

**PLANTATION OAKS ELEMENTARY SCHOOL**

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

**For the Year Ended June 30, 2012**

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SHIRLEY W. HATCHER, CPA, PA  
CERTIFIED PUBLIC ACCOUNTANT



INDEPENDENT AUDITOR'S REPORT

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

Mr. Frank Farrell

Ms. Lisa Graham

Mr. Charles Van Zant, Jr.

Mrs. Carol Studdard

Ms. Janice Kerekes

Honorable Members:

I have audited the accompanying statement of cash receipts and disbursements of the internal funds of Plantation Oaks Elementary School for the year ended June 30, 2012. This financial statement is the responsibility of the School's management. My responsibility is to express an opinion on this financial statement based on my audit.

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

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

In my opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Plantation Oaks Elementary School for the year ended June 30, 2012, on the basis of accounting described in Note 1.

*Shirley W. Hatcher, CPA, PA*

SHIRLEY W. HATCHER, CPA, P.A.

August 8, 2012

PLANTATION OAKS ELEMENTARY SCHOOL  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
OF THE INTERNAL FUNDS  
For the Year Ended June 30, 2012

	Cash Balance <u>July 1, 2011</u>	<u>Transactions</u>			Cash Balance <u>June 30, 2012</u>
		<u>Receipts</u>	<u>Disburse- ments</u>	<u>Interfund Transfers</u>	
Athletics	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
Music	943.99	220.00	322.97	(841.02)	.00
Classes, Clubs & Departments	7,351.19	52,219.46	53,610.48	(2,040.56)	3,919.61
Trust	2,030.23	21,462.80	21,362.35	574.83	2,705.51
General	26,454.53	43,004.48	29,018.05	2,306.75	42,747.71
Outside Organization	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>
Total	<u>\$ 36,779.94</u>	<u>\$116,906.74</u>	<u>\$ 104,313.85</u>	<u>\$ .00</u>	<u>\$ 49,372.83</u>

See accompanying notes to statement of cash receipts and disbursements.

**PLANTATION OAKS ELEMENTARY SCHOOL  
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
For the Year Ended June 30, 2012**

**NOTE 1 – Summary of Significant Accounting Policies**

**Reporting Entity**

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

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

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

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

**Basis of Accounting**

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

**Investments**

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

**PLANTATION OAKS ELEMENTARY SCHOOL  
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
(CONTINUED)  
For the Year Ended June 30, 2012**

**NOTE 2 – Cash and Cash Equivalents**

The June 30, 2012 cash balance of \$49,372.83 as reported on the Statement of Cash Receipts and Disbursements is being held in a non-interest bearing checking account insured by the FDIC.

**NOTE 3 - Interest Income**

There was no interest earned during the year ended June 30, 2012.

SHIRLEY W. HATCHER, CPA, PA  
CERTIFIED PUBLIC ACCOUNTANT



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

Honorable Members:

In accordance with the instructions prepared by the Clay County School Board, Plantation Oaks Elementary School reported no accounts payable items and the following encumbrance at June 30, 2012 for the internal funds.

Accounts Payable

NONE

Encumbrances

NONE

The above amount agrees with the list provided by the school at June 30, 2012 and with the Principal's Report. Auditing procedures as I considered necessary under the circumstances were applied to the verification of these accounts payable.

*Shirley W. Hatcher, CPA, PA*  
SHIRLEY W. HATCHER, CPA, P.A.  
August 8, 2012

SHIRLEY W. HATCHER, CPA, PA  
CERTIFIED PUBLIC ACCOUNTANT



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

Honorable Members:

In planning and performing my audit of the statement of cash receipts and disbursements of the internal funds of Plantation Oaks Elementary School for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, I considered its internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing an opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the school's internal control. Accordingly, I do not express an opinion on the effectiveness of Plantation Oaks Elementary School's internal control.

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

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



A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with the governance. During my audit, I did not find any items considered to be significant deficiencies in internal control for Plantation Oaks Elementary School.

Two items which I do not consider a material weakness or significant deficiency were also noted in my audit:

1. Seven (7) checks cleared the bank with only one signature, Per the Internal Funds Manual, all checks should contain two signatures.
2. Account 5100 exceeded the maximum balance allowed in the Internal Funds Manual due to the school transferring all remaining balances in the accounts for grades, yearbook, and field trips. Per the District Office, the general account 5100 can only exceed the maximum as a result of transferring excess balances in these accounts rather than the entire remaining balance. In the future, only balances exceeding the maximum allowed should be transferred to the general fund.

