

THUNDERBOLT ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS OF THE
INTERNAL FUNDS

For the Year Ended June 30, 2007

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SHIRLEY W. HATCHER, CPA, P.A.

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

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INDEPENDENT AUDITOR'S REPORT

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

Honorable Members:

I have audited the accompanying statement of cash receipts and disbursements of the internal funds of Thunderbolt Elementary School for the year ended June 30, 2007. This financial statement is the responsibility of the School's management. My responsibility is to express an opinion on this financial statement based on my audit.

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

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

In my opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Thunderbolt Elementary School for the year ended June 30, 2007, on the basis of accounting described in Note 1.

Shirley W. Hatcher, CPA, P.A.

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

Member: American and Florida Institutes of Certified Public Accountants

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

	Cash	Transactions		Interfund	Cash
	Balance	Receipts	Disburse-		Transfers
	July 1, 2006		ments		June 30, 2007
Athletics	\$ 170.00	\$.00	\$ 170.00	\$.00	\$.00
Music	1,927.69	4,525.00	3,201.89	.00	3,250.80
Classes, Clubs & Departments	22,600.76	101,620.31	105,668.83	3,086.93	21,639.17
Trust	9,627.50	33,658.34	33,045.32	(161.06)	10,079.46
General	13,280.36	39,339.94	36,776.86	(396.50)	15,446.94
Outside Organi- zations	<u>18,682.24</u>	<u>39,844.44</u>	<u>40,278.38</u>	<u>(2,529.37)</u>	<u>15,718.93</u>
Total	<u>\$ 66,288.55</u>	<u>\$218,988.03</u>	<u>\$219,141.28</u>	<u>\$.00</u>	<u>\$ 66,135.30</u>

See accompanying notes to statement of cash receipts and disbursements.

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

NOTE 1

The School's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

NOTE 2

Interest was earned on the SBA investment account at the rate of 5.36%, and total interest earned on the SBA investment account amounted to \$16.20

NOTE 3

Of the June 30, 2007 cash balance of \$66,135.30 as reported on the Statement of Cash Receipts and Disbursements, \$65,738.48 is being held in a non-interest bearing checking account insured by the FDIC, \$309.32 is being held in the SBA investment account, and \$87.50 in uncollected checks.

**S
H**

SHIRLEY W. HATCHER, CPA, P.A.

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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, the accounts payable and encumbrances for Thunderbolt Elementary School as of June 30, 2007, are as follows:

Accounts Payable

Sam's	\$ 73.09
Displays2Go	150.90
Gina Rafferty	<u>169.75</u>
Total	<u>\$393.74</u>

Encumbrances

NONE

The above amount does not agree with the list provided by the school at June 30, 2007. Auditing procedures as I considered necessary under the circumstances were applied to the verification of these accounts payable. These amounts were not paid during the year ended June 30, 2007, and, accordingly, were not included in the statement of cash receipts and disbursements of the internal funds for the year then ended.

Shirley W. Hatcher, CPA, PA

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



SHIRLEY W. HATCHER, CPA, P.A.

P.O. Box 541
Middleburg, FL 32050-0541
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Mr. David L. Owens, Superintendent of Schools,
Clay County, Florida
Mr. Wayne Bolla
Ms. Lisa Graham
Mr. Charles Van Zant, Sr.
Mrs. Carol Studdard
Mrs. Carol Vallencourt

Honorable Members:

In planning and performing my audit of the statement of cash receipts and disbursements of the internal funds of Thunderbolt Elementary School for the year ended June 30, 2007, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statement and not to provide assurance on the internal control structure.

During my audit, I noted the following items which should be addressed by the school:

1. Several instances of monies being held over nights and weekends were noted as well as changes in date being made in ink on the yellow copy of the teachers receipt. In several cases, funds were held by the teachers for one-two weeks before being turned in. Also, all school receipts were issued as of the date the deposit was made at the bank. The date of receipt should be the day the funds are received by the bookkeeper. Funds should be turned into the bookkeeper on a daily basis, and all deposits should be made in accordance with the Internal Funds Manual.
2. Numerous purchases are being made prior to approval. All purchases should be made in accordance with the Internal Funds Manual.
3. Three accounts exceed the maximum limit.
4. Fundraising forms were not available for three activities.
5. The accounts payable amount reported on the Principal's Report at June 30, 2007, does not agree with the accounts payable noted during the audit.

