

**SCHOOL BOARD OF
INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

FINANCIAL STATEMENTS

June 30, 2019

**SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

FINANCIAL STATEMENTS

June 30, 2019

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Independent Auditors' Report

School Board of Indian River County, Florida
Internal Accounts
Indian River County, Florida

We have audited the accompanying statement of fiduciary net position of the School Board of Indian River County, Florida Internal Accounts (the "Internal Accounts") as of June 30, 2019, and the related notes to financial statements, which collectively comprise the Internal Accounts' financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditors Responsibilities

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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and performed the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entities preparation and fair presentation of the financial statements 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 entities 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 statements.

We believe that our audit provides a reasonable basis for our opinion.

Fort Pierce / Stuart

School Board of Indian River County, Florida
Internal Accounts

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of the School Board of Indian River County, Florida Internal Accounts as of June 30, 2019, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As described in Note 1 of the Notes to Financial Statements, the accompanying financial statement includes only the fiduciary net position of the Internal Accounts. The financial Statements does not include other financial activities of the District School Board and, accordingly, does not purport to, and does not present the fiduciary net position of the District School Board in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Other information

Our audit was conducted for the purpose of forming an opinion on the statement of fiduciary net position. The supplemental information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the financial statement of the Internal Accounts. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other record used to prepare the financial statement or the financial statements itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects in relation to the financial statement as a whole.

School Board of Indian River County, Florida
Internal Accounts

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 26, 2019 on our consideration of the Internal Accounts' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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 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 School Board of Indian River County, Florida Internal Accounts' internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

November 26, 2019

**SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Statement of Fiduciary Net Position

June 30, 2019

ASSETS

Cash and equivalents	\$ 1,309,351
Accounts receivable	82,168
Inventory	28,887
Total Assets	<u>\$ 1,420,406</u>

LIABILITIES

Accounts payable	\$ 31,655
Assets held for others	1,388,751
Total Liabilities	<u>\$ 1,420,406</u>

See accompanying independent auditor's report and notes to financial statements.

**SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bases of Presentation

The accompanying financial statement includes the balances relating exclusively to the internal account activities of the public schools within the School Board of Indian River County, Florida school system. The financial statement does not include other fiduciary net position of the School Board of Indian River County, Florida (the "District"). Therefore, the accompanying financial statement does not purport to, and does not present the fiduciary net position of the District in conformity with accounting principles generally accepted in the United States of America. The financial activities of the Internal Accounts are included, as agency funds, in the financial reporting entity of the District.

Basis of Accounting

The accompanying financial statement is prepared on the accrual basis of accounting.

Inventory

Inventory is reported at lower of cost or market under the first-in first-out method.

Cash and Investments

School Board of Indian River County, Florida is required to deposit monies with financial institutions classified as qualified public depositories by Section 136.01, Florida Statutes. Chapter 280 Florida Statutes establishes the criteria for qualified public depositories, which provides collateral for public deposits.

Section 218.415 (17), Florida Statutes, establishes the financial instruments, that allows local governments, without a written investment policy, to invest their surplus funds. The authorized investments are as follows:

1. Direct obligations of the United States Treasury.
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969.
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories.
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

**SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 2 – CASH AND CASH EQUIVALENTS

All deposits are held in qualified public depositories and are included on the accompanying Statement of Fiduciary Net Position as cash and equivalents.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the deposits of the School Board of Indian River County, Florida may not be returned. Although there is not a formal deposit policy for custodial credit risk, the School Board of Indian River County, Florida is governed by Section 136.01, Florida Statutes and Chapter 280, Florida Statutes. All funds are deposited in qualified public depositories, which fully insure or collateralize all monies on deposit. As of June 30, 2019, the bank balance for all schools totaled \$834,683 and the carrying value was \$759,790.

Cash and Investments

Deposits with Financial institutions	\$ 759,790
Invested with State Board of Administration Florida Prime	549,561
Total	<u>\$ 1,309,351</u>

Cash and investments as reported in the accompanying Statement of Fiduciary Net Position includes cash in demand deposit accounts and Florida Prime Funds. The cash and investments balance of the School Board of Indian River County, Florida Internal Accounts includes \$549,561 at June 30, 2019 in Florida Prime, a Securities and Exchange Commission Rule 2a-7 like external investment pool. Florida Prime is rated AAAM by Standard and Poors and had a weighted average days to maturity of 28 days at June 30, 2019.

