

Rideout Elementary School

Statement of Cash Receipts and Disbursements of the Internal Funds

For the Year Ended June 30, 2010

Rideout Elementary School

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COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Independent Auditors' Report

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Rideout Elementary School (the School) for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Rideout Elementary School for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Coleman & Associates Cpa firm

August 17, 2010

Rideout Elementary School
Statement of Cash Receipts and Disbursement of the Internal Funds
For the Year Ended June 30, 2010

Accounts	Cash Balance July 1, 2009	Receipts	Disbursements	Transfers	Cash Balance June 30, 2010
Music	\$ 0.71	\$ 816.80	\$ 450.75	\$ 67.00	\$ 433.76
Classes, Clubs and Departments	5,971.95	50,433.01	51,495.08	940.00	5,849.88
Trust	433.29	10,925.83	9,595.53	0.00	1,763.59
General	11,154.91	17,275.42	24,128.17	243.96	4,546.12
Outside Organizations	5,745.27	11,629.17	8,629.61	(1,250.96)	7,493.87
Totals	\$ 23,306.13	\$ 91,080.23	\$ 94,299.14	\$ -	\$ 20,087.22

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

**Rideout Elementary School
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010
(Concluded)**

Note 1 – Summary of Significant Accounting Policies

Reporting entity

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

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

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

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

Basis of Accounting

The School's accounting policy is to prepare its financial statements using a comprehensive basis of accounting known as cash. This means that revenues are recognized in the financial statements when received instead of when earned and expenses are recognized when paid rather than when the liability was incurred. This basis of accounting is not in conformity with generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present financial position and resulted of operations in conformity with generally accepted accounting principles.

Note 2 – Cash and Cash Equivalents

As of June 30, 2010, the School's total cash balance of \$20,087.22 was held in a non-interest bearing checking account.

Note 3 – Investments

The School Board has authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds in savings and deposit accounts with Qualified Public Depositories and also with the Florida State Board of Administration (SBA), Local Government Surplus Funds Trust Fund (Florida PRIME). Florida PRIME was created in 1977 and currently has over 800 participants.

Supplemental Information



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Schedule of Accounts Payable and Encumbrances

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

Honorable Members:

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

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

Accounts Payable as of June 30, 2010

\$ --

Encumbrances as of June 30, 2010

\$ --

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

Coleman & Associates Cpa firm

August 17, 2010



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

Honorable Members:

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

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

In planning and performing our audit of the internal funds of Rideout Elementary School for the year ended June 30, 2010; in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

- We noted that in a couple of instances monies collected were not always deposited timely. We found that monies collected on 10/20/09 through 10/22/09 were not deposited at the bank until 10/30/09. In addition, we noted that these cash receipts were held over the weekend. District School Board policies prohibit holding cash receipts over a holiday or weekend. We recommend that the School deposit cash receipts within a couple of days to reduce the risk of fraud or theft.
- Chapter 7 of the Red Book and District policies require all schools to control tickets sold to raise funds. The district forms used to control the issuance and sale of tickets are the *Report of Tickets Sold* forms and the *Master Ticket Inventory Log* sheet. The PFA held an event and sold tickets to raise funds for the School. At the end of this event, the bookkeeper prepared a cumulative report of tickets sold and compared the tickets sold to the deposit activity in the general ledger. However, we could not determine how many tickets were issued to the PFA and how many tickets were unsold for this event. In the future, the tickets sold per the *Report of Tickets Sold* forms should be reconciled to the tickets issued by the School and noted on the *Master Ticket Inventory Log* sheet. Any discrepancies should be investigated.

- We noted that a few purchases were made prior to the Principal signing the Request for Purchase Approval and Check requisition form. All purchases are required to be approved by the Principal in writing prior to ordering goods and services.

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

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

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

Communication with Those Charged with Governance

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

Our Responsibility under U.S. Generally Accepted Auditing Standards

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

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

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

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

Difficulties Encountered in Performing the Audit

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

Qualitative Aspects of Accounting Practices

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

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

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

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

Management Representations

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

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

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

Coleman & Associates Cpa firm

August 17, 2010

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

Laura A. Johnson
Principal

Adele Reed
Assistant Principal

August 24, 2010

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

Attn: Timothy Coleman

RE: RideOut Elementary 2010 Audit

Dear Mr. Coleman:

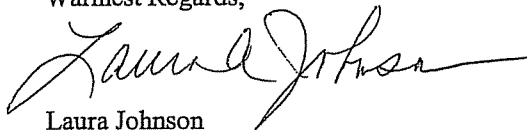
Thank you for the manner in which you conducted our annual 09-10 audit. Your insight and comments are important to us in making RideOut Elementary the best it can be. To that regard, we have implemented the changes necessary to correct the areas of concern found in the year end audit.

As discussed during our face to face meeting on August 19th, we are quite pleased with the overall improved bookkeeping standards from our previous year with only the following three issues to be addressed:

1. In most cases, late deposits were associated specifically with teachers holding the money over the weekend. Our bookkeeper reviewed basic bookkeeping procedures with the teachers during pre-planning in order to prevent this from occurring again.
2. Ticketing procedures for events have been reviewed and addressed to maintain an improved inventory account.
3. Procedures for Request for Purchase and Approval of Check Requisitions were also reviewed with teachers during pre-planning to ensure that no purchases are made prior to the Principal's approval.

We will make the necessary improvements to our procedures to ensure we are in accordance with the Internal Funds Manual. Again, thank you for your time, effort and guidance in this matter.

Warmest Regards,



Laura Johnson
Principal

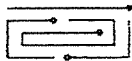
LAJ/elbw

CC: R Campbell
C Goodgame

Ridgeview Elementary School

Statement of Cash Receipts and Disbursements of the Internal Funds

For the Year Ended June 30, 2010



Conner, Hubbard & Company, LLC
Certified Public Accountants
Orange Park, Florida

**RIDGEVIEW ELEMENTARY SCHOOL
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CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

INDEPENDENT AUDITORS' REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Ridgeview Elementary School for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with 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 Ridgeview Elementary School for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 10, 2010

website: www.connerhubbard.com
Please respond to the office at:

e-mail: firm@connerhubbard.com

1106 Park Avenue
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(904) 278-1040; Fax (904) 278-9444

212 North Davis Street
Nashville, Georgia 31639
(229) 686-9419

RIDGEVIEW ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS
For the Year Ended June 30, 2010

