

St. Johns County School District

Statement of Fiduciary Net Position and
Note to the Financial Statement
June 30, 2019

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Independent Auditor's Report

The Audit Committee of the St. Johns County School District and
Michael Degutis, Chief Financial Officer
St. Augustine, Florida

Report on the Financial Statement

We have audited the accompanying financial statement of the fiduciary net position arising from cash transactions of the Internal Accounts Agency Fund (Internal Accounts) of the St. Johns County School District (the District) as of June 30, 2019, and the related note to the financial statement, which collectively comprise the District's Internal Accounts basic financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the fiduciary net position arising from cash transactions of the Internal Accounts of the District, as of June 30, 2019, on the basis of accounting described in Note 1.

Emphasis of Matter

As described in Note 1, this financial statement includes only the fiduciary net position of the Internal Accounts, which are included in the financial reporting entity of the District. The financial statement does not include the total fiduciary net position of the District; accordingly, it does not purport to, and does not present fairly the total fiduciary net position or the financial position of the District as of June 30, 2019, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As described in Note 1, this financial statement is 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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the statement of fiduciary net position of the Internal Accounts agency fund of the District. The accompanying combining schedule of changes in total assets by activity – Internal Accounts agency fund arising from cash transactions (the combining schedule) is presented for purposes of additional analysis and is not a required part of the basic financial statement.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2019, on our consideration of the District's internal control over financial reporting for its Internal Accounts and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

RSM US LLP

Jacksonville, Florida
October 25, 2019

St. Johns County School District

**Statement of Fiduciary Net Position
Internal Accounts Agency Fund – Cash Basis
June 30, 2019**

Assets

Cash and cash equivalents	<u>\$ 4,742,650</u>
Total assets	<u><u>\$ 4,742,650</u></u>

Liabilities

Internal accounts payable	<u>\$ 4,742,650</u>
Total liabilities	<u><u>\$ 4,742,650</u></u>

See note to financial statement.

Note 1. Summary of Significant Accounting Policies

General description: The governing body of the St. Johns County School District (the District) is composed of five members (the Board). The Superintendent is the executive officer. Although the District is considered a separate entity for financial reporting purposes, it is part of the State system of public education under the general direction and control of the State Board of Education as prescribed by Article IX of the State Constitution. State Statutes and State Board of Education Regulations also govern the District. Pursuant to State law, the Superintendent is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education.

The accompanying financial statement includes the balances relating exclusively to the Internal Accounts agency fund of the public schools within the St. Johns County, Florida school system, as described below. The financial statement does not include any other fiduciary net position of the District. Therefore the accompanying financial statement does not purport to, and does not present fairly the total fiduciary net position or the financial position of the District as of June 30, 2019, in conformity with the cash basis of accounting.

Internal funds: The Board is responsible for the administration of certain monies collected at various schools in connection with school and student organization activities. These monies are commonly described as internal funds or Internal Accounts and are subject to State Board of Education Rules as set forth in Section 6A-1.001, Florida Administrative Code, and Chapter 8, *School Internal Funds, Financial and Program Cost Accounting and Reporting for Florida Schools*. The financial activities of the Internal Accounts are reported in agency funds in the basic financial statements of the District.

Basis of accounting and reporting: In accordance with Florida Statutes, the District accounts for its student activity accounts (Internal Accounts) in an agency fund. The operations of the schools' Internal Accounts are accounted for with a separate set of self-balancing accounts that comprise each school or activity's assets, liabilities, additions and deductions. The accompanying financial statement is maintained on a cash basis. Therefore, accounts receivables and payables and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States of America, and which may be material in amount, are not recognized in the accompanying financial statement. An agency fund is custodial in nature and does not measure results of operations.

Cash and cash equivalents: Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Custodial credit risk: Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, an entity will not be able to recover its deposits that are in the possession of an outside party. The District's deposits with financial institutions are held in public depositories pursuant to Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, multiplied by the depository's collateral pledging level. Any losses to public deposits are covered by applicable deposit insurance, sale of securities pledged as collateral, and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

SUPPLEMENTARY INFORMATION

St. Johns County School District

**Combining Schedule of Changes in Total Assets by Activity
Internal Accounts Agency Fund – Cash Basis
Year Ended June 30, 2019**

School/Location	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
Bartram Trail High School	\$ 408,600	\$ 1,234,976	\$ 1,279,595	\$ 363,981
Creekside High School	419,304	1,125,777	1,066,836	478,245
Crookshank Elementary School	23,782	250,257	246,769	27,270
Cunningham Creek Elementary School	44,970	448,636	458,732	34,874
District Designated Accounts	181,843	377,744	280,548	279,039
Durbin Creek Elementary School	78,952	545,983	562,024	62,911
Freedom Crossing Academy	4,550	170,877	139,271	36,156
Fruit Cove Middle School	68,659	292,556	279,148	82,067
Gaines Alternative (at Hamblen)	20,482	8,380	5,238	23,624
Gamble Rogers Middle School	69,410	568,341	574,342	63,409
Hickory Creek Elementary School	46,206	405,632	404,828	47,010
Julington Creek Elementary School	74,604	627,828	638,132	64,300
Ketterlinus Elementary School	18,713	245,175	245,101	18,787
Landrum Middle School	113,687	181,830	164,393	131,124
Liberty Pines Academy	93,903	761,152	704,690	150,365
Mill Creek Academy	31,443	361,870	366,857	26,456
Nease High School	613,794	932,183	922,056	623,921
Ocean Palms Elementary School	14,158	199,754	201,013	12,899
Osceola Elementary School	44,478	177,780	184,895	37,363
Otis Mason Elementary School	63,747	360,166	356,281	67,632
Pacetti Bay Middle School	97,706	493,508	505,577	85,637
Palencia Elementary School	143,072	168,590	242,091	69,571
Palm Valley Academy	6,574	182,017	160,725	27,866
Patriot Oaks Academy	40,552	617,506	611,621	46,437
Pedro Menendez High School	125,226	313,101	292,801	145,526
Picolata Crossing Elementary School	18,777	101,072	88,316	31,533
Ponte Vedra High School	506,347	683,740	739,318	450,769
PVPV/Rawlings Elementary School	47,023	442,298	452,814	36,507
RB Hunt Elementary School	69,256	375,224	368,050	76,430
RJ Murray Middle School	13,024	88,027	81,726	19,325
Sebastian Middle School	48,841	80,098	86,578	42,361
South Woods Elementary School	51,600	124,686	122,562	53,724
St. Augustine High School	231,505	511,869	511,870	231,504
St. Johns Technical High School	11,894	42,269	35,554	18,609
Switzerland Point Middle School	200,651	593,108	612,060	181,699
The Webster School Elementary School	33,667	35,518	28,308	40,877
Timberlin Creek Elementary School	266,946	740,882	771,092	236,736
Valley Ridge Academy	108,078	514,863	503,791	119,150
Wards Creek Elementary School	67,627	347,651	352,807	62,471
WD Hartley Elementary School	144,238	34,448	44,201	134,485
Total assets	\$ 4,667,889	\$ 15,767,372	\$ 15,692,611	\$ 4,742,650