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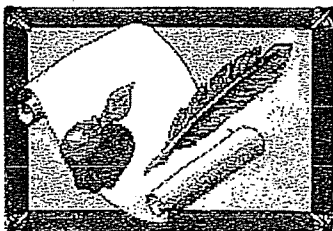
The internal funds accounting records were overall very neat and orderly. I also found that the procedures outlined in the Internal Funds Manual of the Clay County School Board were followed by the School.

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

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

Shirley W. Hatcher, CPA, PA

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



Thunderbolt Elementary School

2020 Thunderbolt Road Orange Park, Florida 32003

September 12, 2007

Ms. Shirley Hatcher, CPA, P.A.
PO Box 541
Middleburg, FL 32050-0541

Dear Ms. Hatcher:

Your services in auditing the financial records of Thunderbolt Elementary School are appreciated. The following response is provided to the items cited in your audit report.

1. Policy regulating for turning in and depositing monies has been included in the Teacher Handbook and was discussed with all teachers at a Faculty Meeting.
2. Reimbursements will no longer be given for items purchased prior to approval date.
3. Account balances will be more closely reviewed in March to identify areas of overage.
4. Policy for fundraising approval has been reviewed with administration responsible for scheduling school events.
5. Accounts payable report was discussed by principal and bookkeeper to clarify discrepancy and insure that payments are made and reported within the same calendar month.

As discussed in our audit follow-up conference, an effort is being made to create a more effective and less intrusive work environment for the bookkeeper. All principal secretary responsibilities related to substitute teachers and support staff has been reassigned. Administrative documents are prepared by the Principal or other staff when possible. The School Secretary will assist with processing warehouse supply orders.

Thank you again for your support in management of the finance of our school.

Sincerely,

Dee Dee Phillips
Principal

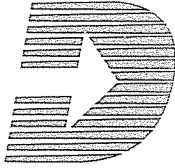
TYNES ELEMENTARY SCHOOL

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

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

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DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Tynes Elementary School for the year ended June 30, 2007. This financial statement is the responsibility of the Clay County School Board. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Tynes Elementary School for the year ended June 30, 2007, on the basis of accounting described in Note 1.

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

Tynes Elementary School

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

	Balance July 1, 2006	Receipts	Disbursements	Interfund Transfers	Balance June 30, 2007
Music	\$ 1,234.33	\$ 180.00	\$ 1,409.33	\$ 0.00	\$ 5.00
Classes, Clubs and Departments	14,119.30	38,717.31	40,416.47	(1,116.63)	11,303.51
Trusts	8,918.91	34,682.21	32,828.94	(3,025.43)	7,746.75
General	27,233.57	21,023.51	25,806.71	4,239.45	26,689.82
Outside Organizations	16,938.10	40,969.10	30,328.34	(97.39)	27,481.47
TOTALS	<u>\$ 68,444.21</u>	<u>\$ 135,572.13</u>	<u>\$ 130,789.79</u>	<u>\$ (0.00)</u>	<u>\$ 73,226.55</u>

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

TYNES ELEMENTARY SCHOOL

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal accounts of Tynes 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 Tynes Elementary School.

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

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

Basis of accounting

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

TYNES ELEMENTARY SCHOOL

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

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

Investments

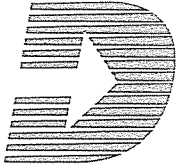
The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds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

NOTE 2 - CASH AND CASH EQUIVALENTS

The June 30, 2007 cash balance totaling \$73,226.55 consists of \$25,226.20 in a noninterest bearing checking account with Wachovia Bank and \$48,000.35 in an investment account with the Clay County School Board. There was no NSF checks receivable as of June 30, 2007.

NOTE 3 - INTEREST INCOME

Interest earned on the investment account during the year ended June 30, 2007 was \$2,513.22. This represented a yield of approximately 5.38% for that period.



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

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

Honorable Members:

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

ACCOUNTS PAYABLE

Roses, Etc.	<u>\$ 110.00</u>
Total	<u>\$ 110.00</u>

ENCUMBRANCES

Crystal Springs Books	\$1,094.01
Barnes and Noble	2,046.25
Character Development Group	699.84
IPromo, LLC	<u>1,149.50</u>
Total	<u>\$4,989.60</u>

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

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

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



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

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

Honorable Members:

In planning and performing our audit of the statement of receipts and disbursements of the internal funds of Tynes Elementary School for the year ended June 30, 2007, we considered its internal control structure in order to determine procedures for the purpose of expressing an opinion on the financial statement and not to provide assurance on the internal control structure. We did not note any matters that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statement.