	<u>Cash Balance</u> <u>July 1, 2009</u>	<u>Transactions</u>			<u>Cash Balance</u> <u>June 30, 2010</u>
		<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	
Music	\$ 464.94	\$ 672.00	\$ 753.64	\$ 41.73	\$ 425.03
Classes, Clubs & Departments	11,901.65	39,593.60	41,806.42	4,555.26	14,244.09
Trust	26,988.12	22,896.22	21,432.55	1,404.86	29,856.65
General	4,636.57	15,185.26	14,164.89	(108.49)	5,548.45
Outside Organizations	<u>14,680.33</u>	<u>23,146.98</u>	<u>17,798.74</u>	<u>(5,893.36)</u>	<u>14,135.21</u>
	<u>\$ 58,671.61</u>	<u>\$ 101,494.06</u>	<u>\$ 95,956.24</u>	<u>\$ -</u>	<u>\$ 64,209.43</u>

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

RIDGEVIEW ELEMENTARY SCHOOL

Notes to Statement of Cash Receipts and Disbursements
For The Year Ended June 30, 2010

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, 2010, 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 \$54.23 for the fiscal year ended June 30, 2010.

NOTE 3 The cash balance of \$64,209.43 at June 30, 2010, shown on the statement of cash receipts and disbursements consists of \$45,313.33 being held in the checking account, \$18,896.10 invested with the Clay County School Board.



CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

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

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, 2010 of the Ridgeview Elementary 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.

There were no encumbrances or accounts payable as of June 30, 2010.

The zero balance of encumbrances and accounts payable agree with the June 30, 2010 Principal's Monthly Report.

Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

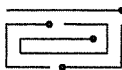
August 10, 2010

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CONNER, HUBBARD & COMPANY, LLC

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Taxation, Accounting, Pension Planning, and Business Counseling

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

Honorable Members:

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

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

Obtain copies of cancelled checks with bank statements.

During the year, the bank discontinued providing copies of cancelled checks in the bank statement. The cancelled checks provide evidence as to the payee and verification of authorized signatures.

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, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 10, 2010

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Ridgeview Elementary School

421 Jefferson Avenue • Orange Park, FL 32065-6791

Phone: (904) 213-5800

www.clay.k12.fl.us/rve

Fax: (904) 213-2960

Mr. Dana L. Archibald
Principal

Ms. Sarah J. Timm
Assistant Principal

August 10, 2010

Conner, Hubbard & Company, LLC
1106 Park Avenue
Orange Park, FL 32073

RE: 2009-2010 Internal Accounts Audit

Thank you for your time and effort in conducting the audit of our 2009-2010 Internal accounts. It has been a pleasure to work with you in the past. Your guidelines enable us to set policy in the school to assure a favorable report each year.


In response to each item of note on the audit:

1. During the year, the bank discontinued providing copies of cancelled checks in the bank statement. The cancelled checks provide evidence as to the payee and verification of authorized signatures. The bookkeeper will follow through each month and make sure the bank has provided copies of all the cancelled checks for each monthly bank statement.

I am pleased with Mrs. Cram's work as bookkeeper at Ridgeview Elementary School. Mrs. Cram trains teachers and staff on procedures and is firm on insisting guidelines are followed. She continues to be meticulous and conscientious in her role here at Ridgeview Elementary. I have every confidence that she will continue to do a great job.

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

Respectfully,

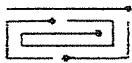


Ruth Casias, Principal

Ridgeview High School

Statement of Cash Receipts and Disbursements of the Internal Funds

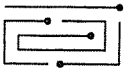
For the Year Ended June 30, 2010



Conner, Hubbard & Company, LLC
Certified Public Accountants
Orange Park, Florida

**RIDGEVIEW HIGH SCHOOL
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INDEPENDENT AUDITORS' REPORT

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Ms. Lisa Graham, Chairman
Mr. Frank Farrell, Vice-Chairman
Ms. Carol Vallencourt, Member
Ms. Carol Studdard, Member
Mr. Charles Van Zant, Jr., Member

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Ridgeview High School for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with 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 Ridgeview High School for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Conner, Hubbard & Company, LLC

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August 10, 2010

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RIDGEVIEW HIGH SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS
For the Year Ended June 30, 2010

	<u>Cash Balance July 1, 2009</u>	<u>Transactions</u>		<u>Transfers</u>	<u>Cash Balance June 30, 2010</u>
		<u>Receipts</u>	<u>Disbursements</u>		
Athletics	\$ 54,942.11	\$ 288,203.83	\$ 288,539.61	\$ (1,831.94)	\$ 52,774.39
Music, Classes & Clubs	13,703.18	62,625.26	62,398.69	(40.00)	13,889.75
Departments	69,518.45	246,135.41	241,132.15	(6,065.56)	68,456.15
Trust	40,456.43	48,184.50	54,002.83	412.00	35,050.10
General	21,592.32	66,568.21	56,899.34	7,525.50	38,786.69
Outside Organizations	<u>1,426.92</u>	<u>13,260.30</u>	<u>12,115.10</u>	<u>-</u>	<u>2,572.12</u>
	<u>\$ 201,639.41</u>	<u>\$ 724,977.51</u>	<u>\$ 715,087.72</u>	<u>\$ -</u>	<u>\$ 211,529.20</u>

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

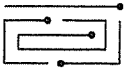
RIDGEVIEW HIGH SCHOOL

Notes to Statement of Cash Receipts and Disbursements
For The Year Ended June 30, 2010

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, 2010, 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 \$311.83 for the fiscal year ended June 30, 2010.

NOTE 3 The cash balance of \$211,529.20 at June 30, 2010, shown on the statement of cash receipts and disbursements consists of \$102,659.25 being held in the checking account and \$108,649.95 invested with the Clay County School Board. The remaining \$220.00 is NSF checks the bookkeeper intends to recover and has therefore not submitted for write-off as of June 30, 2010.



CONNER, HUBBARD & COMPANY, LLC

Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

Mr. Ben H. Wortham, Superintendent of Schools,
Clay County, Florida

Ms. Lisa Graham, Chairman

Mr. Frank Farrell, Vice-Chairman

Ms. Carol Vallencourt, Member

Ms. Carol Studdard, Member

Mr. Charles Van Zant, Jr., Member

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, 2010 of the Ridgeview High School internal funds as reported to us by the School.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of these accounts payable and encumbrances.

There were no encumbrances or accounts payable as of June 30, 2010.