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Independent Auditor's Report

The Audit Committee of the St. Johns County School District and
Michael Degutis, Chief Financial Officer
St. Augustine, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the requirements of the State Board of Education Rule 6A-1.087, Florida Administrative Code; and *Financial and Program Cost Accounting and Reporting for Florida Schools* (the Red Book), issued by the State of Florida Department of Education, the accompanying statement of fiduciary net position arising from cash transactions of the Internal Accounts agency fund (Internal Accounts) of the St. Johns County School District (the District) as of June 30, 2019, and the related note to the financial statement, which collectively comprise the District's Internal Accounts basic financial statement, and have issued our report thereon dated October 25, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's Internal Accounts financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

RSM US LLP

Jacksonville, Florida
October 25, 2019

St. Johns County School District

Internal Accounts Agency Fund
Management Letter
June 30, 2019

Management Letter

The Audit Committee of the St. Johns County School District and
Michael Degutis, Chief Financial Officer
St. Augustine, Florida

Attention: Committee Members and Mr. Degutis

In planning and performing our audit of the financial statement of the fiduciary net position arising from cash transactions of the Internal Accounts Agency Fund of the School Board of St. Johns County (the District) as of June 30, 2019, in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States; the requirements of the State Board of Education Rule 6A-1.087, Florida Administrative Code; and *Financial and Program Cost Accounting and Reporting for Florida Schools* (the Red Book), issued by the State of Florida Department of Education. We considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 deficiency in design exists when: (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or qualifications to perform the control effectively.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis.

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.

Included in Attachment A are descriptions of other identified control deficiencies that we determined did not constitute significant deficiencies or material weaknesses.

This report is intended solely for the information and use of the St. Johns County School Board Members, Audit Committee, management and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Jacksonville, Florida
October 16, 2019

School: Bartram Trail High School

Finding		Handbook Policy	Management's Response
1	Repeat	Chart of Accounts	
In examining the general ledger RSM observed that \$33,890 of cash disbursements were recorded as cash receipts.		The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	The bookkeeper will ensure proper coding is used by following the district provided chart of accounts. The bookkeeper will also continue to check the ledger quarterly to make corrections as needed.

School: Creekside High School

Finding		Handbook Policy	Management's Response
1	Donations		
	During testing of donations, RSM noted one cash receipt comprised of multiple donations, totaling \$3,250, which was not approved by the Principal or the Superintendent as required on the District Donation Form.	Article XI: "The donation information and request for approval should be documented on the District approved Donation Form [...] gifts of money, supplies, equipment or other personal property of a value between \$3,000 and \$9,999 must be approved by the Superintendent[...] Gifts of money, supplies, equipment or other personal property of a value less than \$3,000 may be accepted by a principal or department head."	The donation was comprised of several \$40 individual donations. This finding will be reviewed with district personnel to determine correct procedures.

Finding		Handbook Policy	Management's Response
2	Repeat	Fundraising	
	During testing of fundraising activity, RSM noted five fundraising events which were not documented on the District Fundraising Activity Form. As such, no documentation is available of prior approval and reconciliation.	Section 4.05(g): "All fundraising requests shall be documented on a District authorized Fundraising Activity form accompanied by the District authorized supporting Fundraising Checklist."	The high volume of club and athletic fundraising activities continue to present a challenge. While the funds collected have been verified and distributed appropriately within the various accounts, the reconciliation forms appear to have some activities combined. We will continue to strive to improve the data recorded on the paper forms.

School: Crookshank Elementary School

Finding		Handbook Policy	Management's Response
1	Extended Day		
	One of the two students selected for testing attended prior to the school receiving payment for its services on multiple occasions.	Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10."	The Extended Day Coordinator has been counseled about documentation needed regarding this specific situation (active deployed military).

Finding		Handbook Policy	Management's Response
2	Extended Day		
	Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program in 14 separate occasions for one of the two students selected for testing.	Section 3.01(g)(viii): "Fees must be reconciled with attendance records and balanced monthly."	The Extended Day Coordinator has been counseled about documentation needed regarding this specific situation (active deployed military).

School: Cunningham Creek Elementary School

Finding		Handbook Policy	Management's Response
1	Yearbook		
	RSM noted the yearbook reconciliation was out of balance. Reconciliation did not agree to starting and ending balances in the Sungard Cash Balance Report.	Section 9.04(a)(ii)(3): "The secretary/bookkeeper should review the yearbook reconciliation for accuracy and completeness. The secretary/bookkeeper should also observe and count the yearbooks on-hand at year-end and compare to the yearbook reconciliation for accuracy."	Every attempt will be made to balance the yearbook reconciliation.

Finding		Handbook Policy	Management's Response
2	Cash Disbursements		
	For one of five disbursements selected for testing, the bookkeeper was unable to provide a copy of the invoice for which the payment was made. The amount of the payment was \$640.	Section 5.01(1): "School activity funds shall be expended for the purposes for which they were collected. A signed receipt or an invoice supporting any expenditure shall be kept on file. Cancelled checks are only part of the supporting evidence for any given transaction and are not sufficient to support the expenditure."	The check was for a field trip, the vendor did not provide a receipt on the day of the event. We will add the "receipt" to the checklist for teachers.

Finding		Handbook Policy	Management's Response
3	Repeat	Extended Day	
	One of the two students selected for testing attended prior to the school receiving payment for its services on one occasion.	Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10."	Extended Day fees will be billed in advance and paid before services are rendered.

School: District Designated Accounts

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
On one of five cash receipts selected for testing, white out was used to invalidate information on the monies collected form. The receipt totaled \$8,465.	Section 4.01(a)(iii): "Any erroneous information must be invalidated by the originator of the entry by lining through such information, entering the correct information above or below the error and initialing."	District personnel will work with the bookkeeper to ensure that the finding is resolved.	
Finding		Handbook Policy	Management's Response
2	Cash Receipts		
Based on bookkeeper signature date on Report of Monies Collected, one of five receipts, totaling \$8,465, were not remitted to bookkeeper the day the funds were collected.	Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."	District personnel will work with the bookkeeper to ensure that the finding is resolved.	
Finding		Handbook Policy	Management's Response
3	Chart of Accounts		
During testing of fundraisers, RSM noted donation revenues incorrectly coded as fundraising activity. These donation totaled \$769.	The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	District personnel will work with the bookkeeper to ensure that the finding is resolved.	

School: Freedom Crossing Academy

Finding		Handbook Policy	Management's Response
1		Cash Receipts	
	Based on bookkeeper signature date on the Report of Monies Collected, one of five receipts selected for testing, totaling \$96, was not remitted to bookkeeper the day the funds were collected.	Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."	The bookkeeper dates the money collected forms the day they are verified. All efforts are made to do them daily.
Finding		Handbook Policy	Management's Response
2		Cash Disbursements	
	One of five disbursements selected for testing did not include all required authorizations. The check, totaling \$173, did not include dual signatures.	Section 2.04(b): "Two signatures shall be required for all transactions, one of which shall be that of the principal or his/her designee..."	This check's single signature was an oversight. All future checks will have two signatures.