## **ITEMS TO INCLUDE AFTER FINAL VISIT TO SITE**

### **Communication with Those Charged with Governance**

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

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

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

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

*Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

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

*Disagreements with Management*

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

*Management Representations*

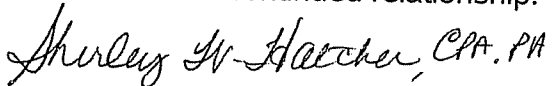
I have requested certain representations from management that are included in the management representation letter dated August 8, 2012.

*Other Auditing Findings or Issues*

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

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

I wish to take this opportunity to commend the staff and faculty of Plantation Oaks Elementary School for the cooperation and courtesies extended during my audit. I look forward to a continued relationship.

  
SHIRLEY W. HATCHER, CPA, P.A.  
August 8, 2012

# Plantation Oaks Elementary

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Orange Park, FL 32065

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www.clay.k12.fl.us

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Mrs. Lee Oliver  
Principal

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Mrs. Kim Marks  
Assistant Principal



August 23, 2012

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

Re: Plantation Oaks Elementary School Audit for Year Ending June 30, 2012

To Shirley W. Hatcher:

Thank you again for doing such a thorough and professional job of reviewing our school's internal accounts. We value your expertise and contributions. We are pleased that you did not find any material weaknesses or significant deficiencies. Thank you also, for the positive comments regarding some procedures Chris has in place (i.e. receipt book stickers).

I would like to address the two items noted:

- 1) In regards to the checks that cleared the bank with only one signature:
  - a) As noted in your conversation with Chris, I'm glad you found all back-up paperwork in order.
  - b) However, we also acknowledge these oversights were a mistake. The three individuals that are approved to sign checks will all be more diligent to "double check" and ensure two signatures are included on each and every check prior to them being mailed to the vendors.
- 2) In regards to account 5100 exceeding the maximum balance:
  - a) I can honestly say this was a matter of misunderstanding as to what should and should not be moved. The expectation is now clear and this will not be an issue in the future.

Chris and I continue to learn from these audits and are truly grateful for all you do. As this is our third year with you, we would both like to wish you all the best in the upcoming years.

Sincerely,

A handwritten signature in cursive script that reads "Lee Oliver".

Lee Oliver  
Principal

c.c. Roni Campbell

The hawk beckons us to hone our focus . . .

**RIDEOUT ELEMENTARY SCHOOL**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**OF THE INTERNAL FUNDS**  
**For The Year Ended June 30, 2012**

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

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Joan O. Michael, CPA, PA  
Certified Public Accountant

# JOAN O. MICHAEL, CPA, PA

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## **INDEPENDENT AUDITOR'S REPORT**

Mr. Ben Wortham, Superintendent of Schools,  
Clay County, Florida  
Ms. Carol Studdard, Chairman  
Ms Janice Kerekes, Vice Chairman  
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 Rideout Elementary School for the year ended June 30, 2012. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts and disbursements of the internal funds of Rideout Elementary School for the year ended June 30, 2012, on the basis of accounting described in Note 1.

*Joan O. Michael*

Joan O. Michael, CPA, PA  
August 15, 2012

**RIDEOUT ELEMENTARY SCHOOL**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**OF THE INTERNAL FUNDS**  
For the year Ended June 30, 2012

	Cash Balance July 1, 2011	Transactions			Cash Balance June 30, 2012
		Receipts	Disburse- ments	Transfers	
Music	\$ 615.87	\$ 7,014.40	\$ 7,500.52	\$ -	\$ 129.75
Classes, Clubs, Departments	11,884.72	75,000.16	72,369.87	(1,854.52)	12,660.49
Trust	1,224.61	14,006.47	13,014.06	(1,060.00)	1,157.02
General	1,189.88	8,024.64	9,450.71	3,210.83	2,974.64
Outside Organizations	6,503.45	8,253.62	11,529.19	(296.31)	2,931.57
<b>Total</b>	<b>\$ 21,418.53</b>	<b>\$ 112,299.29</b>	<b>\$ 113,864.35</b>	<b>\$ -</b>	<b>\$ 19,853.47</b>

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

**RIDEOUT ELEMENTARY SCHOOL**  
**NOTES TO STATEMENT OF CASH RECEIPTS**  
**AND DISBURSEMENTS OF THE INTERNAL FUNDS**  
For The Year Ended June 30, 2012

**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 Rideout 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 Rideout 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 8 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, 2012, total cash balance of \$19,853.47 as reported on the statement of cash receipts and disbursements is held in a non interest bearing checking account insured by the FDIC.