The School Board of Indian River County, Florida categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The School Board of Indian River County, Florida uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

**SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE 2 – CASH AND CASH EQUIVALENTS (CONTINUED)

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the School Board of Indian River County, Florida's own data in measuring unobservable inputs.

As of June 30, 2019, the School Board of Indian River County, Florida does not hold any investments subject to the fair value hierarchy.



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

School Board of Indian River County, Florida
Internal Accounts
Indian River County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statement of fiduciary net position of the School Board of Indian River County, Florida Internal Accounts (the "Internal Accounts") as of June 30, 2019, have issued our report thereon dated November 26, 2019. Our report on the financial statement included a paragraph explaining that the financial statement includes only the fiduciary net position of the Internal Accounts and does not include other fiduciary net position of the Indian River District School Board (the "District").

Internal Control over Financial Reporting

In planning and performing our audit, we considered School Board of Indian River County, Florida Internal Accounts' 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 statements, but not for the purpose of expressing an opinion on the effectiveness of School Board of Indian River County, Florida Internal Accounts' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Internal Accounts' 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 that might be deficiencies, significant deficiencies or material weaknesses. 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.

Fort Pierce / Stuart

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School Board of Indian River County, Florida
Internal Accounts

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's Internal Accounts Net Fiduciary positions are free of 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants, PL
Fort Pierce, Florida

November 26, 2019

SUPPLEMENTAL FINANCIAL STATEMENTS

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Beachland Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 153	\$ 424	\$ 371	\$ -	\$ 206
Classes	1,544	30,799	30,481	(1,012)	850
Clubs	598	16,413	17,029	218	200
Departments	9,496	5,307	4,073	(55)	10,675
Trusts	8,597	35,495	35,793	(692)	7,607
General	13,418	17,637	17,768	1,541	14,828
Total cash	<u>\$ 33,806</u>	<u>\$ 106,075</u>	<u>\$ 105,515</u>	<u>\$ -</u>	34,366
Inventory					104
Accounts receivables					80
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 34,550</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Citrus Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Athletics	\$ 8	\$ -	\$ -	\$ -	\$ 8
Classes	8,316	56,526	57,356	-	7,486
Clubs	1,814	709	875	-	1,648
Departments	3,792	6,506	5,846	-	4,452
Trusts	5,552	13,686	15,115	-	4,123
General	6,492	16,288	15,241	-	7,539
 Total cash	 \$ 25,974	 \$ 93,715	 \$ 94,433	 \$ -	 25,256
 Inventory					 67
Accounts receivables					15
Accounts payable					-
Assets held for others					\$ 25,338

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Dodgertown Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 359	\$ -	\$ 131	\$ -	\$ 228
Classes	3,763	2,043	1,395	(1,015)	3,396
Clubs	153	484	141	-	496
Departments	12,019	1,653	3,081	(6,703)	3,888
Trusts	2,535	6,420	4,530	4,912	9,337
General	6,959	9,144	8,168	2,806	10,741
Total cash	\$ 25,788	\$ 19,744	\$ 17,446	\$ -	28,086
Inventory					470
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 28,556</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Fellsmere Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 292	\$ 2,717	\$ 2,648	\$ -	\$ 361
Classes	8,116	48,711	44,686	(2,342)	9,799
Clubs	155	914	1,030	(3)	36
Departments	550	10,494	9,911	-	1,133
Trusts	7,593	10,101	8,703	-	8,991
General	3,114	3,370	699	2,345	8,130
Total cash	\$ 19,820	\$ 76,307	\$ 67,677	\$ -	28,450
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 28,450</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Glendale Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 19	\$ -	\$ -	\$ -	\$ 19
Classes	3,944	39,416	37,513	(2,563)	3,284
Clubs	269	-	-	-	269
Departments	6,608	10,186	9,846	-	6,948
Trusts	1,459	13,876	12,400	(428)	2,507
General	9,683	8,058	11,077	2,991	9,655
Total cash	\$ 21,982	\$ 71,536	\$ 70,836	\$ -	22,682
Inventory					470
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 23,152</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Indian River Academy Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 150	\$ 177	\$ 101	\$ -	\$ 226
Classes	2,982	13,304	12,998	(1,428)	1,860
Departments	42	682	222	22	524
Trusts	2,387	3,171	3,013	(1,000)	1,545
General	4,847	5,802	2,482	2,406	10,573
Total cash	<u>\$ 10,408</u>	<u>\$ 23,136</u>	<u>\$ 18,816</u>	<u>\$ -</u>	14,728
Inventory					1,725
Accounts receivables					-
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 16,453</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Liberty Magnet Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 1,826	\$ 1,984	\$ 1,705	\$ -	\$ 2,105
Classes	6,141	64,010	63,614	(811)	5,726
Clubs	1,257	10,632	8,554	-	3,335
Departments	9,004	20,011	22,022	9	7,002
Trusts	14,984	18,575	13,732	1,099	20,926
General	7,484	5,598	5,313	(297)	7,472
Total cash	<u>\$ 40,696</u>	<u>\$ 120,810</u>	<u>\$ 114,940</u>	<u>\$ -</u>	46,566
Inventory					-
Accounts receivables					46
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 46,612</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Osceola Magnet Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 980	\$ 1,328	\$ 1,257	\$ -	\$ 1,051
Classes	1,424	66,343	66,620	165	1,312
Clubs	43	-	-	-	43
Departments	5,415	9,746	8,298	2	6,865
Trusts	5,524	33,912	33,455	(230)	5,751
General	29,457	13,921	18,969	63	24,472
Total cash	\$ 42,843	\$ 125,250	\$ 128,599	\$ -	39,494
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					\$ 39,494