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

Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 10, 2010

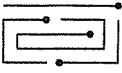
website: www.connerhubbard.com

Please respond to the office at:

1106 Park Avenue
Orange Park, Florida 32073
(904) 278-1040; Fax (904) 278-9444

e-mail: firm@connerhubbard.com

212 North Davis Street
Nashville, Georgia 31639
(229) 686-9419



CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

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

Honorable Members:

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

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

During our review of a sample of cash receipts, we noted thirty-three instances where the date on the "Report of Monies Collected" form was one or more days after the date of the teacher receipt including gate receipts of \$10,110 from a varsity football game held on September 18 which were not deposited until September 30.

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, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 10, 2010

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Orange Park, Florida 32073
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212 North Davis Street
Nashville, Georgia 31639
(229) 686-9419

Ridgeview High School

466 Madison Avenue
Orange Park, Florida 32065

August 11, 2010


Conner Hubbard & Company PA
1106 Park Avenue
Orange Park FL 32073

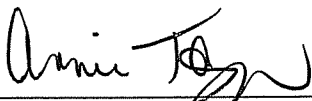
Dear Mr. Hubbard,

In response to the item noted on the audit I would like to say that I will again remind teachers to turn money in the same day the receipt is written and to have the same date on the money collected form. Many of them collect after school hours and therefore, must turn in the next day. As for the item noted being deposited over a week after the football game, I was out of town. I will try and be more aware of that in the future.

As always, it has been my pleasure to work with you and your staff.

Sincerely,

Signed: 
John Westmoreland, Principal


Annie Taylor, Bookkeeper

SHADOWLAWN ELEMENTARY SCHOOL

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

For the Year Ended June 30, 2010

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Accounts Payable and Encumbrances	5
Management Letter	6

**S
H**

SHIRLEY W. HATCHER, CPA, P.A.

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

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

INDEPENDENT AUDITOR'S REPORT

Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida

Mr. Frank Farrell
Ms. Lisa Graham
Mr. Charles Van Zant, Jr.
Mrs. Carol Studdard
Mrs. Carol Vallencourt

Honorable Members:

I have audited the accompanying statement of cash receipts and disbursements of the internal funds of Shadowlawn Elementary School for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. My responsibility is to express an opinion on this financial statement based on my audit.

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

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

In my opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Shadowlawn Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.

Shirley W. Hatcher, CPA, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 10, 2010

SHADOWLAWN ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
OF THE INTERNAL FUNDS
For the Year Ended June 30, 2010

	Cash Balance <u>July 1, 2009</u>	<u>Transactions</u>			Cash Balance <u>June 30, 2010</u>
		<u>Receipts</u>	<u>Disburse- ments</u>	<u>Interfund Transfers</u>	
Music	\$ 787.06	\$ 9,312.50	\$ 8,439.86	\$ 20.00	\$ 1,679.70
Classes, Clubs & Departments	5,708.49	52,977.65	48,166.81	(934.44)	9,584.89
Trust	3,491.79	26,284.12	23,514.98	110.47	6,371.40
General	8,515.44	15,224.58	23,238.96	1,579.03	2,080.09
Outside Organization	<u>9,818.92</u>	<u>45,597.77</u>	<u>32,592.10</u>	<u>(775.06)</u>	<u>22,049.53</u>
Total	<u>\$28,321.70</u>	<u>\$149,396.62</u>	<u>\$135,952.71</u>	<u>\$.00</u>	<u>\$ 41,765.61</u>

See accompanying notes to statement of cash receipts and disbursements.

SHADOWLAWN ELEMENTARY SCHOOL
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended June 30, 2010

NOTE 1 – Summary of Significant Accounting Policies

Reporting Entity

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

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

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

Basis of Accounting

The School's policy is to prepare its financial statement on the basis of cash receipts and disbursements; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Such basis is a generally accepted basis of accounting for Florida school internal accounts as defined by Chapter 7 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Accordingly, the accompanying financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Investments

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

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

NOTE 2 – Cash and Cash Equivalents

Of the June 30, 2010 cash balance of \$41,765.61 as reported on the Statement of Cash Receipts and Disbursements, \$41,716.11 is being held in a non-interest bearing checking account insured by the FDIC and \$49.50 in uncollected checks which are expected to be collected.



SHIRLEY W. HATCHER, CPA, P.A.

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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Shadowlawn Elementary School reported the following accounts payable and no encumbrances at June 30, 2010 for the internal funds.

Accounts Payable

Sam's Club	\$ 455.52
Home Depot	79.92
Christina Roberts	<u>97.52</u>
Total	<u>\$ 632.96</u>

Encumbrances

None

The above amount does not agree with the list provided by the school at June 30, 2010 or with the Principal's Report. Auditing procedures as I considered necessary under the circumstances were applied to the verification of these accounts payable.

Shirley W. Hatcher, CPA, P.A.

SHIRLEY W. HATCHER, CPA, P.A.
August 10, 2010

Member: Florida Institute of Certified Public Accountants



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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida

Mr. Frank Farrell

Ms. Lisa Graham

Mr. Charles Van Zant, Jr.

Mrs. Carol Studdard

Mrs. Carol Vallencourt

Honorable Members:

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

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

1. Several instances of teachers holding monies over nights and weekends were noted. Teachers should be reminded of the policies outlined in the Internal Funds Manual.
2. Several discrepancies in disbursement procedures were noted. Discrepancies include differences in invoices and payment amounts, recalculation of sales tax on corrected invoices needs to be made, several instances of purchases prior to approval, one payment did not have supporting documentation, and all blanks on purchase requisitions should be completed.
3. Incomplete transfer request forms were noted. More care should be taken to ensure all forms are completed and approved by the appropriate sponsors/teachers.
4. Three accounts payable items were not included on the June 30, 2010, Principal's Report. Teachers did not obtain approval prior to purchase, and the bookkeeper was not aware of the purchases at the time the year-end reports were prepared.

Shadowlawn Elementary School
Management Letter
August 10, 2010
Page -2-

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 10, 2010



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August 10, 2010

MEMORANDUM

TO: Leanne Donaghy
FROM: Shirley Hatcher
SUBJ: Audit Information

After completing the audit of Shadowlawn Elementary, I'd like to offer the following items as suggestions:

1. The signature area of a voided check should be mutilated per page 48, Item #3 of the IFM. This means cutting out the signature area of the check. You should retain the voided check in your monthly folder.
2. Report of Monies Collected Forms should contain the Fundraising Number (page 18, item #5, per IFM).
3. When changing an invoice for the quantity and price of items received, be sure to recalculate the sales tax due on the invoice. This includes reimbursements to individuals as well.
4. The maximum balance of accounts does not apply to Trust accounts (4000) or outside organizations (PFA – 6150). (IFM Page 10, middle paragraph)
5. When meals are purchased, the number of participants should be noted on the receipt. (IFM, Page 35, item 2)
6. We discussed the "school nights" at various business locations wherein a portion of that night's sales are donated to the school. This is treated as a fundraiser, and the appropriate fundraiser form should be completed and submitted to the County office.