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Mr. Ben Wortham, Superintendent of Schools,  
Clay County, Florida  
Ms. Carol Studdard, Chairman  
Ms Janice Kerekes, Vice Chairman  
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, Rideout Elementary School reported the following accounts payable and encumbrances as of June 30, 2012:

**Accounts Payable**

None \$0

**Encumbrances**

None \$0

The above accounts payable list agrees with the Principals Report as of June 30, 2012. 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 2011-2012 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Rideout Elementary School for the year ended June 30, 2012.

*Joan O. Michael*

Joan O. Michael, CPA, PA  
August 15, 2012

# JOAN O. MICHAEL, CPA, PA

*Certified Public Accountant*

---

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

Honorable Members:

We have audited the internal funds financial statement of Rideout Elementary School for the year ended June 30, 2012, and have issued our report thereon dated August 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

## **Report on Internal Control**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in the internal control structure 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 the internal control over financial reporting that we consider to be material weaknesses, as defined 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*

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, 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. 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 outlined in the Clay County District letter dated May 21, 2012.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Clay County District Schools are described in Note 1 to the internal funds financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ending June 30, 2012. We noted no transactions entered into by the School during the year for which there was a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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

The disclosures in the financial 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*

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

### *Disagreements with Management*

We encountered no disagreement during the course of our audit.

### *Management Representations*

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

### *Other Audit Findings or Issues*

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

1. Official receipts are issued on the date of deposit instead of the date monies are received. Page 17 of the Internal Accounts Manual (IAM) requires bookkeepers to issue official receipts with the date monies are actually received.
2. Teacher Receipts included on Reports of monies collected are issued over multiple days with the Report of Monies Collected dated with the latest date. This indicates that teachers are not turning in monies received on a daily basis as required on pages 16-17 of the IAM. This practice delays deposits and prevents the bookkeeper from depositing funds within the time frame required by the school system and the State Board of Education. The timing of deposits is an ongoing problem and was addressed in the prior year's audit. We recommend that the procedures for sponsors and the bookkeeper stated on pages 16-17 be followed to prevent improper use and or misplacement of funds received by the school.
3. Two instances where teacher receipts were not issued when monies received were in excess of \$5.00. Page 16 of the IAM requires teachers to generate receipts for funds received greater than \$5.00 when items are not exchanged for the funds.
4. One (1) instance where a check was issued with no accompanying purchase order or backup information and one (1) instance when the purchase order was not signed by the faculty member requesting payment.

### *Follow-up on Prior Year Audit Findings*

As part of our current year audit, we considered the correction of prior year findings. With regard to the findings from the prior year audit report there continues to be an issue with monies collected being held overnight, as noted above.

This report is intended solely for the information and use of Clay County School Board, management, and others within the school system. This restriction is not intended to limit the

distribution of this report, which upon acceptance, is a matter of public record.

We would like to thank the Principal, bookkeeper and staff for the expeditious cooperation and courtesy extended to us during our audit. 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*

Joan O. Michael, CPA, PA  
August 15, 2012

**RIDGEVIEW ELEMENTARY SCHOOL**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**OF THE INTERNAL FUNDS**  
For The Year Ended June 30, 2012

Joan O. Michael, CPA, PA  
Certified Public Accountant

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Joan O. Michael, CPA, PA  
Certified Public Accountant

**JOAN O. MICHAEL, CPA, PA**  
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**INDEPENDENT AUDITOR'S REPORT**

Mr. Ben Wortham, Superintendent of Schools,  
Clay County, Florida  
Ms. Carol Studdard, Chairman  
Ms. Janice Kerekes, Vice Chairman  
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 Ridgeview Elementary School for the year ended June 30, 2012. This financial statement is the responsibility of the School's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

As described in Note 1, this financial statement was prepared on the basis of cash receipts and disbursements which is a comprehensive basis of accounting other than United States 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, 2012, on the basis of accounting described in Note 1.