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

1. With respect to fundraising activities, the Spirit Committee held a fundraiser where the total receipts and disbursements per the financial recap did not tie to the general ledger. In addition, two fundraising forms were found to be incomplete.
2. There were twenty-eight (28) handwritten checks throughout the school year. Eight (8) of these checks were not dated. According to school board policy, all checks should be printed. In addition, during our testing of checks \$1000 and over, one check requisition form did not have adequate support. The check was written to the American Heart Association.

3. During our testing of the school store procedures, it appears that the school is not in compliance with school board policy. According to the manual, a beginning and ending inventory count signed by two people should be performed. The school performed one ending inventory count, and only one person counted the ending inventory for fiscal years 2005/2006 and 2006/2007. Finally, on seven (7) occasions, money was held longer than seven (7) days. This includes one instance when money was held for twenty-two (22) days. According to school board policy, money should be "deposited in the School Store account on a weekly basis or when receipts are more than \$50, whichever occurs first."

4. The prior-year audit identified a check written to Target for gift cards. The issue surrounding this purchase was a lack of documentation regarding who received these gift cards. This year, check number 8473 in the amount of \$1,650.00 was handwritten to Target for the purchase of gift cards. Again, there is no list of individuals who received the cards.

Overall, we found the internal accounting records were very neat and orderly. In addition, the bookkeeper was very responsive when additional information was requested. We found that the procedures outlined in the Internal Funds Manual of the Clay County School Board were substantially followed by the school.

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

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

DuVal & Company, CPA's, PA

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

Tynes Elementary School

1550 Tynes Boulevard
Middleburg, Florida 32068
(904) 291-5400

Jean H. Newhall
Principal

Kim A. Morrison
Assistant Principal

September 4, 2007

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

Dear Mr. DuVal and Mr. Chesney:

It was a pleasure to work with you during your recent audit of our internal funds. Our response to your observations is as follows:

1. In the event startup funds are required by any organization, the transfer procedure will be used to leave a clear audit trail. Either None or Not Applicable will be used on fundraising forms instead of leaving a line blank.
2. Alternatives to handwriting checks are being explored to ensure compliance with school board policy. Supporting documentation for donations made by vendors as matching funds will be attached to Tynes' request for check requisition in the future.
3. The school store procedures have been reviewed with the appropriate personnel to ensure compliance.
4. A list of gift card recipients was supplied but was considered invalid because the individuals had not signed for the cards. Documentation with signatures will be provided for future transactions.

Sincerely,



Jean H. Newhall
Principal

JN/bh

pc: Clay County School Board

PERSISTENCE & RESPONSIBILITY



IN DAILY EFFORT

An Equal Opportunity Employer

W. E. CHERRY ELEMENTARY SCHOOL

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

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

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DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of W. E. Cherry Elementary school for the year ended June 30, 2007. This financial statement is the responsibility of the Clay County School Board. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of W. E. Cherry Elementary school for the year ended June 30, 2007, on the basis of accounting described in Note 1.

DuVal & Company, CPAs, PA
DuVal & Company, CPA's, P.A.
August 10, 2007

W. E. Cherry Elementary School

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

	<u>Balance July 1, 2006</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Interfund Transfers</u>	<u>Balance June 30, 2007</u>
Music	\$ 86.61	\$ 304.50	\$ 366.08	\$ (15.00)	\$ 10.03
Classes, Clubs and Departments	2,109.17	21,903.95	23,825.20	245.92	433.84
Trusts	8,614.91	25,787.58	26,727.62	(1,624.18)	6,050.69
General	271.38	3,617.39	3,880.49	100.00	108.28
Outside Organizations	<u>685.02</u>	<u>26,790.97</u>	<u>28,758.61</u>	<u>1,293.26</u>	<u>10.64</u>
TOTALS	<u>\$ 11,767.09</u>	<u>\$ 78,404.39</u>	<u>\$ 83,558.00</u>	<u>\$ (0.00)</u>	<u>\$ 6,613.48</u>

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

W. E. CHERRY ELEMENTARY SCHOOL

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal accounts of W. E. Cherry 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 W. E. Cherry Elementary School.