Your records were in very good order. The items addressed are minor in nature but should be followed in order to be in compliance with the IFM.

Respectfully submitted,



"Home of the Falcons"

Shadowlawn Elementary School

2945 County Road 218
Green Cove Springs, FL 32043
Main Office: 529-1007
Fax: 904-529-1011

Jeff Umbaugh
PRINCIPAL

Laura Fogarty
ASSISTANT PRINCIPAL

August 23, 2010

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

Dear Ms. Hatcher:

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

1. To address the signature area of a voided check, the bookkeeper will cut out the signature section of a voided check.
2. Bookkeeper will note the fundraiser number on the upper section of the Monies Collected Forms.
3. In regards to changing an invoice for the quantity and price of the items received, the bookkeeper will recalculate the sales tax due on the invoice.
4. In response to items #4, the bookkeeper has become educated on the procedures regarding trust account balances.
5. In regards to meals which are purchased with internal funds, the bookkeeper will educate those staff members who participate in the meal to ensure the number of participants are noted on the receipt.
6. Bookkeeper will ensure that proper fundraiser forms are completed and filed with the county office regarding "school nights" from area businesses.

Shadowlawn Elementary appreciates the patience, guidance, and encouraging words of our auditor, Shirley Hatcher. We would like to thank Ms. Hatcher for her time and for her thorough examination of the 2009-2010 internal accounts. We found Ms. Hatcher to be extremely helpful, professional, and understanding.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Umbaugh", written over a horizontal line.

Jeff Umbaugh
Principal



**SWIMMING PEN CREEK
ELEMENTARY SCHOOL
INTERNAL ACCOUNTS**

AUDIT REPORT

JUNE 30, 2010

**Swimming Pen Creek Elementary School
June 30, 2010**

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Independent Auditors' Report

District School Board
Clay County, Florida

We have audited the accompanying statement of cash receipts and disbursements of Swimming Pen Creek Elementary School Internal Accounts for the year ended June 30, 2010. This financial statement is the responsibility of the School Board's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

As described in Note 1 of the Notes to Financial Statement, the accompanying financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As described in Note 1 of the Notes to Financial Statement, the accompanying financial statement includes only the financial activities of the School internal accounts. The financial statement does not include other financial activities of the District School Board.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of Swimming Pen Creek Elementary School Internal Accounts for the year ended June 30, 2010, on the basis of accounting described in Note 1.

Carr, Riggs & Ingram, LLC

August 17, 2010
Gainesville, Florida

**Statement of Cash Receipts and Disbursements
For the Year Ended June 30, 2010
Swimming Pen Creek Elementary School Internal Accounts**

	Cash Balances <u>July 1, 2009</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Interfund <u>Transfers</u>	Cash Balances <u>June 30, 2010</u>
Music	\$ 758	\$ 2,342	\$ 2,686	\$ -	\$ 414
Classes, Clubs & Departments	7,397	37,963	38,466	1,617	8,511
Trust	825	8,894	9,373	(229)	117
General	1,827	11,849	10,465	456	3,667
Outside Organizations	<u>3,224</u>	<u>11,310</u>	<u>7,673</u>	<u>(1,844)</u>	<u>5,017</u>
TOTAL	<u>\$ 14,031</u>	<u>\$ 72,358</u>	<u>\$ 68,663</u>	<u>\$ -</u>	<u>\$ 17,726</u>

**Notes to Financial Statement
For the Year Ended June 30, 2010
Swimming Pen Creek Elementary School Internal Accounts**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The accompanying financial statement includes the effects of transactions and balances relating exclusively to the internal account activities of Swimming Pen Creek Elementary School (the "School").

The financial statement does not include other financial activities of 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. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, this statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

NOTE 2 – CASH BALANCES

The cash balance of \$17,726 at June 30, 2010, shown on the statement of cash receipts and disbursements consists of \$15,688 being held in the checking account, \$2,013 invested with the State Board of Administration, and \$25 in checks returned by the bank for insufficient funds and awaiting redeposit.

NOTE 3 – ACCOUNTS PAYABLE AND ENCUMBRANCES

The School had no accounts payable at June 30, 2010.

The following is a schedule of encumbrances at June 30, 2010.

<u>Vendor</u>	<u>Amount</u>
AAA Auto Club South	\$ 414
Rochester 100, Inc.	522
Curriculum Associates, Inc.	110
	<u>\$ 1,046</u>

**REPORT ON INTERNAL CONTROL / COMMUNICATION
WITH THOSE CHARGED WITH GOVERNANCE**



District School Board
Clay County, Florida

We have audited the statement of cash receipts and disbursements of Swimming Pen Creek Elementary School Internal Accounts (the "School") for the year ended June 30, 2010, and have issued our report thereon dated August 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Report on Internal Control

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

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

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

Communication with Those Charged with Governance

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

Our Responsibility Under U.S. Generally Accepted Auditing Standards

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

Planned Scope and Timing of the Audit

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

Significant Audit Findings

Qualitative Aspects of Accounting Practices

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

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements identified during the audit.

Other Audit Findings or Issues

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

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

District School Board
Clay County, Florida
Page 3

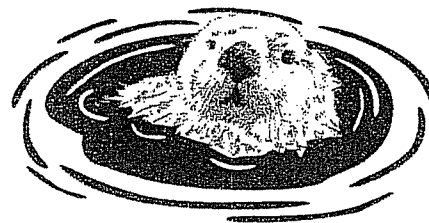
We wish to take this opportunity to thank the School for the cooperation and courtesies extended during our audit. We have sincerely enjoyed our association with the Clay County District School Board and look forward to a continuing relationship.

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

Can, Riggs : Ingram, LLC

August 17, 2010
Gainesville, Florida

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



Principal: Lenore Paulk

August 31, 2010

Carr, Riggs & Ingram, LLC
P.O. Box 13494
Gainesville, FL 32604


To Whom it May Concern;

Please accept this letter as my response to the Internal Account audit you conducted during the summer for the 2009-2010 school year. I was very pleased to find that the accounts were very neat and orderly. This is a reflection on the school and in particular Mrs. Beth Hamilton, the bookkeeper. She always strives for perfection.