*Joan O. Michael*

Joan O. Michael, CPA, PA  
August 13, 2012



**RIDGEVIEW ELEMENTARY SCHOOL**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**OF THE INTERNAL FUNDS**  
For the year Ended June 30, 2012

	Cash Balance July 1, 2011	Transactions			Cash Balance June 30, 2012
		Receipts	Disburse- ments	Transfers	
Music	\$ -	\$ -	\$ -	\$ -	\$ -
Classes, Clubs,	12,211.28	32,443.96	35,509.65	(1,317.31)	7,828.28
Departments Trust	5,805.69	13,634.15	16,894.90	(172.85)	2,372.09
General	4,216.12	19,403.11	20,706.24	5,999.37	8,912.36
Outside Organizations	10,211.34	12,601.68	11,997.81	(4,509.21)	6,306.00
<b>Total</b>	<b>\$ 32,444.43</b>	<b>\$ 78,082.90</b>	<b>\$ 85,108.60</b>	<b>\$ -</b>	<b>\$ 25,418.73</b>

See accompanying notes and independent auditor's report.

**RIDGEVIEW ELEMENTARY SCHOOL**  
**NOTES TO STATEMENT OF CASH RECEIPTS**  
**AND DISBURSEMENTS OF THE INTERNAL FUNDS**  
For The Year Ended June 30, 2012

**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 Ridgeview 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 Ridgeview 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 8 of the Florida Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools. Receivables and payables, accrued revenues and expenditures, and property and depreciation, if any, are not reflected. Consequently, these statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

**Investments**

The School Board has the authority, and is required under Rule 6A-1.085 of the Florida Administrative Code, to adopt policies pertaining to investment of school funds not needed for immediate expenditures. The intent is to maximize the yield on investments, with a minimum amount of risk. The schools have invested excess funds in savings and deposit accounts classified as cash equivalents, consisting of the State Board of Administration Local Government Surplus Trust Funds Investment Pool.

**NOTE 2 Cash**

The June 30, 2012, total cash balance of \$ 25,418.73 as reported on the statement of cash receipts and disbursements consists of \$ 6,414.89 being held in a non interest bearing checking account insured by the FDIC, and \$ 19,003.84 held in an investment account with the Clay County School District.

**NOTE 3 Interest Income**

Interest was earned on amounts invested through the Clay County School Board in the amount of \$ 53.39. This represents a yield of approximately .3 percent.

# JOAN O. MICHAEL, CPA, PA

*Certified Public Accountant*

669 Kingsley Avenue  
Orange Park, FL 32073

Mansard Place

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

Mr. Ben Wortham, Superintendent of Schools,  
Clay County, Florida  
Ms. Carol Studdard, Chairman  
Ms. Janice Kerekes, Vice Chairman  
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, Ridgeview Elementary School reported the following accounts payable and encumbrances as of June 30, 2012:

## Accounts Payable

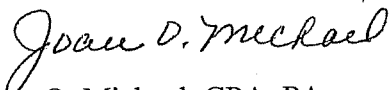
Publix Super Markets, Inc	\$109.50
Hagan Ace Management	236.20
Staples Credit	108.96
Orange Park Florist and Gifts	48.15
Total	<u>\$ 502.81</u>

## Encumbrances

Banners & Signs	<u>\$ 12.50</u>
Total	<u>\$ 12.50</u>

The above accounts payable list agrees with the Principals Report as of June 30, 2012. 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 2011-2012 fiscal year and accordingly, are not recorded on the statement of cash receipts and disbursements of the internal accounts of Ridgeview Elementary School for the year ended June 30, 2012.



Joan O. Michael, CPA, PA  
August 13, 2012

# JOAN O. MICHAEL, CPA, PA

## *Certified Public Accountant*

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

Honorable Members:

We have audited the internal funds financial statement of Ridgeview Elementary School for the year ended June 30, 2012, and have issued our report thereon dated August 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

### **Report on Internal Control**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in the internal control structure 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 the internal control over financial reporting that we consider to be material weaknesses, as defined 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*

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, 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. 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 outlined in the Clay County District letter dated May 21, 2012.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Clay County District Schools are described in Note 1 to the internal funds financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ending June 30, 2012. We noted no transactions entered into by the School during the year for which there was a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

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

The disclosures in the financial 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*

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

### *Disagreements with Management*

We encountered no disagreement during the course of our audit.

