
Finding 2	Repeated Comment From Prior Year	2025-02 Misplacement of Cash Receipts	Principal's Response
Based on discussions during our testing, we were informed that in September 2024, the previous Bookkeeper reported cash missing from their office. The Bookkeeper had collected cash for Montessori program payments and issued receipts but was unable to provide the full amount when requested, totaling approximately \$1,100. An internal review was conducted by management but did not identify substantial evidence of misappropriation. This situation represents a breakdown in cash-handling controls and increases the risk of loss or misappropriation. Bookkeepers should not be the initial recipients of cash, as they also oversee bank reconciliations and other accounting functions.	No	<p>Per the Clay County Internal Accounts Manual, Chapter 3: "When a Report of Monies Collected form is remitted to the bookkeeper with the corresponding funds, he/she shall count the funds and compare the total to the total written on the Report of Monies Collected form. The cash remitted must match the cash listed on the form and the checks remitted must match the checks listed on the form. Any discrepancies found shall be addressed immediately or as soon as is feasibly possible."</p> <p>The manual also specifies that the bookkeeper should not be the individual initially receiving any funds.</p>	The previous bookkeeper is no longer in this position. The new bookkeeper and administration received training on the protocol for monies collected and have put systems in place to ensure the proper handling of cash. We have transitioned to collecting monies electronically wherever possible in order to limit the handling of cash.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Swimming Pen Creek Elementary			
Finding 3	Repeated Comment From Prior Year	2025-03 Fundraisers	Principal's Response
Auditor noted a fundraiser for which the request for pre-approval was not signed by the previous Bookkeeper and/or the final financial recap was not signed within 30 days of the fundraiser's end date. Fundraiser FR #75 started on 11/1/2024. While the principal and sponsor signed the form for approval, the bookkeeper did not. The fundraiser ended on 11/8/2024, and the sponsor and bookkeeper signed the financial recap on 12/19/2024; however, the principal's approval was not dated until 6/10/2025.	No	<p>Per the Redbook, Chapter 8, Section 2.3(e) A financial report shall be filed with the principal's office at the close of each fundraising activity.</p> <p>Per the Clay County Internal Accounts Manual, Chapter 5, "The reconciliation shall be completed within 30 days after the final sale."</p>	This finding was an oversight. My bookkeeper has trained our staff so that we adhere to this deadline.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Thunderbolt Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraiser Financial Recap Submission	Principal's Response
Auditor noted a fundraiser for which the financial recap signatures were either dated more than 30 working days after the end of the fundraiser or were not present. Fundraiser FR #15 ended on 2/29/25, with the financial recap approved and dated on 4/22/25.	No	<p>Per the Clay County Internal Accounts Manual, Chapter 5, page 33, "The [fundraiser] reconciliation shall be completed within 30 days after the final sale."</p> <p>Per the Redbook, Chapter 8, Section 2.3(e), a financial report shall be filed with the principal's office at the close of each fundraising activity.</p>	Anyone completing a fundraiser will know a recap must be completed within 30 days.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Tynes Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Journal Entry and Transfer Authorization	Principal's Response
During our review of journal entries and transfers, we noted that the year-end transfers were not signed off by the Principal. Additionally, multiple journal entries, specifically in October, were not signed off by either the Principal or the Bookkeeper. This includes Journal Entry #921 for \$98.14 and Transfer #33 for \$297.08.	No	Per the Clay County Internal Accounts Manual, Chapter 10, page 46, "The bookkeeper shall obtain the principal's signature on all journal entry reports to evidence his/her review and understanding of all adjustments posted during the month."	Due to changes in the procedures for Clay County internal accounts, this procedure has been updated. In addition to that procedural change, we have a new bookkeeper at the school who has been trained in the appropriate procedures governing internal accounts and reconciling journal entries. For the new school year, the principal has reviewed and signed ALL entry reports to date.