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

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

Basis of accounting

The accompanying financial statement is prepared on the cash basis of accounting and, therefore, 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.

W. E. CHERRY ELEMENTARY SCHOOL

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Investments

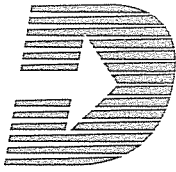
The School Board has the authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds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

NOTE 2 - CASH AND CASH EQUIVALENTS

The June 30, 2007 cash balance, totaling \$6,613.48 consists of \$ 6,390.32 in a noninterest bearing checking account with Wachovia Bank. Also included are NSF checks receivable in the amount of \$223.16, which are expected to be collected.

NOTE 3 - INTEREST INCOME

W. E. Cherry did not have an investment account with the Clay County School Board.



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

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

Honorable Members:

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

<u>ACCOUNTS PAYABLE</u>	<u>\$0.00</u>
<u>ENCUMBRANCES</u>	<u>\$0.00</u>

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

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

DuVal & Company, CPA's, PA
DuVal & Company, CPA's, P.A.
August 10, 2007



DuVal & Company

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL ASSOCIATION

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

Honorable Members:

In planning and performing our audit of the statement of receipts and disbursements of the internal funds of W. E. Cherry Elementary school for the year ended June 30, 2007, we considered its internal control structure in order to determine procedures for the purpose of expressing an opinion on the financial statement and not to provide assurance on the internal control structure. We did not note any matters that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statement.

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

1. Checks issued do not have "Void After Six Months" imprinted on them. We recommend obtaining new checks as soon as possible. We also recommend obtaining a "Void After Six Months" stamp and stamping the checks currently in stock.
2. In several months the bank reconciliation did not tie to the Principal's Report, and the Principal's Reports were filed after the 15th of the subsequent month.
3. During our cash receipts testing, several items were noted that need attention. During the test month the bookkeeper failed to write the official receipt number on any of the report of monies collected. On several occasions the teacher receipts were altered instead of being voided. On six (6) occasions the teacher/sponsor held money overnight or over the weekend. Two (2) report of monies collected could not be traced because there were no names or receipt numbers listed.

4. During our cash disbursements testing several items were noted. A signature stamp with the principal's name is being used on checks, bank reconciliations, and Principal's Reports that require a manual signature. On one (1) occasion a check request was completed for travel for one employee and the reimbursement check was made out to a different employee. Also, there were no actual receipts provided for reimbursement as the amounts were handwritten on the itinerary. Four (4) requests for purchase approval either did not have an amount entered, or the amount was altered and written over. Routinely checks made out to Publix did not have receipts attached.

5. During our account balance testing, we noted that on two (2) occasions a transfer was made to adjust an error in posting, on three (3) occasions, the Principal's signature stamp was used in lieu of an original signature, and on two (2) occasions there was no reason for the transfer noted on the request.

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

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

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

DuVal & Company, CPAs, PA
DuVal & Company, CPA's, P.A.
August 10, 2007

W. E. CHERRY ELEMENTARY SCHOOL

ANGELA WHIDDON
PRINCIPAL

420 EDSON DRIVE
ORANGE PARK, FLORIDA 32073
(904) 278- 2050
FAX (904) 278-2056
<http://www.clay.k12.fl.us/wec>

MICHELLE HARRIS
ASSISTANT PRINCIPAL

September 4, 2007

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

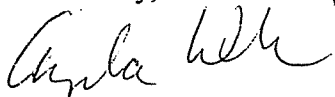
Dear Madam or Sir:

This letter is in response to the audit report of the internal funds of W.E. Cherry Elementary School for the year ending June 30, 2007. Steps have been taken to correct the items noted in our audit draft for the 2006-2007 school year.

1. In regards to the "Void After Six Months" stamp, we will order one and use it for the remaining checks.
2. In regards to the bank reconciliation reports, when it was filed after the 15th, we sent a 'revised' copy. In the future we will make every effort to file the report on or before the 15th of the month.
3. All depository procedures as listed in the Accounts Manual will be followed. Also the teachers will be reminded of the procedures.
4. In regards to the signature stamp, we will follow procedures and use a manual signature.
5. We will remind teachers of the procedures and we will use a manual signature.

W.E. Cherry appreciates the patience of our auditors at DuVal & Company.