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Pelican Island Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 61	\$ -	\$ 1	\$ -	\$ 60
Classes	3,100	21,560	18,468	(429)	5,763
Clubs	1,398	2,000	1,044	(230)	2,124
Departments	1,323	2,717	3,006	-	1,034
Trusts	10,281	17,915	13,080	-	15,116
General	10,188	11,296	10,527	659	11,616
Total cash	<u>\$ 26,351</u>	<u>\$ 55,488</u>	<u>\$ 46,126</u>	<u>\$ -</u>	35,713
Inventory					5,636
Accounts receivables					-
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 41,349</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Rosewood Magnet Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 140	\$ -	\$ 131	\$ -	\$ 9
Classes	13,711	67,206	67,170	(1,415)	12,332
Clubs	5,844	30,632	27,527	-	8,949
Departments	14,000	14,050	11,810	-	16,240
Trusts	6,222	13,357	11,915	-	7,664
General	17,731	19,049	19,116	1,415	19,079
Total cash	<u>\$ 57,648</u>	<u>\$ 144,294</u>	<u>\$ 137,669</u>	<u>\$ -</u>	64,273
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 64,273</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Sebastian Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 272	\$ 223	\$ 166	\$ -	\$ 329
Classes	3,296	3,311	2,272	(102)	4,233
Clubs	3,342	12,231	13,023	-	2,550
Departments	243	267	1,145	1,492	857
Trusts	8,496	6,760	7,497	(1,606)	6,153
General	12,266	9,862	10,452	216	11,892
Total cash	<u>\$ 27,915</u>	<u>\$ 32,654</u>	<u>\$ 34,555</u>	<u>\$ -</u>	26,014
Inventory					919
Accounts receivables					-
Accounts payable					<u>(300)</u>
Assets held for others					<u>\$ 26,633</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Treasure Coast Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 579	\$ 1,905	\$ 1,224	\$ -	\$ 1,260
Classes	4,905	78,892	74,215	(982)	8,600
Clubs	1,986	721	442	-	2,265
Departments	3,376	12,632	10,383	49	5,674
Trusts	5,883	12,294	11,675	(250)	6,252
General	14,053	8,763	7,428	1,183	16,571
Total cash	\$ 30,782	\$ 115,207	\$ 105,367	\$ -	40,622
Inventory					5
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 40,627</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Vero Beach Elementary School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Music	\$ 348	\$ 154	\$ 241	\$ -	\$ 261
Classes	1,803	36,490	37,194	(358)	741
Clubs	580	7,360	7,317	142	765
Departments	1,535	625	-	-	2,160
Trusts	4,312	20,967	22,457	2,429	5,251
General	7,053	11,584	9,423	(2,213)	7,001
 Total cash	 \$ 15,631	 \$ 77,180	 \$ 76,632	 \$ -	 16,179
 Inventory					 210
Accounts receivables					-
Accounts payable					-
Assets held for others					\$ 16,389

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Gifford Middle School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Athletics	\$ 7,086	\$ 17,472	\$ 14,895	\$ 1,064	\$ 10,727
Music	4,949	3,174	3,168	-	4,955
Classes	13,204	12,557	9,443	(2,769)	13,549
Clubs	787	786	686	-	887
Departments	4,496	3,785	3,780	(22)	4,479
Trusts	7,994	31,977	32,349	(747)	6,875
General	13,862	8,440	12,893	2,474	11,883
Total cash	\$ 52,378	\$ 78,191	\$ 77,214	\$ -	53,355
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					\$ 53,355