Finding 2	Repeated Comment From Prior Year	2025-02 Fundraisers	Principal's Response
During our testing, we noted one fundraiser for which the Bookkeeper could not locate the signed financial recap. Fundraiser FR #18 ended on 4/4/2025, but the Bookkeeper was unable to provide the financial recap for the fundraiser.	Yes - During testing in the prior year, the auditor noted one fundraiser wasn't properly reconciled within 30 days of the final sale.	Per the Redbook, Chapter 8, Section 2.3(e), a financial report shall be filed with the principal's office at the close of each fundraising activity. Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."	We have hired and onboarded a new bookkeeper at the school who has been trained in the appropriate procedures governing fundraising procedures. For the new school year, the principal has reviewed and signed the fundraising applications to ensure that Part A was completed prior to collecting funds.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: W.E. Cherry Elementary			
Finding 1	Repeated Comment From Prior Year	2025-01 Ticket Events	Principal's Response
During our sampling of ticketed events, we noted an event in which we were unable to recalculate ticket sales, resulting in a variance of \$20. The ending ticket number was not recorded correctly on the Report of Ticket Sales. All receipts, except for one (#24459), included ticket numbers.	No	Red Book Chapter 8, Section 3,1.4(f) states that "all checks, receipt forms and tickets shall be renumbered and perpetual inventories of each shall be maintained. For all cases in which tickets are used, ticket reports and unsold tickets must be available for audit. Any pre-numbered documents shall be accompanied by a certified statement of numbers received."	In the future, we will ensure that all ticket numbers are recorded appropriately on the report of ticket sales. Also, all receipts will include ticket numbers.
Finding 2	Repeated Comment From Prior Year	2025-02 Fundraising Events	Principal's Response
During our review of fundraisers, the auditor noted that the selected Fundraiser Application and Financial Recap for Fundraiser FR #18, which ended on 5/30/2025, was signed but did not include the dates of approval or review.	No	Per Rebook, Chapter 8, Section 2.3(e), a financial report shall be filed with the principal's office at the close of each fundraising activity. Section 2.4 goes on to note that each fundraising activity shall have the approval of the organization sponsor and the principal. Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."	I will make sure that I date the Fundraiser Application and the Financial Recap for all fundraisers.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Wilkinson Elementary
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Green Cove Springs, Jr. High			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraiser Approval	Principal's Response
During our testing, we noted one instance in which a fundraiser was not pre-approved by the principal. The fundraiser began on 8/13/2024, with approval signed on 8/18/2024—after the start of the FR #3.	No	Per the Clay County Internal Accounts Manual, Chapter 5, page 33, "Form BAD-1-3025, "Fundraiser Application and Financial Recap" Part A, and "Before Event" section shall be completed and submitted to the bookkeeper before any advertising or collection of funds."	Upon review, I have clarified the fundraiser procedures with my Assistant Principal who was the sponsor for the fundraiser to ensure that in the future pre-approval from the principal is obtained prior to starting the fundraiser. Furthermore, as principal, I will be more careful in checking the dates to make sure that a fundraiser does not have a start date prior to my signature.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Lake Asbury, Jr. High			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraiser Approval	Principal's Response
During testing, the auditor noted one fundraiser that was not properly reconciled within 30 days of the final sale. The final payment for the fundraiser was received on 10/3/2024, but the recap was not completed and signed until 1/21/2025.	No	Per the Clay County Internal Accounts Manual, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."	The fundraiser in question extended beyond the originally planned end date, and the follow-up recap was not completed within the required 30-day window. To ensure compliance moving forward, we have implemented internal calendar reminders that include the activity or fundraiser sponsor, bookkeeper, and principal. These reminders are scheduled to occur prior to the 30-day deadline for each fundraiser reconciliation. Additionally, the bookkeeper now maintains and shares with the principal a running Google document that tracks all approved fundraisers. This document is to be reviewed during monthly meetings between the bookkeeper and the principal to ensure the timely completion of all required forms.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Lake Asbury, Jr. High			
Finding 2	Repeated Comment From Prior Year	2025-02 Cash Collections	Principal's Response