We will continue to take extra measures to conduct our records the same in the upcoming year as in this past year to stay in compliance with the Internal Funds Manual.

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

Sincerely,



Lenore Paulk
Principal

cc: Roni Campbell
Beth Hamilton

Thunderbolt Elementary School

Statement of Cash Receipts and Disbursements of the Internal Funds

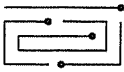
For the Year Ended June 30, 2010



Conner, Hubbard & Company, LLC
Certified Public Accountants
Orange Park, Florida

**THUNDERBOLT ELEMENTARY SCHOOL
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CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

INDEPENDENT AUDITORS' REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Thunderbolt Elementary School for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with 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 Thunderbolt Elementary School for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 17, 2010

website: www.connerhubbard.com
Please respond to the office at:

e-mail: firm@connerhubbard.com

1106 Park Avenue
Orange Park, Florida 32073
(904) 278-1040; Fax (904) 278-9444

212 North Davis Street
Nashville, Georgia 31639
(229) 686-9419

THUNDERBOLT ELEMENTARY SCHOOL
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS
For the Year Ended June 30, 2010

	<u>Cash Balance July 1, 2009</u>	<u>Transactions</u>		<u>Transfers</u>	<u>Cash Balance June 30, 2010</u>
		<u>Receipts</u>	<u>Disbursements</u>		
Music	\$ 4,415.32	\$ 3,474.70	\$ 4,378.96	\$ -	\$ 3,511.06
Classes, Clubs & Departments	24,947.83	80,587.99	76,908.81	(1,264.44)	27,362.57
Trust	5,209.01	21,887.56	22,244.84	(534.17)	4,317.56
General	20,336.89	29,797.95	26,500.64	1,881.92	25,516.12
Outside Organizations	<u>22,834.67</u>	<u>44,777.90</u>	<u>51,979.12</u>	<u>(83.31)</u>	<u>15,550.14</u>
	<u>\$ 77,743.72</u>	<u>\$ 180,526.10</u>	<u>\$ 182,012.37</u>	<u>\$ -</u>	<u>\$ 76,257.45</u>

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

THUNDERBOLT ELEMENTARY SCHOOL

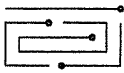
Notes to Statement of Cash Receipts and Disbursements

For The Year Ended June 30, 2010

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, 2010, 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 \$1.00 for the fiscal year ended June 30, 2010.

NOTE 3 The cash balance of \$76,257.45 at June 30, 2010, shown on the statement of cash receipts and disbursements consists of \$75,854.50 being held in the checking account and \$326.95 invested with the Clay County School Board. The remaining \$76.00 is NSF checks the bookkeeper intends to recover and has therefore not submitted for write-off as of June 30, 2010.



CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

Mr. Ben H. Wortham, Superintendent of Schools,
Clay County, Florida

Ms. Lisa Graham, Chairman
Mr. Frank Farrell, Vice-Chairman
Ms. Carol Vallencourt, Member
Ms. Carol Studdard, Member
Mr. Charles Van Zant, Jr., Member

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, 2010 of the Thunderbolt Elementary 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.

There were no encumbrances or accounts payable as of June 30, 2010.

The zero balance of encumbrances and accounts payable agree with the June 30, 2010 Principal's Monthly Report.

Conner, Hubbard & Company, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 17, 2010

website: www.connerhubbard.com
Please respond to the office at:

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Orange Park, Florida 32073
(904) 278-1040; Fax (904) 278-9444

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CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

Taxation, Accounting, Pension Planning, and Business Counseling

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

Honorable Members:

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

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

We noted that the following activity accounts had ending balances in excess of the maximum amount allowed as determined by the formula provided by the Internal Funds Manual:

5100	General Miscellaneous Trust	\$ 9,334.71
5120	Pictures	\$12,940.66

The School did not have written documentation as to the specific reason for the excess and how the excess will be applied to assure the funds are used for their intended purpose.

During our review of a sample of cash receipts, we noted the following:

Six instances where the teachers receipt numbers were not listed on the "Report of Monies Collected".

Teacher receipt number 547054 was missing from the receipt book.

During our review of a sample of cash disbursements, we noted the following:

The School did not have an original copy of the May 2010 bank statement or any of the related canceled checks. Copies were obtained from the bank during our audit.

Planners were purchased for \$3,102.20 from the Picture Fund 5120. The fund was subsequently reimbursed. This resulted in an overstatement of receipts and disbursements for this fund.

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Nashville, Georgia 31639
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Honorable Members
Clay County School Board
Page 2

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.

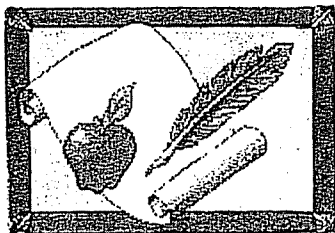
We commend the Principal and the bookkeeper for an excellent job. It has been a pleasure to have this opportunity to serve you.

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, LLC

CONNER, HUBBARD & COMPANY, LLC
Certified Public Accountants

August 17, 2010



Thunderbolt Elementary School

2020 Thunderbolt Road Orange Park, Florida 32003

August 18, 2010

Conner, Hubbard & Company, LLC
Certified Public Accountants
1106 Park Avenue
Orange Park, FL 32073

Dear Sirs;

Your informative review and audit of internal funds of Thunderbolt Elementary is appreciated. In response to items noted the following actions will be taken:

1. It was noted that the 5100 was in excess of the maximum amount allowed by the Internal Funds Manual. We will provide a written explanation of how overages will be used in the future.
2. It was noted that the 5120 was in excess of the maximum amount allowed by the Internal Funds Manual. With further checking, according to the Internal Accounts Manual formula, this activity account is within the guidelines of the manual.
3. We will review Clay School district policies and procedures for receiving and disbursing of funds with the faculty and staff.
4. The May statement was not received through the US mail. An emailed copy was received from Wachovia Bank for balancing purposes. Because copies of checks are not received when statements are emailed, an official statement will be requested thru Wachovia prior to audit in the event this is needed in the future.

Thank you for providing assistance in maintaining accurate financial records for our school.

Sincerely,

A handwritten signature in cursive script that reads "Dee Dee Phillips".