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Oslo Middle School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Athletics	\$ 11,970	\$ 17,062	\$ 16,523	\$ (564)	\$ 11,945
Music	2,133	11,661	11,377	-	2,417
Classes	3,629	18,915	19,931	(930)	1,683
Clubs	947	1,730	898	564	2,343
Departments	9,311	9,535	9,379	(468)	8,999
Trusts	3,454	18,053	18,089	-	3,418
General	6,806	11,715	11,677	1,398	8,242
Total cash	\$ 38,250	\$ 88,671	\$ 87,874	\$ -	39,047
Inventory					245
Accounts receivables					-
Accounts payable					-
Assets held for others					\$ 39,292

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Sebastian River Middle School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Athletics	\$ 17,152	\$ 26,103	\$ 26,711	\$ 86	\$ 16,630
Music	10,683	20,249	22,914	-	8,018
Classes	299	3,568	3,115	(385)	367
Clubs	3,533	7,373	7,331	-	3,575
Departments	5,928	7,337	5,872	-	7,393
Trusts	11,546	32,812	31,586	(88)	12,684
General	21,172	21,471	22,945	387	20,085
Total cash	\$ 70,313	\$ 118,913	\$ 120,474	\$ -	68,752
Inventory					3,295
Accounts receivables					-
Accounts payable					(293)
Assets held for others					<u>\$ 71,754</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Storm Grove Middle School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Athletics	\$ 36,112	\$ 36,687	\$ 35,425	\$ (2,000)	\$ 35,374
Music	4,378	7,506	6,845	-	5,039
Classes	15,025	62,101	56,691	(4,171)	16,264
Clubs	13,032	15,858	11,162	(3,104)	14,624
Departments	7,036	3,059	9,214	4,079	4,960
Trusts	3,669	15,660	19,928	7,857	7,258
General	21,487	24,437	23,598	(2,661)	19,665
Total cash	\$ 100,739	\$ 165,308	\$ 162,863	\$ -	103,184
Inventory					9,934
Accounts receivables					2,789
Accounts payable					<u>(9,570)</u>
Assets held for others					<u>\$ 106,337</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Sebastian River High School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Athletics	\$ 50,965	\$ 250,893	\$ 228,814	\$ (1,089)	\$ 71,955
Music	8,452	28,880	26,949	205	10,588
Classes	35,249	102,679	117,103	10,273	31,098
Clubs	29,145	58,942	57,555	4,042	34,574
Departments	21,986	35,478	31,645	(378)	25,441
Trusts	30,443	17,378	24,989	3,115	25,947
General	47,741	19,974	27,043	(16,168)	24,504
Total cash	\$ 223,981	\$ 514,224	\$ 514,098	\$ -	224,107
Inventory					4,604
Accounts receivables					223
Accounts payable					<u>(231)</u>
Assets held for others					<u>\$ 228,703</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Vero Beach High School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Athletics	\$ 53,805	\$ 317,958	\$ 319,584	\$ (1,393)	\$ 50,786
Music	23,399	60,583	68,281	(258)	15,443
Classes	75,384	125,834	123,962	(1,086)	76,170
Clubs	42,157	78,398	80,459	1,921	42,017
Departments	58,659	194,147	204,592	(163)	48,051
Trusts	12,942	43,641	36,272	1,927	22,238
General	36,854	27,203	31,546	(948)	31,563
Total cash	\$ 303,200	\$ 847,764	\$ 864,696	\$ -	286,268
Inventory					443
Accounts receivables					889
Accounts payable					<u>(16,985)</u>
Assets held for others					<u>\$ 270,615</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Alternative Center for Education

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Trusts	\$ 1,414	\$ -	\$ 278	\$ -	\$ 1,136
General	2,233	451	1,806	-	878
Total cash	<u>\$ 3,647</u>	<u>\$ 451</u>	<u>\$ 2,084</u>	<u>\$ -</u>	2,014
Inventory					-
Accounts receivables					-
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 2,014</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Treasure Coast Technical College

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Trusts	\$ 58,636	\$ 280,216	\$ 327,853	\$ -	\$ 10,999
General	20,631	19,449	13,985	-	26,095
Total cash	<u>\$ 79,267</u>	<u>\$ 299,665</u>	<u>\$ 341,838</u>	<u>\$ -</u>	37,094
Inventory					760
Accounts receivables					78,126
Accounts payable					<u>(4,276)</u>
Assets held for others					<u>\$ 111,704</u>