### *Management Representations*

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

### *Other Audit Findings or Issues*

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

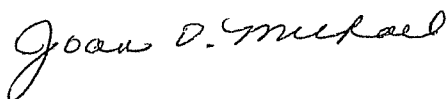
1. Two instances when a check was issued prior to obtaining an approval signature. Page 35 of the Internal Accounts Manual (IAM) requires the verification of supporting documentation to include proper signatures prior to writing a check.
2. One instance of money collected being held overnight by a teacher and one instance of money being held by a teacher over a weekend. Page 18 of the IAM requires teachers to submit monies collected to the "bookkeeper of Principal's designee on the same day the funds were collected.

### *Follow-up on Prior Year Audit Findings*

As part of our current year audit, we considered the correction of prior year findings. With regard to the findings from the prior year audit report all discrepancies have been corrected.

This report is intended solely for the information and use of Clay County School Board, management, and others within the school system. This restriction is not intended to limit the distribution of this report, which upon acceptance, is a matter of public record.

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



Joan O. Michael, CPA, PA  
August 13, 2012

# 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 21, 2012

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

RE: 2011-2012 Internal Accounts Audit

Thank you for your time and effort in conducting the audit of our 2011-2012 Internal accounts. It has been a pleasure to work with your firm this year. 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:

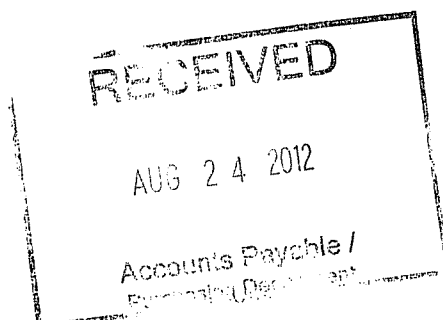
1. Two instances when a check was issued prior to obtaining an approval signature. The bookkeeper will verify to make sure the supporting documents, dates and approval signatures are properly signed before checks are issued.
2. One instance of money collected being held overnight by a teacher and one instance of money collected being held by a teacher over a weekend. The bookkeeper will reiterate to teachers the importance of turning money in the same day as collected to the bookkeeper and not held in their classroom overnight or over a weekend.

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

Respectfully,



Dana L. Archibald, Principal





RIDGEVIEW HIGH SCHOOL  
STATEMENT OF CASH RECEIPTS AND  
DISBURSEMENTS OF THE INTERNAL FUNDS

For the Year Ended June 30, 2012

RIDGEVIEW HIGH SCHOOL

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INDEPENDENT AUDITORS' REPORT

Mr. Ben Wortham, Superintendent  
Ms. Denise Adams, Deputy Superintendent  
Ms. Carol Studdard, Chairman  
Ms. Janice Kerekes, Vice-Chairman  
Mr. Frank Farrell, Member  
Ms. Lisa Graham, 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, 2012. 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 statement of cash receipts and disbursements is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of cash receipts and disbursements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of cash receipts and disbursements. We believe that our audit provides a reasonable basis for our opinion.

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

As described in Note 1, this financial statement includes only the financial activities of Ridgeview High School's internal accounts and does not include other financial activities of the District School Board.

In our opinion, the statement of cash receipts and disbursements 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, 2012, on the basis of accounting described in Note 1.

*Magers & Associates, LLC*

Magers & Associates, LLC  
Certified Public Accountants  
July 30, 2012

RIDGEVIEW HIGH SCHOOL  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS OF THE INTERNAL FUNDS  
For the Year Ended June 30, 2012

	Cash Balance July 1, 2011	Receipts	Disbursements	Transfers	Cash Balance June 30, 2012
Athletics	\$ 39,198.63	\$ 227,261.08	\$ 234,091.95	\$ 1,179.75	\$ 33,547.51
Music	13,321.46	56,401.79	58,758.70	(443.52)	10,521.03
Classes, Clubs, & Departments	77,986.54	229,480.92	212,904.20	(15,930.92)	78,632.34
Trust	34,547.20	42,045.26	55,370.47	407.22	21,629.21
General	40,479.73	38,908.47	55,127.97	15,535.17	39,795.40
Outside Organizations	1,202.34	11,676.07	8,559.48	(747.70)	3,571.23
<b>TOTAL</b>	<u>\$ 206,735.90</u>	<u>\$ 605,773.59</u>	<u>\$ 624,812.77</u>	<u>\$ -</u>	<u>\$ 187,696.72</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  
OF THE INTERNAL FUNDS  
For the Year Ended June 30, 2012

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 Ridgeview High School within the Clay County, Florida school system.