School: Fruit Cove Middle School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
Cash receipts were not issued for one of five receipts selected for testing. The cash receipt totaled \$20.	Section 4.01(b)(iii)(a): "A cash receipt will be issued for all monies received* of \$ 10.00 or more [...]"	The bookkeeper will review procedures with staff to ensure receipts are properly filled out and turned in.	

Finding		Handbook Policy	Management's Response
2	Tickets		
RSM noted 1 ticket was unaccounted for in the Report of Tickets Sold for the event selected for testing. The Ticket Control Sheet agreed to the Report of Tickets Sold.	Section 4.04(a)(x): "The bookkeeper shall verify the accuracy of the ticket sales documentation ..."	The bookkeeper will make every effort to pay attention to detail to ensure accuracy of tickets sold.	

Finding		Handbook Policy	Management's Response
3	Yearbook		
RSM noted the yearbook reconciliation was out of balance. Although the reconciliation agreed to supporting documentation, it was not entered into the form accurately.	Section 9.04(a)(ii)(3): "The secretary/bookkeeper should review the yearbook reconciliation for accuracy and completeness. The secretary/bookkeeper should also observe and count the yearbooks on-hand at year end and compare to the yearbook reconciliation for accuracy."	The out of balance condition was due to a data entry error. There was no error in the actual data, just the way it was input in the spreadsheet. Bookkeeper will strive to review for accuracy in completing.	

School: Gaines Alternative (at Hamblen)

Finding		Handbook Policy	Management's Response
1		Cash Disbursements	
	One of five disbursements selected for testing was not considered timely. The payment, for \$715, was made 55 days after the invoice date.	Payments should be made within 45 days as stipulated by Florida statute in order to avoid possible late penalties and/or take advantage of any possible discounts offered by the vendor.	The bookkeeper was waiting for an address correction in Sungard so that it would match with the invoice which caused an unacceptable time lapse.

School: Gamble Rogers Middle School

Finding		Handbook Policy	Management's Response
1		Cash Receipts	
	One of five receipts selected for testing was coded to the wrong subaccount. This receipt totaled \$80.	The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	Secretary/Bookkeeper will be more diligent when typing in the code to make sure it is the correct one.

Finding		Handbook Policy	Management's Response
2	Repeat	Cash Receipts	
	Official receipt number on Report of Monies Collected form was incorrect on one out of five transactions selected for testing.	Section 4.01(a)(v): "The white copy shall be identified by the corresponding pre-numbered, secured electronic receipt number representing the collection and filed in numerical sequence."	Secretary/Bookkeeper will be more diligent when the systems times out to enter the new receipt number.

School: Hickory Creek Elementary School

Finding		Handbook Policy	Management's Response
1		Cash Disbursements	
An employee's personal purchases, which were not reimbursed, were commingled in the receipts for Internal Accounts purchases.		Best Practices: Personal purchases should not be commingled with school purchases	Staff has been advised to separate personal/school items when making purchases.
Finding		Handbook Policy	Management's Response
2		Extended Day	
Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program in five separate occasions for both of the students selected for testing.		Section 3.01(g)(viii): "Fees must be reconciled with attendance records and balanced monthly."	Every attempt will be made to collect late fees in accordance with the fee schedule.
Finding		Handbook Policy	Management's Response
3		Fundraising	
During the testing of fundraising activity, RSM noted the fundraiser selected for testing had not been appropriately reconciled to the actual revenues or expenditures based on the invoice for goods sold during the fundraiser.		Section 3.01(b)(vi): "A financial report shall be filed with the principal at the close of each fundraising activity, in accordance with Section 4.05 of this handbook. To accommodate collection of data for this report, a separate account for the activity may be established. The organization sponsor shall participate, along with the bookkeeper, in the designation of transactions to be recorded in each of the organization's accounts."	Every attempt will be made to reconcile book fair receipts accurately.
Finding		Handbook Policy	Management's Response
4	Repeat	Chart of Accounts	
In examining the general ledger RSM observed that \$23,940 of cash disbursements were recorded as cash receipts.		The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	Every attempt will be made to code disbursements correctly.

School: Julington Creek Elementary School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
One of five receipts selected for testing, did not include the purpose of collection on the Report of Monies Collected form. The receipt totaled \$369.	Section 4.01(a)(iv): "The Report of Monies Collected Form shall show: [...] (f): Purpose for collection of funds"	Moving forward, all Monies Collected Forms will show purpose of collection.	

Finding		Handbook Policy	Management's Response
2	Cash Receipts		
One of five deposits selected for testing did not remain intact. Cash total and check total from the Report of Monies Collected did not agree to the deposit slip. This receipt was for \$91.	Redbook: "Intact, or Deposit Intact – The practice in which money is presented to a bank or bookkeeper for the credit of the school's internal fund in the same form as received. This means that any receipt of funds in the form of cash shall be deposited as cash. The cashing of a check from funds on hand would be a violation of this concept, as would be the substitution of a check for cash."	Cash and check amounts will be clearly stated on each Monies Collected Form.	

Finding		Handbook Policy	Management's Response
3	Repeat	Cash Receipts	
Based on bookkeeper signature date on Report of Monies Collected, two of five receipts selected for testing were not remitted to bookkeeper the day the funds were collected. These receipts totaled \$336.	Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."	Teachers will deliver funds collected to the Bookkeeper on the day of collection.	

School: Landrum Middle School

	Finding	Handbook Policy	Management's Response
1		Tickets	
	For the ticketed event selected, the Report of Tickets Sold did not accurately count the number of tickets sold, in which 115 were reported as having been sold, but 116 tickets were missing when the roll was returned.	Section 4.04(a)(x): "The bookkeeper shall verify the accuracy of the ticket sales documentation ..."	The Bookkeeper will make sure the tickets are accurately counted when returned from event.

School: Liberty Pines Academy

Finding		Handbook Policy	Management's Response
1	Extended Day		
The two students selected for testing attended prior to the school receiving payment for its services on multiple occasions.		Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10."	Administration has expressed the importance of processing payments as soon as they are received and not waiting until the next day to process.

Finding		Handbook Policy	Management's Response
2	Extended Day		
Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program for the two students selected for testing.		Section 3.01(g)(viii): "Fees must be reconciled with attendance records and balanced monthly."	Administration has expressed the importance of processing payments as soon as they are received and not waiting until the next day to process.

Finding		Handbook Policy	Management's Response
3	Chart of Accounts		
In examining the general ledger RSM observed that \$5,920 of cash receipts were recorded as cash disbursements.		The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	This was a coding error for Washington DC Student Sweatshirt order. It was coded 5331 and should have been coded 3331.

School: Mill Creek Academy

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
	Based on bookkeeper signature date on Report of Monies Collected, two of five receipts selected for testing in the amount of \$149, were not remitted to bookkeeper the day the funds were collected.	Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."	Funds are placed in the safe same day of collection. Bookkeeper will continue to be efficient in completing deposits in timely manner.