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

Wabasso School

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Clubs	\$ 21,299	\$ -	\$ -	\$ -	\$ 21,299
Trusts	2,709	1,319	975	-	3,053
General	10,935	28,291	15,815	-	23,411
Total cash	\$ 34,943	\$ 29,610	\$ 16,790	\$ -	47,763
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					\$ 47,763

**THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
INTERNAL ACCOUNTS**

Schedule of Assets Held for Others

June 30, 2019

County Office

	Cash Balances June 30, 2018	Cash Receipts	Cash Disbursements	Transfers, net	Balances June 30, 2019
Departments	\$ 7,391	\$ 20,236	\$ 17,664	\$ -	\$ 9,963
Trusts	18,347	1,926	6,181	(40)	14,052
General	1,352	462	531	40	1,323
Total cash	<u>\$ 27,090</u>	<u>\$ 22,624</u>	<u>\$ 24,376</u>	<u>\$ -</u>	25,338
Inventory					-
Accounts receivables					-
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 25,338</u>



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School Board of Indian River County, Florida
6500 57th Street
Vero Beach, FL 32967

RE: Audit of Internal Account Funds

Dear Board Members:

We have completed our audit of the internal accounts of the School Board of Indian River County, Florida, as of and for the year ended June 30, 2019 and have issued a report thereon dated November 26, 2019.

Attached to this letter is a summary of our observations and recommendations, by schools, that we believe will enhance record keeping and improve the internal control structure.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various School Board personnel. We will be pleased to discuss any comment or suggestion in greater detail and at your convenience, to perform any additional study of these matters or to assist you in implementing the recommendations.

In conclusion, we would like to thank the District School Board employees who assisted us with our examination.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

November 26, 2019

General Comments – All Schools

The nature of internal accounts, at times, makes it impractical to adequately implement controls over cash collections from the moment of collection until the initial recording on the accounting records. This is especially true for cash collections for athletics, in which there may be numerous off-campus activities. To strengthen the control procedures over cash collections, we recommend that the following basic procedures be followed, when practical, between the time cash is collected and the time when cash is recorded in the accounts of the schools' accounting offices:

- More than one individual, preferably faculty or staff members, should be involved in the accountability of cash as it is collected.
- Some type of written documentation should be made at the time cash is counted.
- Receipts should be issued as cash is collected.
- Cash collections should be deposited as soon as possible (preferably the same day or the next business day).
- Mechanical devices such as cash registers should be used when possible and internal tapes should be preserved.

The bookkeepers of the schools perform many incompatible functions for the Internal Accounts. The bookkeepers prepare deposits, prepare checks, post to the general ledger, and reconcile the bank statement. To strengthen internal controls, we again recommend that the bookkeepers be removed as check signers for the Internal Accounts bank account.

At the conclusion of a prior audit, management stated that in order to leave the bookkeepers as signers, additional control procedures would be implemented. We are not aware of any new procedures.

Beachland Elementary School

Unless noted below, the fiscal year June 30, 2018 findings were corrected.

Our test of receipts noted the following:

1. In one instance the field trip activity permit was not included with the support documentation provided as required by Chapter 30 of the Internal Accounts Procedures Manual.
2. In one instance, a copy of the letter sent to the School Board for acceptance of a donation was not provided. Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".

Our test of disbursements noted the following:

1. One item tested was for a single class pizza party. Documentation included for this disbursement from the School Supply Store Internal Account does not indicate how it was for the benefit of the student body. Chapter 8 Section 2.5(a) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and Chapter 3 C(h) of the Internal Accounts Procedures Manual both indicate the disbursements from the general activities account should be for the benefit of all students. This disbursement also lacked an activity form.

Citrus Elementary School

Except where noted below, the fiscal year June 30, 2018 findings were corrected.

The name of the bank account does not include "The School District of Indian River County, Florida" as required by Chapter 8 Section III, 1.2 of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*".

Our test of receipts noted the following:

1. No support documentation other than a School Funds Online receipt was provided for two of the receipts, so we were unable to determine if the receipts were in compliance with Chapter 8 of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and the *Internal Accounts Procedures Manual*.
2. In one instance, a copy of the letter sent to the School Board for acceptance of a donation was not provided for a donation more than \$1,000. Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".
3. Activity forms were not provided. In accordance with the Internal Accounts Procedures Manual, Chapter 30: "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit to the Principal for review and approval. The use of these forms assists the school in logging and keeping track of all the activities for the school".