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

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

Basis of Accounting

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

NOTE 2 – CASH BALANCE

The cash balance of \$187,696.72 at June 30, 2012, consists of \$78,427.31 being held in a non-interest bearing checking account and \$109,269.41 invested with the State Board of Administration.

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

NOTE 3 – INTEREST INCOME

Interest was earned on funds invested with the Clay County School Board in the amount of \$306.92 for the fiscal year ended June 30, 2012.

RIDGEVIEW HIGH SCHOOL  
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
OF THE INTERNAL FUNDS  
For the Year Ended June 30, 2012

NOTE 4 – ACCOUNTS PAYABLE AND ENCUMBRANCES

Ridgeview High School reported no accounts payable and no encumbrance at June 30, 2012 for the internal funds.

Accounts Payable

NONE

Encumbrance

NONE

NOTE 5 – SUBSEQUENT EVENTS

The School has evaluated subsequent events through July 30, 2012, the date of the independent auditors' report. There were no material subsequent events to report.



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

Honorable Members:

We have audited the statement of cash receipts and disbursements of the internal funds of Ridgeview High School (the "School") for the year ended June 30, 2012, and have issued our report thereon dated July 30, 2012. 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.

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 material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

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*, 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 noted the following exceptions to the established internal control procedures:

- According to the Internal Accounts Manual, procedures to be followed upon completion of the official receipt record include entering the official receipt number on the "Report of Monies Collected" form. During our audit, the "Report of Monies Collected" forms that were examined did not have the official receipt number entered on the form.

### **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 in our engagement letter.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

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

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

The disclosures in the financial statement are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement 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 difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

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

*Disagreements with Management*

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

*Review of Prior Year Audit Findings*

As part of our current year audit, we considered your attention to prior year audit findings. We noted minor violations of the Internal Accounts Manual again this year which were comparable to those noted in the prior year.

\* \* \*

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

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

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

*Magers & Associates, LLC*

Magers & Associates, LLC  
Certified Public Accountants  
July 30, 2012

# Ridgeview High School

466 Madison Avenue  
Orange Park, Florida 32065

August 10, 2012

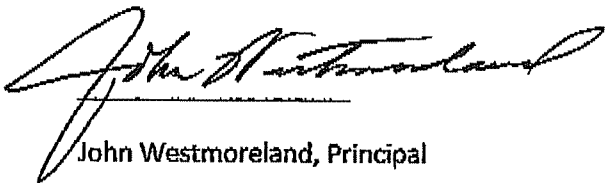
Magers & Associates

165 Wells Road, Suite 405

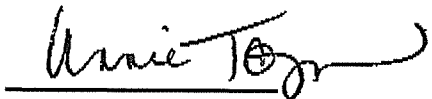
Orange Park, FL 32073

In response to the item noted on the audit as to recording the receipt number on all money collected forms, I will make certain to follow through with this procedure for the 2012-2013 year.

Thank you,



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, 2012**

**Shadowlawn Elementary School**

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COLEMAN & ASSOCIATES  
Certified Public Accounting Firm

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### Independent Auditors' Report

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

Honorable Members:

We have audited the accompanying statement of cash receipts and disbursements of the internal funds of Shadowlawn Elementary School (the School) for the year ended June 30, 2012. 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 Shadowlawn Elementary School for the year ended June 30, 2012 on the basis of accounting described in Note 1.

*Coleman & Associates Cpa firm*

August 15, 2012

**Shadowlawn Elementary School**  
**Statement of Cash Receipts and Disbursement of the Internal Funds**  
**For the Year Ended June 30, 2012**

<u>Accounts</u>	<u>Cash Balance July 1, 2011</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers</u>	<u>Cash Balance June 30, 2012</u>
Music	937.98	3,511.25	4,333.03	1,886.52	2,002.72
Classes, Clubs	8,905.19	57,078.49	58,653.04	6,919.52	14,250.16
Trust	5,614.20	30,692.15	45,365.40	15,053.48	5,994.43
General	12,764.14	33,204.56	27,609.18	(2,654.06)	15,705.46
Outside Organizations	31,197.49	22,232.06	20,362.10	(21,205.46)	11,861.99
<b>Totals</b>	<b><u>\$ 59,419.00</u></b>	<b><u>\$ 146,718.51</u></b>	<b><u>\$ 156,322.75</u></b>	<b><u>\$ --</u></b>	<b><u>\$ 49,814.76</u></b>

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

**Shadowlawn Elementary School  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2012**

**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 (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 Shadowlawn 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 results of operations in conformity with generally accepted accounting principles.