Finding		Handbook Policy	Management's Response
2	Cash Disbursements		
	During testing of cash disbursements, RSM noted \$88 of expenditures for which a Purchase Requisition Form was not completed and/or signed until receipts were submitted for reimbursement. Bookkeeper was unable to provide evidence of prior authorization.	<p>Section 5.01(3): "No expenditure shall be made unless it is approved by the Principal or his/her designees. Any proposed expenditure shall be considered prohibited until approved."</p> <p>Section 5.01(5)(f): "The Principal shall have full responsibility for all phases for the Internal Accounts funds. No employee, class, club, teacher or School Board member shall incur any expense or liability without the authorization of the Principal or his designee."</p> <p>Section 5.01(5)(i): "Expenditures shall not be made until authorization has been cleared by the Principal."</p> <p>Section 5.02(a)(i): "The actual purchase date on the invoice shall not be prior to the date of approval on the form."</p>	We have addressed this and will continue to get appropriate signatures before purchases are made.

Finding		Handbook Policy	Management's Response
3	Extended Day		
	For one of two students selected for testing, the Extended Day program appeared to have inaccurate records. According to school records, the student did not attend the school on the first day the student was recorded as attending Extended Day.	Section 3.01(g)(viii): "For each child participating in the Extended Day program, the school shall be responsible for maintaining attendance sheets and a schedule of fees charged and fees paid."	Parent signed on incorrect date. We will be more careful in the future to have parents only sign on the correct dates.

School: Mill Creek Academy (CONTINUED)

Finding		Handbook Policy	Management's Response
4	Extended Day		
Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program in one occasion for one of the two students selected for testing.	Section 3.01(g)(viii): "Fees must be reconciled with attendance records and balanced monthly."	We are, and will continue in the future, to enforce our late payment fee. All exceptions will be documented with the reason why.	
Finding		Handbook Policy	Management's Response
5	Extended Day		
Extended Day collections from the Schoolpay system for the month selected was not remitted to the District Finance Office until after the following month. The funds collected at the school were remitted timely.	Section 3.01(g)(vi): "All fees collected each month shall be transferred by the school to the District Finance Office by the 10th of the month following the month of collection (for example, fees collected during September shall be transferred to the District Finance Office by October 10th.)"	Procedure error this one month. We will continue to remit funds by the 10th of each month.	
Finding		Handbook Policy	Management's Response
6	Tickets		
During testing, RSM noted the Ticket Control Sheet was not properly used throughout the year. The bookkeeper prepared the Ticket Control Sheet for all tickets sold, noting 4 tickets were unaccounted for during the year.	Section 4.04(a)(i): "The order and control of tickets shall be performed by a school employee not associated with the selling of the tickets. A Ticket Control Sheet should be used to provide for ticket accountability and detection of missing tickets."	Form for last year was completed at audit. School has already begun completing control sheet for the current school year.	

School: Ocean Palms Elementary School

Finding		Handbook Policy	Management's Response
1		Cash Receipts	
Cash receipts were not issued for one of five receipts selected for testing. The cash receipt totaled \$140.	Section 4.01(b)(iii)(a): "A cash receipt will be issued for all monies received* of \$ 10.00 or more [...]"	A cash receipt will be issued for all monies collected including to staff members.	

Finding		Handbook Policy	Management's Response
2	Repeat	Extended Day	
The two students selected for testing attended prior to the school receiving payment for its services on one occasion.	Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10."	The school is implementing the use of schoolpay which will allow for credit card payment before services.	

School: Osceola Elementary School

Finding		Handbook Policy	Management's Response
1		Cash Receipts	
	One of five deposits selected for testing did not remain intact. Cash total and check total from the Report of Monies Collected did not agree to the deposit slip. This receipt was for \$1,470.	Redbook: "Intact, or Deposit Intact – The practice in which money is presented to a bank or bookkeeper for the credit of the school's internal fund in the same form as received. This means that any receipt of funds in the form of cash shall be deposited as cash. The cashing of a check from funds on hand would be a violation of this concept, as would be the substitution of a check for cash."	At the time of deposit of these funds, the total amount of \$1,470 was accounted for and balanced. When the deposit was turned in I did fail to assure check totals and cash totals were correct and in the future, this step will be taken for every deposit.
Finding		Handbook Policy	Management's Response
2	Repeat	Extended Day	
	Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program on one occasion for one of the two students selected for testing.	Section 3.01(g)(viii): "Fees must be reconciled with attendance records and balanced monthly."	A revised fee schedule has been put in place to better accommodate the needs of the parents financial situations. A pay schedule has been made available through the school newsletter, on display during sign-out form Extended Day and on the school website. Late fees will be added to payments made after the due date and parents are aware.
Finding		Handbook Policy	Management's Response
3	Repeat	Extended Day	
	RSM notes that principal quarterly audits were not performed for Extended Day in accordance with policy.	Section 3.01(g)(viii)(b): "Sample audit attendance sheets and schedule of fees charged and fees paid quarterly. This quarterly audit will be documented by principal, including sign-off, date of review, names of students tested for accuracy of fees charged and paid, and results of audit."	Going forward audits will be completed in a timely manner.

School: Otis Mason Elementary School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
	Official receipt number on Report of Monies Collected form was missing from two out of five transactions selected for testing.	Section 4.01(a)(v): "The white copy shall be identified by the corresponding pre-numbered, secured electronic receipt number representing the collection and filed in numerical sequence."	Turnover in March 2019. This inconsistency was due to the negligence of the previous Bookkeeper. Current Bookkeeper is aware that official receipt numbers are required.

Finding		Handbook Policy	Management's Response
2	Cash Receipts		
	Cash receipts as totaled by the Reports of Monies Collected did not agree to the cash amount per the deposit slip for three of the five deposit slips tested. The deposit amount as totaled by the Reports of Monies Collected agreed to the deposit total per the deposit slip.	Section 4.03(b): "Procedures for Deposits Prepared by Bookkeeper..." Section 4.03(b)(ii): "Total the actual amount of cash on hand and agree to amounts on the Report of Monies Collected forms." Section 4.03(b)(iii): "Total the actual amount of cash on hand and agree to amounts on the Report of Monies Collected forms."	Turnover in March 2019. This inconsistency was due to the negligence of the previous Bookkeeper. Deposit procedures have been reviewed to ensure proper entry of Cash Receipts.

Finding		Handbook Policy	Management's Response
3	Cash Receipts		
	For one of five Reports of Monies Collected forms selected for testing, the electronic receipt number was used for multiple collection forms, submitted by multiple teachers on the same day.	Section 4.01(a)(v): "The white copy shall be identified by the corresponding pre-numbered, secured electronic receipt number representing the collection and filed in numerical sequence."	Turnover in March 2019. This inconsistency was due to the negligence of the previous Bookkeeper. Procedures for proper collection have been reviewed.