Sincerely,



Angela Whiddon
Principal, WE Cherry Elementary

WILKINSON ELEMENTARY SCHOOL

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

EMILY C. HELMS, CPA, PA
Certified Public Accountant

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EMILY C. HELMS, CPA, PA
Certified Public Accountant

EMILY C. HELMS, CPA, PA
Certified Public Accountant

1279 Kingsley Avenue, Suite 103
Orange Park, FL 32073

Kingsley Center

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

INDEPENDENT AUDITOR'S REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Wilkinson Elementary School for the year ended June 30, 2007. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Wilkinson Elementary School for the year ended June 30, 2007, on the basis of accounting described in Note 1.



Emily C. Helms, CPA, PA
August 12, 2007

WILKINSON ELEMENTARY SCHOOL

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS

For the year Ended June 30, 2007

	Cash	Transactions			Cash
	Balance	Receipts	Disburse-	Interfund	Balance
	July 1, 2006		ments	Transfers	June 30, 2007
Music	\$ 250.53	\$ 1,794.50	\$ 1,882.82		\$ 162.21
Classes, Clubs, Departments	8,731.81	45,435.86	45,939.99	63.41	8,291.09
Trust	7,070.51	30,083.42	28,315.57	(334.17)	8,504.19
General	7,247.18	31,521.94	23,844.91	645.76	15,569.97
Outside Organizations	-	8,239.70	42,080.79	38,832.69	(375.00)
	8,239.70	42,080.79	38,832.69	(375.00)	11,112.80
Total	\$ 31,539.73	\$ 150,916.51	\$ 138,815.98	\$ -	\$ 43,640.26

See accompanying notes and accountant's report.

WILKINSON ELEMENTARY SCHOOL

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

NOTE 1 Summary of Significant Accounting Policies

Cash receipts and disbursements method of accounting

The school's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

NOTE 2 Cash

The June 30, 2007, total cash balance of \$ 43,640.26 as reported on the statement of cash receipts and disbursements consists of \$29,616.09 being held in a interest bearing checking account insured by the FDIC; \$12,558.65 held in an investment account with the Clay County School; \$20.00 held in a Change Fund; and \$1,445.52 held as uncollected NSF Funds.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$657.56. This represents a yield of approximately 5.4 percent. Investment interest is maintained in a separate fund account.

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

Honorable Members:

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

Accounts Payable

None

Encumbrances

None

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

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of accounts payable and encumbrances. These accounts payable and encumbrances were not paid during the 2006-2007 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Wilkinson Elementary School for the year ended June 30, 2007.



Emily C. Helms, CPA, PA
August 12, 2007

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

Honorable Members:

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

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

1. Accounts 3101 and 3190 have negative balances as of June 30, 2007. The Internal Accounts Manual, Disbursement Procedures, page 34, states in part, "Each account within the internal funds should be operated with in a plan....The principal shall not approve a request for supplies, equipment, or services for which a group does not have the necessary cash resources available within its account structure to make the required expenditure." We recommend a review of the Internal Accounts Manual, Disbursement Procedures, page 34 to ensure that all purchasing requirements of the Clay County School Board have been followed.
2. The following seven accounts exceeded the maximum balance prescribed by the Clay County School Board:

a. Account 3166	PE Pizza	\$ 385.61
b. Account 3208	School Spirit Club	215.54
c. Account 3406	Safety Patrol	76.14
d. Account 3800	Student Council	412.75
e. Account 5110	Interest	1,486.89
f. Account 5111	Insuracheck Income	22.14
g. Account 5132	Student Planner	424.76

No written documentation was available that stated the specific purpose for which funds are being accumulated. We recommend a review of the Internal Accounts Manual, Account Balances, page 9 to "ensure that funds collected each year are expended to benefit those students currently in school" as required by the Clay County School Board