During our receipt testing, we noted two instances where a teacher retained cash and did not remit it to the bookkeeper by the next business day. Specifically, \$250 was collected on 9/6/2024 by the sponsor and remitted on 9/12/2024—beyond one business day. In another instance, \$840 was collected on 11/15/2024 and remitted on 11/20/2024.	No	Per Redbook, Chapter 8, Section III, 1.4(b), "Collections made outside the school office must be turned in to the school office no later than the next business day."	To strengthen cash-handling procedures, a locked drop box/safe has been installed for use by teachers and sponsors when the bookkeeper or an administrator is unavailable. This allows for same-day deposit of funds and receipts. Annual meetings are already held with all sponsors to review best practices for bookkeeping and cash-handling protocols. Beginning this year, we will add a mid-year refresher meeting to reinforce these procedures with all staff, including any new sponsors, coaches, and teachers, to ensure accountability and adherence to district and Redbook guidelines.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Lakeside Jr. High
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Oakleaf Jr. High
No findings noted.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025**

School Name: Orange Park Jr. High
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Wilkinson Jr. High			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraiser Approval	Principal's Response
During our testing, we noted two fundraisers for which there was no indication of the principal's pre-approval before the events began. Fundraiser FR #25-006 started on 8/1/24 and ended on 8/31/24. The pre-approval was signed by the sponsor and bookkeeper on 7/22/24, but no principal signature was present. Fundraiser FR #25-058's pre-approval and financial recap forms did not include the principal's signature.	Yes - In previous year during testing, auditor noted one fundraiser wasn't properly reconciled within 30 days of the final sale.	Per the Clay County Internal Accounts Manual, Chapter 5, page 33, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap Part A', and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds."	Original paperwork for the forms were signed in the wrong spot by the AD for his fundraisers. The bookkeeper had him redo the forms correctly, and therefore was an oversight on signature for pre-approval by me the second time around. The signatures to close out the fundraiser forms were all signed off appropriately.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Clay High			
Finding 1	Repeated Comment From Prior Year	2025-01 Cash Collections	Principal's Response
During our receipt testing, we noted one instance in which cash was not remitted to the office by the next business day. Cash was initially collected on 1/7/2025, with the deposit occurring on 1/24/2025 for parking decals.	Yes - During our receipt testing in the prior year, we noted three instances of cash not being remitted to the office by the next business day.	Per Redbook, Section 3, 1.4(b), "collections made outside the school office must be turned in to the school office no later than the next business day."	A formal meeting with the secretary who collected the funds was held, procedures were reviewed, and it was made clear future disciplinary action would take place if money was not turned in by the end of each day.
Finding 2	Repeated Comment From Prior Year	2025-02 Cash Receipts	Principal's Response
During our receipt testing, we noted one instance in which cash collections exceeding \$5.01 did not have the required class receipt records. No receipts were provided or could be substantiated as having been issued to students for cheer camp fees totaling \$400.	No	Per the Internal Accounts Manual, Chapter 3, Student Activity Receipts (1), "A student activity receipt will be issued for all monies received of \$5.01 or more pre-numbered sequential receipts."	A reminder meeting was held to go over procedures, and it was made clear that future disciplinary action would take place if receipts were not issued.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Fleming Island High			
Finding 1	Repeated Comment From Prior Year	2025-01 Fundraisers	Principal's Response
During testing, the auditor noted one fundraiser that was neither properly approved before the start date nor reconciled within 30 days of the final sale. Fundraiser FR #2025-16 started on 7/1/2024 and ended on 8/15/2024, with approval occurring on 7/16/2024—after the start date. The reconciliation was completed on 9/25/2024, more than 30 days later.	No	Per the Internal Accounts Manual, Chapter 5, page 33, "Form BAD-1-3025, 'Fundraiser Application and Financial Recap' Part A, and 'Before Event' section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."	Our bookkeeper does a great job at detailing the procedures for fundraising with our staff. We will continue to inform them of the correct procedures and get all the proper paperwork reconciled within the time frame of its completion.