Finding		Handbook Policy	Management's Response
4	Repeat	Cash Receipts	
	Based on bookkeeper signature date on Report of Monies Collected, one of five receipts in the amount of \$517, was not remitted to bookkeeper the day the funds were collected.	Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."	Turnover in March 2019. This inconsistency was due to the negligence of the previous Bookkeeper. Procedures for collecting funds have been reviewed.

School: Otis Mason Elementary School (CONTINUED)

Finding		Handbook Policy	Management's Response
5	Repeat	Cash Receipts	
One of five cash receipts selected for testing was not deposited in a timely manner. The total of the Report of Monies Collected form was \$20 and was deposited seven working days after receipt.		<p>Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."</p> <p>Section 4.03 (a): "All money collected must be deposited into the checking account via School Board approved courier service as frequently as feasible or as dictated by sound business practices. In any event, funds collected must be deposited within five working days of receipt, whereas working days are defined as District working days and receipts is defined as original collection. All monies on hand prepared for deposit during scheduled courier service pick-up dates should be given to the courier service that day."</p>	Turnover in March 2019. This inconsistency was due to the negligence of the previous Bookkeeper. Deposit procedures have been reviewed.

Finding		Handbook Policy	Management's Response
6	Repeat	Extended Day	
Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program in two separate occasions for one of the two students selected for testing.		Section 3.01(g)(viii): "Fees must be reconciled with attendance records and balanced monthly."	This has been discussed with the Extended Day Coordinator, and every effort will be made to ensure fees are collected according to the fee schedule.

Finding		Handbook Policy	Management's Response
7		Extended Day	
RSM notes that principal quarterly audits were not performed for Extended Day in accordance with policy		Section 3.01(g)(viii)(b): ""Sample audit attendance sheets and schedule of fees charged and fees paid quarterly. This quarterly audit will be documented by principal, including sign-off, date of review, names of students tested for accuracy of fees charged and paid, and results of audit."	The Extended Day Coordinator and Principal have reviewed these requirements and a plan is in place to ensure all quarterly audits are performed going forward.

School: Otis Mason Elementary School (CONTINUED)

Finding		Handbook Policy	Management's Response
8	Repeat	Outstanding Checks	
RSM noted five outstanding checks on the June 2019 bank reconciliation were dated prior to January 1, 2018. The amounts of these checks totaled \$228.		Section 6.06(a): "Any outstanding unpaid checks carried on the bank reconciliation dated more than one year prior to year-end is unclaimed property. According to the Florida Department of Financial Services, 'Unclaimed property is intangible property held by a business or governmental entity (holder) that belongs to a missing owner. Property is presumed abandoned and is required to be reported and remitted to the State of Florida at the end of a dormancy period...'"	Turnover in March 2019. This inconsistency was due to the negligence of the previous Bookkeeper. Policy for Unclaimed property has been reviewed.

School: Pacetti Bay Middle School

Finding		Handbook Policy	Management's Response
1	Cash Disbursements		
Two of five disbursements selected for testing were not considered timely. The payments, for \$48 and \$109, were made 63 and 56 days after the invoice dates, respectively.	Payments should be made within 45 days as stipulated by Florida statute in order to avoid possible late penalties and/or take advantage of any possible discounts offered by the vendor.	The bookkeeper has shared with me the reason for the delay in the payment and we have discussed that in the future all payments must be paid within the 45 day payment window.	

Finding		Handbook Policy	Management's Response
2	Fundraising		
During the testing of fundraising activity, RSM noted the fundraiser selected for testing had not been appropriately reconciled to the actual expenditures. The final reconciliation was signed off prior to the conclusion of the fundraising activity.	Section 3.01(b)(vi): "A financial report shall be filed with the principal at the close of each fundraising activity, in accordance with Section 4.05 of this handbook. To accommodate collection of data for this report, a separate account for the activity may be established. The organization sponsor shall participate, along with the bookkeeper, in the designation of transactions to be recorded in each of the organization's accounts."	We will ensure that all fundraising documents are completed according to district and state guidelines and that reconciliation signatures are not done until all documents are finalized and reviewed.	

Finding		Handbook Policy	Management's Response
3	Donations		
During testing of donations, RSM noted one donation under \$3,000 was not documented on the District Donation Form. This donation totaled \$370.	Article XI: "The donation information and request for approval should be documented on the District approved Donation Form [...] Gifts of money, supplies, equipment or other personal property of a value less than \$3,000 may be accepted by a principal or department head based on the criteria listed in Board Policy 7.052."	Will make certain that all donation forms are completed and submitted once the event or activity is complete.	

School: Palencia Elementary School

Finding		Handbook Policy	Management's Response
1	Cash Disbursements		
	During testing, RSM noted \$99 of expenditures for which a Purchase Requisition Form was approved for \$70, which was crossed out and changed to \$99. Bookkeeper was unable to provide evidence of principal's approval of the change in amount approved.	Section 5.01(5)(f): "The Principal shall have full responsibility for all phases for the Internal Accounts funds. No employee, class, club, teacher or School Board member shall incur any expense or liability without the authorization of the Principal or his designee."	The bookkeeper will ensure that any changes on a purchase request will have prior approval from the principal documented on the form.

Finding		Handbook Policy	Management's Response
2	Cash Disbursements		
	Sales tax in the amount of \$2 was reimbursed. The reimbursement was for items purchased and retained at the school, and should have been tax exempt.	Section 5.04(b)(e): "Sales tax will not be reimbursed on purchases made and paid for personally by teachers or sponsors."	The bookkeeper understands that sales tax will not be reimbursed to teachers or sponsors.

Finding		Handbook Policy	Management's Response
3	Chart of Accounts		
	In examining the general ledger RSM observed that \$8,792 of cash disbursements were recorded as cash receipts.	The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	The bookkeeper and I have reviewed the district chart of accounts along with a listing of object codes to be used for receipts and disbursements. We will make sure proper object codes will be used to ensure revenue and expenditure activity is properly stated.

School: Palencia Elementary School (CONTINUED)

	Finding	Handbook Policy	Management's Response
4		Yearbook	
	RSM noted the yearbook reconciliation was out of balance. Although the reconciliation agreed to supporting documentation, it was not entered into the form accurately.	Section 9.04(a)(ii)(3): "The secretary/bookkeeper should review the yearbook reconciliation for accuracy and completeness. The secretary/bookkeeper should also observe and count the yearbooks on-hand at year end and compare to the yearbook reconciliation for accuracy."	The bookkeeper will be sure to accurately complete the reconciliation form and consult district accounting if additional help is needed.

School: Palm Valley Academy

Finding		Handbook Policy	Management's Response
1		Chart of Accounts	
In examining the general ledger RSM observed that \$5,000 of cash disbursements were recorded as cash receipts.	The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	Bookkeeper will be more diligent in the future in coding receipts vs. disbursements.	

Finding		Handbook Policy	Management's Response
2		Tickets	
During testing, RSM noted the Ticket Control Sheet was not properly used throughout the year. The bookkeeper prepared the Ticket Control Sheet for all tickets sold, noting 16 tickets were unaccounted for during the year.	Section 4.04(a)(i): "The order and control of tickets shall be performed by a school employee not associated with the selling of the tickets. A Ticket Control Sheet should be used to provide for ticket accountability and detection of missing tickets."	Bookkeeper now has an understanding of the Ticket Control Sheet and the ticket procedures.	