3. Insufficient Funds Checks Procedures are not being completed. The insufficient funds account included \$1,235.52 of funds uncollected from the school year ended June 30, 2006. One December deposit had funds collected from an NSF check and collection fee. Procedures should be taken to obtain permission to write off the stale dishonored checks timely. We recommend a review of the Internal Accounts Manual, Procedures for Insufficient Funds Checks, page 24, in order to comply with Clay County School Board Policy.
4. Fund Raising Procedures are not being followed. Routinely, the Fund Raising Applications and Financial Recaps were incomplete. Rarely was the form totally completed. Often the Financial Recap was not completed timely. Stated clearly under the Financial Recap on the form is "Financial Recap to be completed within three weeks following delivery of items sold." In order to comply with Clay County School Board Policy, we recommend reviewing the procedures outlined in the Internal Accounts Manual, Fund Raising Procedures, pages 10-13 with those teachers/sponsors involved in the fundraising activities.
5. Request for Purchase Approval and Check Requisitions were incomplete. Most notably there were no faculty member's signatures; the approval dates were missing; and the posting account numbers were missing. We recommend a review of the Internal Accounts Manual, Disbursement Procedures, pages 34 through 38, to ensure that these procedures are followed in its entirety.
6. Receipt of Monies Collected Forms are not being signed by the teachers and are either incorrectly totaled or not totaled at all. Official receipts are being issued without verifying the information reported with the actual collection. For example, Receipt 12893 lists nine entries for \$1.00 each. However, the receipt was issued for \$10.00. In order to comply with Clay County School Board Policy, we recommend reviewing with your teachers the procedures outlined in the Internal Accounts Manual, Collection Procedures, page 16.

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

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

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



Emily C. Helms, CPA, PA
August 12, 2007



Home of the Wildcats!

Wilkinson Elementary School

4965 County Road 218 Middleburg, FL 32068

Phone 904-291-5420 Fax 904-291-5425

Jeff Umbaugh
Principal

Emily Weiskopf
Assistant Principal

Diana Rabidoux
Assistant Principal

September 6, 2007

Dr. George Copeland
Assistant Superintendent
Business Affairs
900 Walnut Street
Green Cove Springs, FL 32043

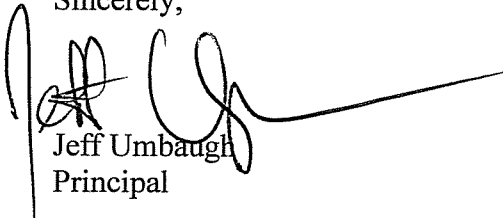
Dr. Copeland,

This letter is to inform you Barbara Hoffmann and I met with Emily C. Helms, CPA, PA on August 27, 2007 concerning our audit for the 2006-2007 school year.

We were advised of the areas we need to address. The first being accounts with a negative balance. There were two accounts with negative balances and have been corrected. We do realize money should have been transferred to prevent this. In each instance, bus costs for field trips were more than planned. Second, we do understand we can not exceed the maximum balance in accounts. This also has been corrected. Third, insufficient fund checks procedures were not completed and we are making every effort to complete the process now. Fourth, there were some fund raising forms not completed by the teachers or sponsors. Instructions have been given to follow procedures which are necessary and required. Fifth, some purchase and check requisitions were missing signatures and dates on forms. The sixth area to address was that sometimes teachers did not write the total, or wrote an incorrect total, on money collected forms and were corrected by bookkeeper. We have made every effort to correct and make the teachers and sponsors aware how important it is to follow all rules and directions. All paperwork not completed correctly will be returned to faculty members to make adjustments in the future.

The auditor was very helpful explaining each area.

Sincerely,


Jeff Umbaugh
Principal

J.L. Wilkinson Junior High School

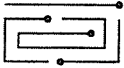
Statement of Cash Receipts and Disbursements of the Internal Funds

For the Year Ended June 30, 2007

**Conner, Hubbard & Company, P.A.
Certified Public Accountants
Orange Park, Florida**

**J.L. WILKINSON JUNIOR HIGH SCHOOL
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CONNER, HUBBARD & COMPANY, P.A.

Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

INDEPENDENT AUDITORS' REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of J.L. Wilkinson Junior High School for the year ended June 30, 2007. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of J.L. Wilkinson Junior High School for the year ended June 30, 2007, on the basis of accounting described in Note 1.

Conner, Hubbard & Company, CPA's

CONNER, HUBBARD & COMPANY, P.A.
Certified Public Accountants

August 15, 2007

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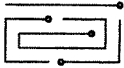
J.L. WILKINSON JUNIOR HIGH
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS
For the Year Ended June 30, 2007