Dee Dee Phillips
Principal

TYNES ELEMENTARY SCHOOL

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

**Joan O. Michael, CPA, PA
Certified Public Accountant**

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Management Letter	7

Joan O. Michael, CPA, PA
Certified Public Accountant

JOAN O. MICHAEL, CPA, PA
Certified Public Accountant

669 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

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

INDEPENDENT AUDITOR'S REPORT

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Tynes Elementary School for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Tynes Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 17, 2010

TYNES ELEMENTARY SCHOOL

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

	Cash	Transactions			Cash
	Balance July 1, 2009	Receipts	Disburse- ments	Transfers	Balance June 30, 2010
Music	\$ -	\$ 1,094.48	\$ 907.16		\$ 187.32
Classes, Clubs, Departments	12,420.13	41,077.67	41,558.80	3,269.33	15,208.33
Trust	5,639.75	15,507.43	16,843.13	639.00	4,943.05
General	19,242.30	7,382.14	14,878.95	(1,973.25)	9,772.24
Outside Organizations	15,629.50	43,702.35	47,188.19	(1,935.08)	10,208.58
Total	\$ 52,931.68	\$ 108,764.07	\$ 121,376.23	\$ -	\$ 40,319.52

See accompanying notes and independent auditor's report.

TYNES ELEMENTARY SCHOOL

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

NOTE 1 Summary of Significant Accounting Policies

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal account of 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.

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

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

Basis of accounting

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

NOTE 2 Cash

The June 30, 2010, total cash balance of \$40,319.52 as reported on the statement of cash receipts and disbursements consists of \$9,658.71 being held in a non interest bearing checking account insured by the FDIC, \$30,631.96 held in an investment account with the Clay County School and \$28.85 in uncollected NSF checks.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$118.18. This represents a yield of approximately .3 percent.

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Certified Public Accountant

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Mansard Place

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Facsimile (904) 264-8057

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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Tynes Elementary School reported the following accounts payable and encumbrances as of June 30, 2010:

Accounts Payable

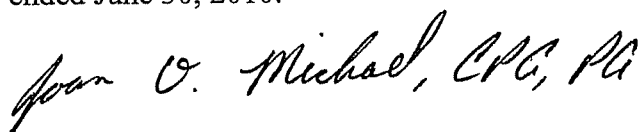
Orange Park Florist & Gifts	\$96.30
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Encumbrances

None	\$0
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The above accounts payable list agrees with the Principals Report as of June 30, 2010. Encumbrances are not included in the Principals Report.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of accounts payable and encumbrances. These accounts payable and encumbrances were not paid during the 2009-2010 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Tynes Elementary School for the year ended June 30, 2010.



Joan O. Michael, CPA, PA
August 17, 2010

JOAN O. MICHAEL, CPA, PA

Certified Public Accountant

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Mansard Place

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Facsimile (904) 264-8057

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

Honorable Members:

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

During our audit, we found no major discrepancies that required attention. The noted issues from the prior year audit have been corrected and all prescribed policies and procedures are now being followed.

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

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

Joan O. Michael, CPA, PA

Joan O. Michael, CPA, PA
August 17, 2010

Tynes Elementary School

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

Jean H. Newhall
Principal

Christopher A. Roberts
Assistant Principal

August 18, 2010

Joan A. Michael, CPA, P.A.
669 Kingsley Avenue
Orange Park, FL 32073

Dear Ms. Michael:

It was a pleasure to work with you and your staff during your audit of our internal funds this year. It is always our goal to comply with the policies and procedures outlined in the Internal Accounts Manual, so we were pleased to learn you did not note any discrepancies on our audit report. We will strive to maintain this level of accuracy.

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
Internal Funds**

**Statement of Cash Receipts
and Disbursements**

June 30, 2010

**W. E. Cherry Elementary School
Internal Funds
Statement of Cash Receipts and Disbursements**

June 30, 2010

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Independent Auditors' Report

District School Board
Clay County, Florida

We have audited the accompanying statement of cash receipts and disbursements of the W. E. Cherry Elementary School Internal Funds for the year ended June 30, 2010. This financial statement is the responsibility of the School Board's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

As described in Note 1 of the Notes to Financial Statement, the accompanying financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As described in Note 1 of the Notes to Financial Statements, the accompanying financial statement includes only the financial activities of the W. E. Cherry Elementary School Internal Funds. The financial statement does not include other financial activities of the District School Board.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the W. E. Cherry Elementary School Internal Funds for the year ended June 30, 2010, on the basis of accounting described in Note 1.

DDF CPA Group

July 23, 2010

ddfcpa.com

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

**W. E. Cherry Elementary School
Internal Funds
Statement of Cash Receipts and Disbursements
For the Year Ended June 30, 2010**

	Balance July 1, 2009	Receipts	Disbursements	Interfund Transfers	Balance June 30, 2010
Athletics	\$ 1.21	\$ 225.00	\$ 225.00	\$ -	\$ 1.21
Music	14.96	1,460.97	1,350.42	-	125.51
Classes, Clubs and Departments	6,929.39	26,195.66	28,807.69	2.53	4,319.89
Trusts	3,953.21	20,094.84	19,410.82	-	4,637.23
General	(288.09)	3,793.44	3,469.26	19.97	56.06
Outside Organizations	<u>787.90</u>	<u>18,750.12</u>	<u>18,557.21</u>	<u>(22.50)</u>	<u>958.31</u>
	<u>\$ 11,398.58</u>	<u>\$ 70,520.03</u>	<u>\$ 71,820.40</u>	<u>\$ -</u>	<u>\$ 10,098.21</u>

See accompanying Notes to Financial Statement

**W. E. Cherry Elementary School
Internal Funds
Notes to Financial Statement
For the Year Ended June 30, 2010**

Note 1 - Summary of Significant Accounting Policies

Reporting entity

The accompanying financial statement includes the effects of transactions and balances relating to the internal fund activities of W. E. Cherry Elementary School.

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

Basis of accounting

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

Note 2 - Cash and Cash Equivalents

The June 30, 2010 cash balance, totaling \$10,098.2 consists of \$10,071.21 in a non-interest bearing checking account and \$27.00 in checks returned to the school for insufficient funds. The School will either collect and re-deposit the NSF checks or seek approval from the District School Board to write them off as uncollectible after collection efforts have been exhausted. Interest earnings for the year ended June 30, 2010 amounted to \$0.

Note 3 - Accounts Payable and Encumbrances

There was no accounts payable or encumbrances at June 30, 2010.



Management Letter

District School Board
Clay County, Florida

In planning and performing our audit of the financial statement of W. E. Cherry Elementary School as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the school's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the school's internal control. Accordingly, we do not express an opinion on the effectiveness of W. E. Cherry Elementary School's internal control.