School: Patriot Oaks Academy

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
Student names were not listed on one of five cash receipts selected for testing. Funds from unidentified sources totaled \$144.	Section 4.01(a)(iv)(g): "Source of collection (name) and the amount collected from each. If the source of collection is from the student, the student's name must be listed on the form..."	All staff has been notified to list sales by student name.	

Finding		Handbook Policy	Management's Response
2	Cash Receipts		
Based on bookkeeper signature date on Report of Monies Collected, two of five receipts selected for testing, totaling \$357, were not remitted to bookkeeper the day the funds were collected.	Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."	All staff has been notified to submit funds daily.	

Finding		Handbook Policy	Management's Response
3	Cash Disbursements		
Two of five cash disbursements selected for testing included payments that exceeded 10% of the amount authorized by the approved Purchase Requisition. These purchases totaled \$1,135.	Section 5.02(a)(ii): "...The total amount on the invoice (goods, services and shipping) shall not exceed more than 10% of the authorized requested amount on the form..."	Staff has been notified to be precise with costs on paperwork.	

School: Pedro Menendez High School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
	Cash receipts were not issued for one of five receipts selected for testing. The cash receipt totaled \$200.	Section 4.01(b)(iii)(a): "A cash receipt will be issued for all monies received* of \$ 10.00 or more [...]"	We will be more diligent in both communicating cash receipt expectations as well as providing training to those school based personnel collections.

Finding		Handbook Policy	Management's Response
2	Fundraising		
	During testing of fundraising activity, RSM noted one fundraising event which was not documented on the District Fundraising Activity Form.	Section 4.05(g): "All fundraising requests shall be documented on a District authorized Fundraising Activity form accompanied by the District authorized supporting Fundraising Checklist."	We will make sure all forms are available to club/activity sponsors. Additionally, we will set forth a clear process/step that sponsors must take in order to carry out a fundraising activity.

Finding		Handbook Policy	Management's Response
3	Cash Disbursements		
	One of five disbursements selected for testing was not considered timely. The payment, for \$162, was made 56 days after the invoice date.	Payments should be made within 45 days as stipulated by Florida statute in order to avoid possible late penalties and/or take advantage of any possible discounts offered by the vendor.	We will heighten our calendar awareness in such a manner that disbursements are made in a timely manner; within the 45 day window.

School: Ponte Vedra High School

Finding		Handbook Policy	Management's Response
1	Repeat	Cash Receipts	
Based on bookkeeper signature date on Report of Monies Collected, two of five receipts, totaling \$12,118, were not remitted to bookkeeper the day the funds were collected.		Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."	All personnel have been briefed that deposits should take place daily.

Finding		Handbook Policy	Management's Response
2		Cash Receipts	
One of five cash receipts selected included a check collected, but omitted the check number. The amount of the check was \$25.		Section 4.01(a)(iv) : "The Report of Monies Collected Form shall show..." Section 4.01(a)(iv)(h): "Subtotal for payment type, whether it is cash or check (including the check number)"	Everyone has been briefed to fill in all areas of the monies collected form.

Finding		Handbook Policy	Management's Response
3		Cash Disbursements	
One of five disbursements selected for testing was not considered timely. The payment, for \$4,348, was made 50 days after the invoice date.		Payments should be made within 45 days as stipulated by Florida statute in order to avoid possible late penalties and/or take advantage of any possible discounts offered by the vendor.	All invoices will be paid within the 45 day time limit authorized.

School: PVPV/Rawlings Elementary School

	Finding	Handbook Policy	Management's Response
1		Extended Day	
	<p>Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program in three separate occasions for one of the two students selected for testing.</p>	<p>Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10. The programs shall be responsible for collection of fees and proper submission to the bookkeeper for deposit and recording in Internal Accounts. Types of fees that shall be collected include registration fees, participation fees (which can be charged monthly, bi-weekly, or weekly), snack fees and late fees.</p>	<p>Extended Day Coordinator will assess and collect late fees as stated on the Extended Day Fee Schedule going forward.</p>

School: RB Hunt Elementary School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
Cash receipts were not issued for one of five receipts selected for testing. The cash receipt totaled \$30.	Section 4.01(b)(iii)(a): "A cash receipt will be issued for all monies received* of \$ 10.00 or more [...]"	Did not follow up for copy of receipt, human error.	

Finding		Handbook Policy	Management's Response
2	Cash Receipts		
One of five cash receipts selected was miscalculated. The receipt indicated a total of \$70. The recalculated total was \$75.	Section 4.01(b)(iii)(f)(iii): "The bookkeeper will then count the funds being remitted and compare that total to the Report of Monies Collected Form total. The cash remitted must match the cash listed on the Report of Monies Collected Form and the checks remitted must match the checks listed on the Report of Monies Collected Form. Any discrepancies will be addressed at that time between the bookkeeper and the teacher/sponsor."	Same as the above cash receipt. Complete oversight.	

School: RJ Murray Middle School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
One of five cash receipts selected for testing was not deposited in a timely manner. The total of the Report of Monies Collected form was \$176 and was deposited 15 working days after receipt.	<p>Section 4.02(f): "All funds collected and supporting Report of Monies Collected shall be delivered to the bookkeeper on the day of collection."</p> <p>Section 4.03 (a): "All money collected must be deposited into the checking account via School Board approved courier service as frequently as feasible or as dictated by sound business practices. In any event, funds collected must be deposited within five working days of receipt, whereas working days are defined as District working days and receipts is defined as original collection. All monies on hand prepared for deposit during scheduled courier service pick-up dates should be given to the courier service that day."</p>	There is a new Principal and Bookkeeper for the 2019/2020 school year, we will ensure that these findings will not be repeated.	

Finding		Handbook Policy	Management's Response
2	Chart of Accounts		
During testing of fundraisers, RSM noted yearbook receipts which were incorrectly coded as donations. These funds totaled \$2,121.	The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	There is a new Principal and Bookkeeper for the 2019/2020 school year, we will ensure that these findings will not be repeated.	

School: St. Augustine High School

Finding		Handbook Policy	Management's Response
1		Chart of Accounts	
	The ROTC Club Program Sub Account was overdrawn as of June 30, 2019 by \$13.	Section 3.01(b)(v): "... No accounts may be overdrawn at the end of the current school year."	Former Bookkeeper's last day was June 16, 2019. St. Augustine High School did not have a bookkeeper hired until July 22, 2019. If we would have had an active bookkeeper, we would have monitored the accounts at the end of the fiscal year and transferred funds to cover the negative balance.

School: St. Johns Technical High School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
During testing of cash receipts, RSM noted the Report of Monies Collected forms had the prenumbered electronic receipt number written in pencil.		Section 4.01(b)(iii)(b): "Receipts are to be used in numerical order and must be completed in ink."	All electronic receipt numbers will be written in pen.