Our test of disbursements noted the following:

1. Again, we noted two instances where the purchase order did not contain the required signatures that the goods or services were received, as required by Chapter 6 Section A(2) of the Internal Accounts Procedures Manual.
2. Activity forms were also not provided for three of the 5 disbursements tested.
3. In one instance, we noted teacher supplies purchased out of the School Pictures Account. In accordance with the Internal Accounts Procedure Manual, Chapter 3, C. (h): "Proceeds from School Pictures will benefit students".

Dodgertown Elementary School

Except as noted below, the fiscal year June 30, 2018 findings were corrected.

During our test of transfers, we noted numerous transfers into the Principal's Discretionary Account from trust accounts that were being closed. According to Chapter 9 Section A of the Internal Accounts Procedures Manual "when the purpose of the trust has been accomplished, unused trust funds are to be transferred to the school's general account and used for the benefit of the entire student body". After the date of transfer, purchases from the Principal's Discretionary Account were made for staff benefit. There is no way to determine if funds from staff trusts were utilized to purchase staff items from the principal discretionary account. We were unable to verify that trust funds transferred in were not utilized to purchase items for the benefit of staff.

During our test of receipts, we noted:

1. Again, there was no support documentation provided for one receipt, so we were unable to determine if the receipt was in compliance with Chapter 8 of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and the *Internal Accounts Procedures Manual*.
2. In one instance, money was not turned in the next business day. Per Chapter 8 Section 1.4 (b) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*", "... Collections made outside of the school office must be turned in to the school office no later than the next business day."
3. In two instances, the deposit slip was dated more than five days after collection. Per Chapter 8 Section 1.4 (c) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*", "All money collected.... In any event, funds collected must be deposited within five (5) working days".

Our test of disbursements noted the following:

1. Again, in one instance, a check requisition was prepared; however, we believe that a purchase order was feasible and should have been completed in accordance with Chapter 6 Section A(2) of the Internal Accounts Procedures Manual.
2. Again, in more than one instance, a purchase order was not utilized as required by Chapter 6 Section A(2) of the Internal Accounts Procedures Manual.
3. In one instance, pizza for Safety Patrol students was purchased from the "Student T-Shirts" account. Since incomes in this account were collected from all students, we believe disbursements from this account should benefit all students.

Fellsmere Elementary School

Except as noted below, the fiscal year June 30, 2018 findings were corrected.

During our test of receipts we noted:

1. Again, one of the receipts tested was school picture proceeds that were deposited into the Staff Benefit and Recognition Account. Chapter 3 Section 6(h) of the Internal Accounts Procedures Manual states that proceeds from school pictures will benefit students. We understand that the flyer indicated a portion of the proceeds will be utilized for staff benefit and recognition, however, a school flyer may not override an Internal Accounts Procedure.
2. In one instance, a copy of the letter sent to the School Board for acceptance of a donation was not provided. Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".

We noted the following during our tests of disbursements:

1. In one instance, a blanket PO for \$1 was created for the school book fair. An updated and approved PO was not provided once the final price was given. Per the Internal Accounts manual, Chapter 6, A. (2), "The principal shall approve any increases to the purchase order of more than 10%. This approval should be noted on the original purchase order by changing the amount and the principal initialing the change".

Glendale Elementary School

Except as noted below, the fiscal year June 30, 2018 findings were corrected.

Our test of receipts indicated the following:

1. In one instance, a copy of the letter sent to the School Board for acceptance of a donation was not provided. Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".
2. Two of five items tested lacked support for when monies were received by the students. We were unable to determine if the check or cash received was deposited within 5 days. Per Internal Account Procedures, Chapter 5, Section E, funds collected must be deposited within five (5) business days after initial collection of funds.
3. In accordance with Internal Account Manual Chapter 5, C: "The cash verification form should be given out before any type of fundraiser takes place where there would be no source documents (signature sheet or receipt book) supporting the funds being submitted to the bookkeeper for receipts".

The support documentation provided for two of the five items tested did not include prenumbered receipts or a cash collection form.

School Board of Indian River County, Florida
June 30, 2019

Indian River Academy School

The fiscal year June 30, 2018 findings were corrected.

During the course of our tests, no further observation or recommendations were deemed necessary.

Liberty Magnet Elementary School

Except as noted below, the fiscal year June 30, 2018 findings were corrected.