	Cash Balance	Transactions		Transfers	Cash Balance
	July 1, 2006	Receipts	Disbursements		June 30, 2007
Athletics	\$10,971.84	\$54,805.58	\$50,406.14	\$73.39	\$15,444.67
Music	8,718.63	21,231.43	18,528.17	(453.94)	10,967.95
CC&D	18,759.30	41,570.54	42,253.10	(53.56)	18,023.18
Trust	1,750.67	25,004.81	23,635.90	887.83	4,007.41
General	14,823.09	62,430.55	59,503.90	(453.72)	17,296.02
	<u>\$55,023.53</u>	<u>\$205,042.91</u>	<u>\$194,327.21</u>	<u>\$0.00</u>	<u>\$65,739.23</u>

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

J.L. WILKINSON JUNIOR HIGH SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For The Year Ended June 30, 2007

- NOTE 1 The School's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.
- NOTE 2 As of June 30, 2007, no interest was being earned on the checking account. Interest was earned on funds invested with the Clay County School Board in the amount of \$3,223.96 for the fiscal year ended June 30, 2007.
- NOTE 3 The cash balance of \$65,739.23 at June 30, 2007, shown on the statement of cash receipts and disbursements consists of \$216.44 cash on hand, \$8,373.47 being held in the checking account and \$57,046.82 invested with the Clay County School Board. The remaining \$102.50 is NSF checks the bookkeeper intends to recover and has therefore not submitted for write-off as of June 30, 2007.



CONNER, HUBBARD & COMPANY, P.A.

Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, listed below is a schedule of the accounts payable and encumbrances at June 30, 2007 of the J.L. Wilkinson Junior High School internal funds as reported to us by the School.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of these accounts payable and encumbrances. These accounts payable and encumbrances were not paid during the 2006-2007 fiscal year, and accordingly, are not included in the statement of cash receipts and disbursements of the internal funds for the year ended June 30, 2007.

Accounts Payable

<u>VENDOR</u>	<u>Amount</u>
Clay County School Board	\$ 174.52
DEMCO	230.40
Varsity Spirit Fashions	<u>4,551.18</u>
Total	<u>\$ 4,956.10</u>

Encumbrances

<u>VENDOR</u>	<u>Amount</u>
Varsity Spirit Fashions	<u>\$ 1,935.91</u>
Total	<u>\$ 1,935.91</u>

The above accounts payable were reported on the June 30, 2007, Principal's Monthly Report.

Conner, Hubbard & Company, CPA's

CONNER, HUBBARD & COMPANY, P.A.
Certified Public Accountants

August 15, 2007

website: www.connerhubbard.com

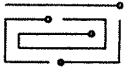
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Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

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

Honorable Members:

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

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

We noted one cash disbursement over \$5,000 where the required bid process was not followed.

We noted one deposit at the end of the year that was left at the office over the week-end and not taken to the bank until the following Monday.

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

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

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

Conner, Hubbard & Company, CPA's

CONNER, HUBBARD & COMPANY, P.A.
Certified Public Accountants

August 15, 2007

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212 North Davis Street
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"COPY"

Wilkinson Junior High School

"Eagles"

David J. McDonald, Ed.D., Principal

Henry "Doc" Gillespie, Vice-Principal
Angela Johnson, Asst. Principal
Bob Cozort, Activities Director



Ray Bohannon, Counselor
Robert J. Hume, Counselor

September 4, 2007

Conner, Hubbard & Company, P.A.
Certified Public Accountants
1106 Park Avenue
Orange Park, Florida 32073

Dear Sirs:

We have reviewed the management letter for the 2006-2007 audit.

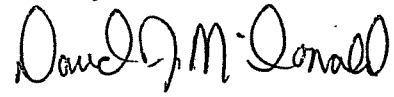
Every effort will be made to comply with the purchasing polices. The county was initially going to fund the sprinkler system for the softball field with quotes being received, and then the scope of the job changed at some point. The project manager at the district being new did not know the limits for bids were different for internal accounts and our school administrators were under the impression the county had a contract for the job. It was a misunderstanding and every effort will be made in the future to insure this does not happen. The thresholds have also been changed in the internal funds manual to be the same as at the district level.

We are using the county issued teacher receipt books for the yearbook sales this year. The receipts for the sale of yearbooks will be handled as all other receipts.

We will make every effort to comply with the policy not to leave money at the office over the week-end. I was out of town, but will make every effort to assure that in the future the deposit is made even if I am not in the office.

It was a pleasure meeting with you during our exit interview, and we look forward to working with you again in the future.

Sincerely,



David J. McDonald, Ed. D.
Principal, Wilkinson Junior High School

cc: Roni Campbell, Coordinator of Accounting and Internal Accounts, CCSB