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

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

- The fundraising forms were not always completed (inventory section) and documentation to support the cash receipts generated from some fundraisers was inadequate. Due to the high level of risk that is associated with fundraisers, the principal should carefully consider the sponsor's willingness to meet the financial reporting obligations when approving fundraisers.
- We noted four occasions where gift cards were purchased, however the signature of the recipient of the gift card was not obtained as set forth in the Internal Accounts Manual.

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

- During our testing of purchasing and cash disbursements it is unclear when the approval by the principal is taking place, since the date is filled in by the bookkeeper and is dated the

same day as the check date. The Internal Accounts Manual requires that purchases be approved prior to receiving the goods or services. We suggest that supporting documentation reflect such timing in approval.

- We also noted during our testing of cash disbursements that 4 out of the 25 cash disbursements in our sample did not have supporting documentation. Principals should not sign checks without supporting documentation (invoices, receipts) to document the goods or services purchased.
- The Report of Monies Collected were not always complete as to the source of funds, especially for fundraisers, commission checks and donations. Additionally, the fundraiser form number was not always indicated on the Report of Monies Collected. We recommend that teachers be reminded as to the requirements of the Internal Accounts Manual.

As part of our audit, we considered the correction of prior year findings. With regard to the findings from the June 30, 2009 audit report, all items were corrected with the exception of the following:

- The Official Receipt Number and Teacher's Receipt Numbers were not always indicated on the Report of Monies Collected.

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

DDF CPA Group

July 23, 2010

W. E. CHERRY ELEMENTARY SCHOOL

420 EDSON DRIVE

ORANGE PARK, FLORIDA 32073

(904) 278- 2050

FAX (904) 278-2056

<http://www.clay.k12.fl.us/wec>

ANGELA WHIDDON
PRINCIPAL

AMY VANN
ASSISTANT PRINCIPAL

September 9, 2010

DDF CPA Group
PO Box 9089
Orange Park, FL 32006

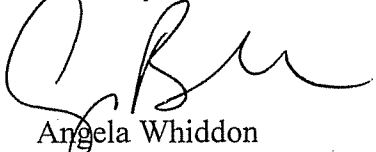
Dear Madam or Sir:

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, 2010. Steps have been taken to correct the items noted in our audit draft for the 2010-2011 school year.

1. In regards to the fundraiser forms: We had a meeting with the faculty during pre-planning to explain how to fill out the form properly.
2. In regards to the gift cards: We will have proper signature of the recipient as set forth in the Internal Accounts Manual.
3. In regards to the purchasing and the testing of cash disbursements: Prior approval and supporting documents will be attached.
4. In regards to the Report of Monies Collected: We will make sure procedures and requirements are followed.
5. In regards to the Official Receipt Number and Teacher's Receipt Numbers: We will make sure procedures are followed and the Teacher's will be reminded about writing receipt numbers on the forms.

W. E. Cherry appreciates the patience of our auditors at DDF CPA Group.

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, 2010**

Steven W. Keenan, CPA
Certified Public Accountant

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Steven W. Keenan, CPA
Certified Public Accountant

STEVEN W. KEENAN, CPA
Certified Public Accountant

673 Kingsley Avenue
Orange Park, FL 32073

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INDEPENDENT AUDITOR'S REPORT

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

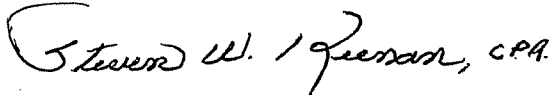
Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Wilkinson Elementary School for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Wilkinson Elementary School for the year ended June 30, 2010, on the basis of accounting described in Note 1.



Steven W. Keenan, CPA
August 12, 2010

WILKINSON ELEMENTARY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS

For the year Ended June 30, 2010

	Cash	Transactions			Cash
	Balance July 1, 2009	Receipts	Disburse- ments	Transfers	Balance June 30, 2010
Music	\$ 77.44	\$ -	\$ -	\$ (77.44)	\$ -
Classes, Clubs, Departments	3,930.85	35,977.79	38,429.88	(548.09)	930.67
Trust	24,671.31	19,652.49	23,304.34	452.60	21,472.06
General	6,291.64	4,660.95	9,703.47	447.93	1,697.05
Outside Organizations	4,816.65	12,099.93	14,492.47	(275.00)	2,149.11
Total	\$ 39,787.89	\$ 72,391.16	\$ 85,930.16	\$ -	\$ 26,248.89

See accompanying notes and independent auditor's report.

WILKINSON ELEMENTARY SCHOOL

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

NOTE 1 Summary of Significant Accounting Policies

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds includes the effects of transactions and balances relating to the internal account of Wilkinson 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 Wilkinson Elementary.

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

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

Basis of accounting

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

NOTE 2 Cash

The June 30, 2010, total cash balance of \$26,248.89 as reported on the statement of cash receipts and disbursements consists of \$12,661.97 being held in a non interest bearing checking account insured by the FDIC, \$13,273.92 held in an investment account with the Clay County School and \$293.00 of uncollected NSF checks.

NOTE 3 Interest Income

Interest was earned on amounts invested through the Clay County School Board in the amount of \$38.11. This represents a yield of approximately .3 percent.

STEVEN W. KEENAN, CPA
Certified Public Accountant

673 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

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

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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Wilkinson Elementary School reported the following accounts payable and encumbrances as of June 30, 2010:

Accounts Payable

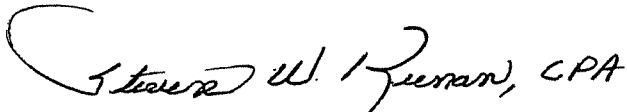
None

Encumbrances

None

The above accounts payable list agrees with the Principals Report as of June 30, 2010. Encumbrances are not included in the Principals Report.

Such auditing procedures as we considered necessary in the circumstances were applied to the verification of accounts payable and encumbrances. These accounts payable and encumbrances were not paid during the 2009-2010 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Wilkinson Elementary School for the year ended June 30, 2010.



Steven W. Keenan, CPA
August 12, 2010

STEVEN W. KEENAN, CPA

Certified Public Accountant

673 Kingsley Avenue
Orange Park, FL 32073

Mansard Place

Telephone (904) 579-4323
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Mr. Ben Wortham, Superintendent of Schools,
Clay County, Florida
Ms. Carol Vallencourt
Ms. Carol Studdard
Mr. Charles Van Zant, Jr.
Mr. Frank Farrell
Ms. Lisa Graham

Honorable Members:

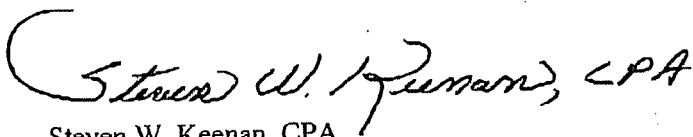
In planning and performing our audit of the statement of cash receipts and disbursements of the internal funds of Wilkinson Elementary School for the year ended June 30, 2010, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our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

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

1. Review of the Report of Monies Collected forms revealed five instances of untimely deposit of funds. Page 17 of the Internal Accounts Manual requires that funds collected must be deposited within five work days after receipt. This was noted in the prior year audit and not corrected.