**Note 2 – Cash and Cash Equivalents**

As of June 30, 2012, the School's total cash balance of \$49,814.76; \$49,346.26 was held in a non-interest bearing checking account, \$468.50 was in nonsufficient checks, and \$0 was held in an investment account at year end.

**Note 3 – Investments**

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

**Shadowlawn Elementary School  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2012  
(Concluded)**

**Note 3 – Investments (concluded)**

In accordance with GASB Statement No. 40, investment information is as follows:

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

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

The School did not have any investments in the Local Surplus Trust Fund.

**Note 4 - Subsequent Events**

Generally accepted accounting principles require the disclosure of significant events or transactions that occur after the balance sheet date but before the financial statements are issued. The School has evaluated subsequent events through August 15, 2012 and found no significant events or transactions that should be recorded. The evaluation date is considered to be the date the financial statements are available to be issued.



**Supplemental Information**



**COLEMAN & ASSOCIATES**  
Certified Public Accounting Firm

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**Schedule of Accounts Payable and Encumbrances**

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

Honorable Members:

The Clay County School Board has requested that we provide a schedule of accounts payable and encumbrances incurred as of June 30, 2012, for Shadowlawn 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, 2012, and accordingly, were not included in the statement of cash receipts and disbursements of the internal funds for the year ended June 30, 2012. Accounts payable and encumbrances are as follows:

Accounts Payable as of June 30, 2012

\$     --

Encumbrances as of June 30, 2012

\$     --

The above accounts payable amount was reported on the June 30, 2012 Principal's Monthly Report. Encumbrances are not reported on the monthly principal's report.

*Coleman & Associates Cpa firm*

August 15, 2012



COLEMAN & ASSOCIATES  
Certified Public Accounting Firm

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

Honorable Members:

We have audited the internal funds financial statement of Shadowlawn Elementary School as of and for the fiscal year ended June 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the internal funds of Shadowlawn Elementary School for the year ended June 30, 2012; in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

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

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

- The School paid a contractor for installing a covering over portions of the playground. The final payment of \$5,695 was paid from a proposal provided by the contractor. All disbursements should be paid from an approved invoice.
- The School received some insufficient funds checks from individuals during the year. We noted that some of the individuals on the list gave the School more than one bad check. We recommend that check writing privileges be taken away from individuals that write two or more bad checks. These individuals should be required to pay with cash or money orders.

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

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

### **Communication with Those Charged with Governance**

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

#### Our Responsibility under U.S. Generally Accepted Auditing Standards

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

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

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

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Clay County District Schools are described in Note 1 to the internal funds financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ending June 30, 2012. We noted no transactions entered into by the School during the year for which there was a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

*Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were detected as a result of audit procedures and there were no misstatements that needed to be corrected by management that 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, 2012



"Home of the Falcons"

# Shadowlawn Elementary School

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

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*Nancy Crowder*  
PRINCIPAL

*Sharon Joca*  
ASSISTANT PRINCIPAL

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August 27, 2012

Mr. Timothy M. Coleman, CPA, CVA  
Coleman & Associates  
P.O. Box 8279  
Fleming Island, Florida 32006

Dear Mr. Coleman:

In response to the Shadowlawn Elementary *Report on Internal Control over Financial Reporting*, the following procedures will be put in place:

- *The School paid a contractor for installing a covering over portions of the playground. The final payment of \$5,685 was paid from a proposal provided by the contractor. All disbursements should be paid from an approved invoice.*

All disbursements will be scrutinized by the Principal and the Principal's Secretary to ensure no funds are paid from any account without first receiving an original invoice. The original invoice will be attached to the requisition form and reviewed by the Principal.

- *The School received some insufficient funds checks from individuals during the year.*

In instances where a check is returned to the school for insufficient funds, notice will be given to the individual that in the future only cash or a money order will suffice. The school will provide notice of this policy to our stakeholders.

Thank you for your assistance and your services to Shadowlawn Elementary.

Sincerely,

A handwritten signature in cursive script that reads "Nancy A. Crowder".

Nancy A. Crowder  
Principal