We noted the following during the testing of journal entries:

1. A transfer was made to move school picture proceeds to staff benefit and recognition. Chapter 3 Section 6(h) of the Internal Accounts Procedures Manual states that proceeds from school pictures will benefit students. We understand that the flyer indicated a portion of the proceeds will be utilized for staff benefit and recognition, however, a school flyer may not override an Internal Accounts Procedure.
2. Another transfer was made to move funds from the 5K Race fundraiser to staff benefit and recognition; however, we were not provided with support that the 5K Race Fundraiser advertised that a portion of the proceeds would be utilized for staff benefit.

We noted the following during our test of disbursements:

1. Per the Internal Account Procedures Manual, Chapter 30: "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit it to the Principal for review and approval. The use of these forms assists the school in logging and keeping track of all the activities for the school.
2. Two of the items tested were related to a field trip to Epcot. An activity form was not included in the support documentation provided.

Osceola Magnet Elementary School

Except as noted below, the June 30, 2018 findings were corrected.

Our test of receipts noted the following:

1. One receipt tested lacked support for the deposit. We were unable to determine if the deposit was posted to the proper account.

During our test of disbursements, we noted the following:

1. Again, in numerous instances, the purchase order was dated after the invoice date and a purchase order requisition signed by the teacher/sponsor was not prepared in violation of Chapter 6 Section A(2) of the Internal Accounts Procedures Manual.

Pelican Island Elementary School

Except as noted below, the June 30, 2018 findings were corrected.

The value of the inventory provided did not agree to recalculated count sheets. We determined two sizes of shirts were left out of the subtotal 'total value' column which caused them to be left out of the 'grand value total'. The recalculated amount is reflected in the financial statements.

During our test of receipts, we noted the following:

1. Again, we were unable to determine from the documentation provided if the funds were deposited within 5 business days as required by Chapter 8 Section 1.4(c) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*".
2. In two instances, a copy of the letter sent to the School Board for acceptance of a donation was not provided. Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".
3. We noted two instances where activity forms were not provided. Per the Internal Account manual, Chapter 30: "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit to the Principal for review and approval. The use of these forms assists the school in logging and keeping track of all the activities for the school".

During our test of disbursements, we noted the following:

1. We noted two instances where activity forms were not provided. Per the Internal Account manual, Chapter 30: "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit to the Principal for review and approval. The use of these forms assists the school in logging and keeping track of all the activities for the school".

Rosewood Magnet School

Except as noted below, the June 30, 2018 findings were corrected.

During our testing of journal entries were noted funds were transferred from General Activities account to Kindergarten account. Per the Internal Accounts Procedures Manual, "General accounts are typically accounts that benefit all students... These funds should not be used for specific class, grade, club or other groups of students".

During our test of receipts, we noted the following:

1. In one instance, a copy of the letter sent to the School Board for acceptance of a donation was not provided. Bookkeeper believes if the grant is applied for, a letter is not required to be sent to the School Board; however, Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".
2. One of twenty items tested lacked support for the donation. We were unable to determine if the deposit was made to the right account, or if the deposit was made within five days of being collected.

Sebastian Elementary School

Except as noted below, the June 30, 2018 findings were corrected.

During our test of transfers, we noted funds being moved from the Book Fair account to the Media account. In accordance with the Internal Accounts Procedures Manual Ch. 3(C)(h), profits from book fair will benefit students unless otherwise approved on a fundraiser/activity form. Funds were later transferred back to Book Fair to cover a negative balance. According to Chapter 8 of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*", internal accounts should not go negative.

During our test of receipts, we noted the following:

1. One receipt tested lacked support indicating when donation was received. We were unable to determine if the deposit was made within five days as required by Chapter 8 Section 1.4(c) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*".

During our test of disbursements, we noted the following:

1. Check requisitions were used in place of a purchase order for two of the items tested. Although this is allowable when a purchase order is not feasible, we do not believe the items selected for testing met the exception as stated in the Internal Account Procedure Manual.

Treasure Coast Elementary School

Except as noted below, the June 30, 2018 findings were corrected.

During our test of disbursements, we noted the following:

1. Again, for three of the items tested, the purchase order was not signed by the requestor as required by Chapter 6 Section A(2) of the internal Accounts Procedures Manual.
2. In one instance, where the purchase order was not signed by the requestor, various physical education equipment was purchased from the Media accounts. This disbursement does not appear to be a proper disbursement from the Media account.

Vero Beach Elementary School

Except as noted below, the June 30, 2018 findings were corrected.