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

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



Steven W. Keenan, CPA
August 12, 2010

Copy



Wilkinson Elementary School

4965 County Road 218 Middleburg, FL 32068
Phone 904-291-5420 Fax 904-291-5425

Home of the Wildcats!

Dr. Emily Weiskopf
Principal

Renee' Pleasant
Assistant Principal

Diana Rabidoux
Assistant Principal

August 20, 2010

Steven Keenan, CPA
673 Kingsley Avenue
Orange Park, Florida 32073

Mr. Keenan,

This letter is to inform you Julie Herringdine and I met after our meeting on August 19, 2010 to discuss our audit for the 2009-2010 school year.

We addressed the area of concern and reviewed the procedures according to the internal accounts manual. We have implemented a new teacher training which included reviewing all money collection procedures. We also reviewed collected procedures with all of the teachers and re-emphasized turning in their Monies Collected forms daily and that no money will be left in the room overnight.

Thank you for meeting with us.

Sincerely,

Dr. Emily Weiskopf
Principal

J.L. Wilkinson Junior High School

Statement of Cash Receipts and Disbursements of the Internal Funds

For the Year Ended June 30, 2010

J.L. Wilkinson Junior High School

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COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Independent Auditors' Report

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of J.L. Wilkinson Junior High School (the School) for the year ended June 30, 2010. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of J.L. Wilkinson Junior High School for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Coleman & Associates Cpa firm

August 15, 2010

J.L. Wilkinson Junior High School
Statement of Cash Receipts and Disbursement of the Internal Funds
For the Year Ended June 30, 2010

Accounts	Cash Balance July 1, 2009	Receipts	Disbursements	Transfers	Cash Balance June 30, 2010
Athletics	\$ 18,353.93	\$ 48,837.23	\$ 49,941.56	\$ 1,604.23	\$ 18,853.83
Music	7,180.65	14,880.40	16,608.14	1,825.75	7,278.66
Classes, Clubs and Departments	26,172.06	50,042.26	51,098.14	326.06	25,442.24
Trust	7,777.14	20,069.58	20,399.73	85.00	7,531.99
General	24,558.23	31,900.44	34,417.16	(3,841.04)	18,200.47
Totals	\$ 84,042.01	\$ 165,729.91	\$ 172,464.73	\$ -	\$ 77,307.19

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

**J.L. Wilkinson Junior High School
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010**

Note 1 – Summary of Significant Accounting Policies

Reporting entity

The accompanying statement of cash receipts and disbursements of the internal funds include the effects of transactions and balances relating to the internal accounts of J.L. Wilkinson Junior High School (the School) within the Clay County, Florida school system.

The accompanying statement of cash receipts and disbursements of the internal funds is not intended to be a complete presentation of all of the internal account activities of the school system because this financial statement only includes the accounts at J.L. Wilkinson Junior High School.

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

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

Basis of Accounting

The School's accounting policy is to prepare its financial statements using a comprehensive basis of accounting known as cash. This means that revenues are recognized in the financial statements when received instead of when earned and expenses are recognized when paid rather than when the liability was incurred. This basis of accounting is not in conformity with generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to present financial position and resulted of operations in conformity with generally accepted accounting principles.

Note 2 – Cash and Cash Equivalents

As of June 30, 2010, the School's total cash balance of \$77,307.19 consists of \$14,438.03 held in a non-interest bearing checking account and \$62,869.16 held in an investment account. The School earned \$216.94 during the fiscal year by investing excess funds into the Local Government Trust Fund (Florida PRIME).

Note 3 – Investments

The School Board has authority, under Florida Statute, Section 230.23(10)(k), to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds in savings and deposit accounts with Qualified Public Depositories and also with the Florida State Board of Administration (SBA), Local Government Surplus Funds Trust Fund (Florida PRIME). Florida PRIME was created in 1977 and currently has over 800 participants.

**J.L. Wilkinson Junior High School
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2010
(Concluded)**

Note 3 – Investments (concluded)

In accordance with GASB Statement No. 40, as of June 30, 2010, the School invested \$62,869.16 with the Florida PRIME with an average maturity of forty-six days.

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

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

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

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

Supplemental Information



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

Schedule of Accounts Payable and Encumbrances

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

Honorable Members:

The Clay County School Board has requested that we provide a schedule of accounts payable and encumbrances incurred as of June 30, 2010, for J.L. Wilkinson Junior High School's internal funds as reported to us by the School.

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

Accounts Payable as of June 30, 2010

\$ --

Encumbrances as of June 30, 2010

\$ 85.26 S&S Worldwide
 3,014.54 Varsity Brands
 2,480.60 Baker Sporting Goods

\$ 5,580.40

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

Coleman & Associates Cpa firm

August 15, 2010



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

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

Honorable Members:

We have audited the internal funds financial statement of J.L. Wilkinson Junior High School as of and for the fiscal year ended June 30, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

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

In planning and performing our audit of the internal funds of J.L. Wilkinson Junior High School for the year ended June 30, 2010; in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

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

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

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

Communication with Those Charged with Governance

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

Our Responsibility under U.S. Generally Accepted Auditing Standards

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

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

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

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

Qualitative Aspects of Accounting Practices

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

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

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

Management Representations

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

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

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

Coleman & Associates Cpa firm

August 15, 2010

Wilkinson Junior High School

"Eagles"

David J. McDonald, Ed.D., Principal

Angela Johnson, Vice-Principal
Barry Underwood, Asst. Principal
Bob Cozort, Activities Director



Ray Bohannon, Counselor
Robert J. Hume, Counselor

September 2, 2010

Coleman and Associates, CPA Firm
P. O. Box 8279
Fleming Island, Florida 32006

Dear Sirs:

We have reviewed the management letter for the 2009-2010 audit and would like to thank you for your work.

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

Sincerely,

A handwritten signature in black ink that reads "David J. McDonald". The signature is written in a cursive style.

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

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

◆ "Striving For Excellence" ◆

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Middleburg, Florida 32068
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"An Equal Opportunity Employer"