Finding 2	Repeated Comment From Prior Year	2025-02 Cash Collections	Principal's Response
During our receipt testing, we noted one instance in which cash collected was not remitted to the office by the next business day. Specifically, \$2,229 related to concessions was collected on 8/16/2024 and turned into the school office on 8/22/2024.	Yes - During our receipt testing, we noted two instances of cash collected not remitting to the office by the next business day.	Per the Red Book Chapter 8, Section III, 1.4(b), "collections made outside of the school office must be turned in to the school office no later than the next business day."	It has been stressed numerous times about the collection of cash and depositing it into the night drop. We will remind all staff of the proper timeframes through our annual meetings and our bookkeeper emailing any staff that would possibly collect cash.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Fleming Island High			
Finding 3	Repeated Comment From Prior Year	2025-03 Deposits	Principal's Response
During receipt testing, we noted two instances of cash not being deposited within five business days of receipt. Specifically, \$2,229 for concessions was collected on 8/16/2024, turned into the school office on 8/22/2024, and not deposited until 8/30/2024. Additionally, \$480 for soccer camp fees was collected on 8/9/2024 but not deposited until 8/21/2024.	No	Per the Internal Accounts Manual, Chapter 3, page 25, "Deposits should be made within (5) working days of when monies were collected."	Our bookkeeper will train our backup individual to be able to make deposits when she is out of the office so we are able to follow the proper timeline of 5 working days.
Finding 4	Repeated Comment From Prior Year	2025-04 Purchase Order	Principal's Response
During disbursement testing, the auditor noted one instance in which the purchase order was approved after the actual purchase date on the invoice. Authorization for IA Extra-Curricular Supplemental Pay was completed in June 2025 for work performed from 8/16/2024 to 2/12/2025.	No	Per the Redbook, Chapter 8, Section 3.3.2, "a signed commitment from the principal or designee(s) must be on file before any purchase is made." Per the Internal Accounts Manual, Chapter 4, rule 12, "The actual purchase date on the invoice shall not before the date of approval on the form."	Without the exact details of this finding, the bookkeeper and I will continue to train our staff and make sure that all orders are not placed until a purchase order has been issued. We can also refuse shipment of the merchandise or the staff member might need to pay for the purchase.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Fleming Island High			
Finding 5	Repeated Comment From Prior Year	2025-05 Concessions	Principal's Response
From our audit, we believe internal controls over concession sales can be strengthened. While receipts may not be required for individual low-dollar transactions, the Redbook requires that all money collected by the school be substantiated by auditable records, such as sales reports, ticket reconciliations, or other equivalent documentation. Implementing a process to track items sold and reconcile them to cash collected would provide the necessary audit trail. Strengthening these controls would help ensure accurate accounting of funds, demonstrate compliance with applicable policies, and reduce the risk of loss or misappropriation.	No	<p>While the Internal Accounts Manual specifies that receipts are only required for items over \$5.01, the Redbook (Section 1.4, Cash Collections and Deposits) states: "All money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records."</p> <p>Accordingly, money collected from concessions would still require auditable records. This is typically accomplished through a report of items sold and their value, reconciled to the cash collected, or through another system that provides equivalent documentation.</p> <p>In addition, the 2020 Internal Accounts Manual requires an inventory analysis: "An analysis of each item sold by the school must take place yearly. The teacher/sponsor should complete a sales report when inventory items are sold. A new beginning inventory and sales report must be completed by the teacher/sponsor when the price of an item changes."</p>	The school and bookkeeper will continue to train staff on selling concessions with proper accounting for merchandise and products.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
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School Name: Keystone Heights High
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
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School Name: Middleburg High			
Finding 1	Repeated Comment From Prior Year	2025-01 Cash Collections	Principal's Response
During our receipt testing, we noted one instance in which cash collected was not remitted to the office by the next business day. The money was collected on 11/4/2024 but was not received by the school office until 11/12/2024.	Yes - During receipt testing in the prior year, we found 2 instances of cash not being turned into the bookkeeper within 1 business day.	Per the Red Book Chapter 8, Section III, 1.4(b), "collections made outside of the school office must be turned in to the school office no later than the next business day."	Locked Safe on campus to drop ALL monies collected (this helps if school is closed due to holiday, emergencies, or inclement weather closure).