Finding		Handbook Policy	Management's Response
2	Cash Disbursements		
One of five disbursements selected for testing was not considered timely. The payment, for \$35, was made 84 days after the invoice date.		Payments should be made within 45 days as stipulated by Florida statute in order to avoid possible late penalties and/or take advantage of any possible discounts offered by the vendor.	We have spoke to all club sponsors about turning invoices to the bookkeepers office as soon as received.

Finding		Handbook Policy	Management's Response
3	Cash Disbursements		
During testing, RSM noted \$35 of expenditures for which a Purchase Requisition Form was not completed by the teacher/sponsor indicating that the goods or services were received, and no documentation of such was retained.		Section 5.02(a)(ii): "...Documentation of goods or services received must be attached to the Purchase Requisition Form."	All Purchase Requisitions forms will have the Sponsors signature at the bottom of the form.

Finding		Handbook Policy	Management's Response
4	Cash Disbursements		
During testing of disbursements, RSM noted a voided check which was not properly maintained on file.		Section 6.07(a): "If the check was misprinted or should otherwise be voided prior to issuance, the check should be defaced, marked as voided and maintained on file." Redbook: "Voided Check - A check that has been declared void. A check on which an error has been made in writing, such as an incorrect amount, signature, or discrepancy in the information included. The check is made void by mutilating the signature space and the check is retained."	The original copy of the voided check will be kept on file.

School: South Woods Elementary School

Finding		Handbook Policy	Management's Response
1		Safe	
RSM noted the safe combination was due to be changed at fiscal year end June 30, 2019, based on the last time the safe had been changed on June 17, 2016. The safe combination had not been changed as of July 2019.		Section 2.08(d): "The safe combination shall be changed whenever there is a change in administrative personnel and/or bookkeeper or at the end of every third year. .."	In the future the combination will be changed every third year.

Finding		Handbook Policy	Management's Response
2		Cash Receipts	
One of five deposits selected for testing did not include all documented Reports of Monies Collected, as included in the deposit according to the General Ledger. The missing Report of Monies Collected totaled \$246.		Section 2.10: "Records which are maintained as part of school internal funds and public records under Florida Statutes must remain on file as required by the Florida Department of State Services for Records Managers, Schedule No. GS7 – Public Schools Pre-K-12, Adult & Vocational/Technical as fully described at http://dhis.dos.state.fl.us/recordsmgmt/scheduling.cfm . Records may not be destroyed or otherwise disposed of without specific written authorization from the principal.	Bookkeeper will be careful when securing the monies collected form to the paperwork on file.

Finding		Handbook Policy	Management's Response
3		Cash Receipts	
Cash receipts were not issued for one of five receipts selected for testing. The cash receipt totaled \$17.		Section 4.01(b)(iii)(a): "A cash receipt will be issued for all monies received* of \$ 10.00 or more [...]"	Bookkeeper will be sure that all items turned in by staff has all required receipts.

Finding		Handbook Policy	Management's Response
4		Cash Receipts	
One of five deposits selected for testing was improperly filled out. The date of the deposit was recorded as September 14, 2018 for an RMC that wasn't remitted to the bookkeeper until September 18, 2018.		Section 4.01(a)(iii): "Any erroneous information must be invalidated by the originator of the entry by lining through such information, entering the correct information above or below the error and initialing."	Bookkeeper will pay close attention to dates when staff turns in the report of monies collected forms to ensure that all bookkeeping dates match up.

School: South Woods Elementary School (CONTINUED)

Finding		Handbook Policy	Management's Response
5	Repeat	Extended Day	
Both of the students selected for testing attended prior to the school receiving payment for its services on multiple occasions.		Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10. The programs shall be responsible for collection of fees and proper submission to the bookkeeper for deposit and recording in Internal Accounts. Types of fees that shall be collected include registration fees, participation fees (which can be charged monthly, bi-weekly, or weekly), snack fees and late fees.	Extended Day Guardians will be billed and will pay in advance to use the Extended Day service.
Finding		Handbook Policy	Management's Response
6		Chart of Accounts	
In examining the general ledger RSM observed that \$6,959 of cash receipts were recorded as cash disbursements.		The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	Bookkeeper will be careful when coding receipts to ensure that revenue and expenditure activity is properly stated.
Finding		Handbook Policy	Management's Response
7	Repeat	Cash Disbursements	
One of five disbursements selected for testing was not considered timely. The payment, for \$3,083, was made 70 days after the invoice date.		Payments should be made within 45 days as stipulated by Florida statute in order to avoid possible late penalties and/or take advantage of any possible discounts offered by the vendor.	Bookkeeper will make sure that invoices are turned in by staff or vendors and paid within the 45 day payment period.

School: Switzerland Point Middle School

Finding		Handbook Policy	Management's Response
1		Chart of Accounts	
In examining the general ledger RSM observed that \$24,056 of cash disbursements were recorded as cash receipts.	The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	Held conversation with employee advising attention to detail.	

Finding		Handbook Policy	Management's Response
2		Cash Receipts	
Cash receipts as totaled by the Reports of Monies Collected did not agree to the cash amount per the deposit slip. The deposit amount as totaled by the Reports of Monies Collected agreed to the deposit total per the deposit slip.	Section 4.03(b): "Procedures for Deposits Prepared by Bookkeeper..." Section 4.03(b)(ii): "Total the actual amount of cash on hand and agree to amounts on the Report of Monies Collected forms." Section 4.03(b)(iii): "Total the actual amount of cash on hand and agree to amounts on the Report of Monies Collected forms."	Reviewed procedure.	

Finding		Handbook Policy	Management's Response
3		Fundraising	
For the fundraiser selected for testing, \$769 of cash received for the fundraiser was coded to Miscellaneous receipt.	The District provides a chart of accounts along with a listing of object codes to be used for receipts and disbursements. Proper object codes should be used to ensure revenue and expenditure activity is properly stated.	Again expressed need for attention to detail.	

Finding		Handbook Policy	Management's Response
4		Tickets	
RSM noted two tickets were unaccounted for in the Ticket Control Sheet and the Reports of Tickets Sold for the ticket roll selected for testing.	Section 4.04(a)(x): "The bookkeeper shall verify the accuracy of the ticket sales documentation ..."	Advised employee to ask questions and request additional training when needed.	

School: Timberlin Creek Elementary School

Finding		Handbook Policy	Management's Response
1	Cash Receipts		
	Cash receipts as totaled by the Reports of Monies Collected did not agree to the cash amount per the deposit slip. The deposit amount as totaled by the Reports of Monies Collected agreed to the deposit total per the deposit slip.	<p>Section 4.03(b): "Procedures for Deposits Prepared by Bookkeeper..."</p> <p>Section 4.03(b)(ii): "Total the actual amount of cash on hand and agree to amounts on the Report of Monies Collected forms."</p> <p>Section 4.03(b)(iii): "Total the actual amount of cash on hand and agree to amounts on the Report of Monies Collected forms."</p>	The Secretary/Bookkeeper will be more diligent in making sure all monies collected match the deposit slip.

Finding		Handbook Policy	Management's Response
2	Cash Disbursements		
	One of five disbursements selected for testing was not considered timely. The payment, for \$346, was made 436 days after the invoice date.	Payments should be made within 45 days as stipulated by Florida statute in order to avoid possible late penalties and/or take advantage of any possible discounts offered by the vendor.	This invoice was from previous secretary. Every attempt to pay invoices in a timely manner are made.

Finding		Handbook Policy	Management's Response
3	Cash Disbursements		
	During testing, RSM noted \$346 of expenditures for which a Purchase Requisition Form was not completed and/or signed until receipts were submitted for reimbursement. Bookkeeper was unable to provide evidence of prior authorization.	<p>Section 5.01(3): "No expenditure shall be made unless it is approved by the Principal or his/her designees. Any proposed expenditure shall be considered prohibited until approved."</p> <p>Section 5.01(5)(f): "The Principal shall have full responsibility for all phases for the Internal Accounts funds. No employee, class, club, teacher or School Board member shall incur any expense or liability without the authorization of the Principal or his designee."</p> <p>Section 5.01(5)(i): "Expenditures shall not be made until authorization has been cleared by the Principal."</p> <p>Section 5.02(a)(i): "The actual purchase date on the invoice shall not be prior to the date of approval on the form."</p>	<p>If an effort to have the above stated invoice paid quickly, we did not get the Purchase Order Signed by the Principal.</p> <p>However, this purchase took place prior to the Principal starting at this school, as well.</p>

School: Timberlin Creek Elementary School (CONTINUED)

Finding		Handbook Policy	Management's Response
4		Cash Disbursements	
One of five disbursements selected for testing did not include all required authorizations. The check, totaling \$150, did not include dual signatures.	Section 2.04(b): "Two signatures shall be required for all transactions, one of which shall be that of the principal or his/her designee..."	Every effort will be made to have two signatures on all checks.	

School: Valley Ridge Academy

Finding		Handbook Policy	Management's Response
1	Extended Day		
The two students selected for testing attended prior to the school receiving payment for its services on multiple occasions.		Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10."	Extended Day fees will be collected in advance, prior to the student's attendance.

Finding		Handbook Policy	Management's Response
2	Repeat	Extended Day	
Extended Day fees were not collected in accordance with fee schedule. Late fees were not assessed or collected as stated in program in three separate occasions for one of the two students selected for testing.		Section 3.01(g)(viii): "Fees must be reconciled with attendance records and balanced monthly."	Extended Day Coordinator was reminded and is aware of the fee schedule and will collect fees and assess late fees as stated on our Extended Day fee schedule.

School: Wards Creek Elementary School

Finding		Handbook Policy	Management's Response
1	Repeat	Cash Disbursements	
<p>During testing, RSM noted \$8 of expenditures for which a Purchase Requisition Form was not completed and/or signed until receipts were submitted for reimbursement. Bookkeeper was unable to provide evidence of prior authorization.</p>		<p>Section 5.01(3): "No expenditure shall be made unless it is approved by the Principal or his/her designees. Any proposed expenditure shall be considered prohibited until approved."</p> <p>Section 5.01(5)(f): "The Principal shall have full responsibility for all phases for the Internal Accounts funds. No employee, class, club, teacher or School Board member shall incur any expense or liability without the authorization of the Principal or his designee."</p> <p>Section 5.01(5)(i): "Expenditures shall not be made until authorization has been cleared by the Principal."</p> <p>Section 5.02(a)(i): "The actual purchase date on the invoice shall not be prior to the date of approval on the form."</p>	<p>We have noted this and will correct it moving forward.</p>

Finding		Handbook Policy	Management's Response
2		Extended Day	
<p>Extended Day fees were not collected in accordance with fee schedule. Registration fee was never paid for one of two students selected for testing.</p>		<p>Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10. The programs shall be responsible for collection of fees and proper submission to the bookkeeper for deposit and recording in Internal Accounts. Types of fees that shall be collected include registration fees, participation fees (which can be charged monthly, bi-weekly, or weekly), snack fees and late fees.</p>	<p>We have noted this and will correct it moving forward.</p>

Finding		Handbook Policy	Management's Response
3		Extended Day	
<p>The two students selected for testing attended prior to the school receiving payment for its services on multiple occasions.</p>		<p>Section 3.01(g)(ii): "All fees for student participation in the Extended Day program must be paid in advance prior to the child's attendance in the related session. Failure to collect fees in advance of providing services is contrary to the Constitution of the State of Florida, Article VII, Section 10."</p>	<p>We have noted this and will correct it moving forward.</p>

School: Wards Creek Elementary School (CONTINUED)

Finding		Handbook Policy	Management's Response
4		Cash Disbursements	
An employee's personal purchases, which were not reimbursed, were included in the receipts for Internal Accounts purchases.	Best Practices: Personal purchases should not be commingled with school purchases	We have noted this and will correct it moving forward.	

School: WD Hartley Elementary School

Finding		Handbook Policy	Management's Response
1	Repeat	Cash Receipts	
During testing of cash receipts, RSM noted the Report of Monies Collected forms were printed on copy paper as opposed to the official form.		Appendix II Exhibit 1 of the Internal Accounts Handbook provides an example of the document required, which is a carbon copy form.	New bookkeeper will use the correct monies collected form.

Finding		Handbook Policy	Management's Response
2		Cash Disbursements	
During testing of cash disbursements, RSM noted the Purchase Requisition forms were not the official form as approved by the district.		Appendix II Exhibit 2 of the Internal Accounts Handbook provides an example of the document required.	New bookkeeper will use correct purchase requisition form.

Finding		Handbook Policy	Management's Response
3		Cash Disbursements	
During testing of cash disbursements, RSM noted an expense reimbursement made to an individual who also signed the check.		Best Practices: The Recipient of the check should not also be a signer of the check.	In the future, new bookkeeper will ensure that checks are signed correctly.

Finding		Handbook Policy	Management's Response
4		Cash Disbursements	
During testing, RSM noted \$150 of expenditures for which a Purchase Requisition Form was not completed and/or signed until receipts were submitted for reimbursement. Bookkeeper was unable to provide evidence of prior authorization.		<p>Section 5.01(3): "No expenditure shall be made unless it is approved by the Principal or his/her designees. Any proposed expenditure shall be considered prohibited until approved."</p> <p>Section 5.01(5)(f): "The Principal shall have full responsibility for all phases for the Internal Accounts funds. No employee, class, club, teacher or School Board member shall incur any expense or liability without the authorization of the Principal or his designee."</p> <p>Section 5.01(5)(i): "Expenditures shall not be made until authorization has been cleared by the Principal."</p> <p>Section 5.02(a)(i): "The actual purchase date on the invoice shall not be prior to the date of approval on the form."</p>	<p>The principal and new bookkeeper meet on a weekly basis to review receipts and process orders in a timely manner.</p> <p>In the future, when receipts are received, proper procedure will be followed.</p>