Finding 2	Repeated Comment From Prior Year	2025-02 Fundraisers	Principal's Response
During testing, the auditor noted that the selected fundraiser was not properly reconciled within 30 days of the final sale. Fundraiser FR #4024378 started on 1/10/2025 and ended on 1/25/2025, with the approval and reconciliation signed off on 5/20/2025.	No	Per Internal Accounts Manual, Chapter 5, page 33, "Form BAD-1-3025, "Fundraiser Application and Financial Recap" Part A, and "Before Event" section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."	We will work in the future to correct and close all fundraisers in a timely manner. We have addressed in our preplanning meeting.

**MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
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School Name: Oakleaf High
No findings noted.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Orange Park High			
Finding 1	Repeated Comment From Prior Year	2025-01 Cash Collections	Principal's Response
During receipt testing, we noted two instances in which cash was not turned in to the bookkeeper within one business day. Specifically, \$300 for football discount cards was collected on 7/25/24, remitted to the school office on 7/29/24, and deposited on 8/1/24. Additionally, \$176 for winterguard fees was collected on 3/24/25, remitted to the school office on 3/31/25, and deposited on 4/4/25.	No	Per Redbook, Section 3, 1.4(b), "collections made outside the school office must be turned in to the school office no later than the next business day."	We will continue to train and send a reminder to all faculty/staff that all money collected must be turned in on the day it is collected.

MANAGEMENT LETTER - SPECIFIC SCHOOL COMMENTS
STUDENT ACTIVITY FUND - INTERNAL ACCOUNTS
CLAY COUNTY DISTRICT SCHOOL BOARD - GREEN COVE SPRINGS, FLORIDA
FOR THE YEAR ENDED JUNE 30, 2025

School Name: Ridgeview High			
Finding 1	Repeated Comment From Prior Year	2025-01 Cash Collections	Principal's Response
During our receipt testing, we noted one instance in which cash was not remitted to the office by the next business day. Registration fees totaling \$4,800 began to be received on 9/5/2024, were received by the office on 9/9/2024, and were deposited on 9/13/2024.	No	Per Redbook, Section 3, 1.4(b), "collections made outside the school office must be turned in to the school office no later than the next business day."	We will continue to remind all staff that funds collected must be turned in no later than the next business day. Those turning in funds later than the next business day will be required to meet with the principal and complete a letter explaining their error.
Finding 2	Repeated Comment From Prior Year	2025-02 Fundraisers	Principal's Response
During testing, the auditor noted that the selected fundraiser was not properly reconciled within 30 days of the final sale. Fundraiser FR #25-29 started on 8/1/24 and ended on 9/30/24; however, approval was not signed until after the event began on 9/11/24, and the reconciliation was signed off on 12/3/24.	No	<p>Per Internal Accounts Manual, Chapter 5, page 33, "Form BAD-1-3025, "Fundraiser Application and Financial Recap" Part A, and "Before Event" section shall be completed and submitted to the bookkeeper before any advertising or collection of funds. The reconciliation shall be completed within 30 days after the final sale."</p> <p>Per the Redbook, Chapter 8, Section 2.3(e) A financial report shall be filed with the principal's office at the close of each fundraising activity.</p>	We will continue to review the procedures for fundraisers with the staff sponsor. We are implementing an internal check system to ensure that all fundraiser applications are submitted before any advertising or collection of funds, financial recaps are completed and submitted to the bookkeeper within 30 days after the final sale, and a financial report is filed with the principal's office at the close of every fundraising activity without exception.

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