During our testing of journal entries / transfers, we noted the following:

1. A transfer was made from the Principal Discretionary account to the Staff Benefit account for a teacher lunch. Internal Account Procedures Manual, Chapter 29, A states: "The Principal's Discretionary Account should be used to benefit the school community or student(s) at the principals' discretion".
2. A transfer was made from School Pictures to Staff Recognition. The Bookkeeper believed it was allowable if advertised that the funds were going to benefit the teachers or Principal's Discretionary accounts; however, as stated in the Internal Account Manual Chapter 3 C (h) "Proceeds from School Pictures will benefit students".
3. Various other transfers were made to close out trust accounts. When trust accounts are closed, per the manual, they are to be transferred to a general account. The transfers reviewed for testing were made to other trust accounts, and a specific grade.

During our test of receipts, we noted the following:

1. In one instance the Monies Collected Form was not signed by the teacher/sponsor as required by Chapter 5 Section B(I)(d)vi of the Internal Accounts Procedures Manual. According to the bookkeeper, the teacher signs the form when it's full and no longer being used; however, the procedure reads "The Monies Collected Form shall show the signature of the person collecting the money".
2. A copy of the letter sent to the School Board for acceptance of a donation was not provided. Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".

Gifford Middle School

Except as noted below, the June 30, 2018 findings were corrected.

During our test of receipts, we noted the following:

1. 5 of 15 receipts tested did not include field trip/activity permits. The 5 receipts covered 2 events/field trips. In accordance with Chapter 30 of the Internal Accounts Procedures Manual, "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit it to the Principal for review and approval..."

Oslo Middle School

Except as noted below, the June 30, 2018 findings were corrected.

During our test of receipts, we noted the following:

1. In two instances, monies were not turned into the bookkeeper the next business day as required by the Internal Accounts Procedures Manual, Chapter 5, B, (1).
2. The same two receipts noted above were also not deposited within 5 days of being collected. In accordance with the Internal Accounts Procedures Manual, Chapter 5, E BANK DEPOSITS.

School Board of Indian River County, Florida
June 30, 2019

Sebastian River Middle School

Except as noted below, the June 30, 2018 findings were corrected.

Grant funds received were accounted for in a Club account. Chapter 23 Section A of the Internal Accounts Procedures Manual requires that donations or grants shall be accounted for in a separate trust account.

Storm Grove Middle School

Except as noted below, the June 30, 2018 findings were corrected.

During our test of receipts, we noted the following:

1. Two of twenty items tested included Cash Verification Forms only. The forms indicated receipt of currency in excess of \$20; however, we were unable to determine if the cash receipt was for multiple items. In accordance with the Internal Account Procedures Manual, a prenumbered receipt should be issued for "all" cash receipts over \$20 except for sale of items. The items tested would meet the exception of being a sale item; however, the policy states for this exception the cash verification form is sufficient, "if an inventory record is kept of the items showing the amount purchased; sold and remaining. A summary report in spreadsheet format or cash register tapes should be included with the deposit". This additional support was not provided.

Sebastian River High School

Except as noted below, the June 30, 2018 findings were corrected.

Our review of Journal Entries noted the following:

1. We again noted the transfer of monies from the Rentals – Facilities and Equipment account to various other accounts. As we noted last year, Chapter 26 Section A addresses the use of the Rentals – Facilities and Equipment Account. The transfer noted above does not comply with these requirements.
2. We noted the transfer of funds from one club to another in which the sponsor was the same for both clubs. We believe there should also have been approval given from the student body leader before the funds were transferred.

Again, the inventory balance supplied did not agree with the support documentation. The amount reflected as inventory on the financial statement agrees to the amount indicated from the support documentation.

During our test of receipts, we noted the following:

1. The deposit made for car wash donations included 1 check dated 7 days prior to the car wash. We were unable to determine when or how check was received and if it was related to the car wash or general athletics.
2. A cash verification form indicates that \$2,046 in cash was received during Uniform payment collection; however, a monies collected form was not included nor was any other method of verifying who the cash was received from. Also, the form indicates \$20, \$50 & \$100 bills were received which would require a prenumbered receipt. Support for such was not provided; however, in this specific instance, it was an open house and many sales were being completed. Staff thought it would be ok to use the cash verification form as approved for fundraisers. We were unable to find any support for that exception.

During our test of disbursements, we noted the following:

1. One of the items tested included sales tax paid twice. The invoice amount on the purchase order included tax in the balance. A separate line was also added to the purchase order for sales tax. The School Board is exempt from sales tax rates. The items purchased are fore resale and sales tax will not be added to the sale.

Vero Beach High School

Except as noted below, the June 30, 2018 findings were corrected.

During our test of transfers, we noted the following:

1. We noted the transfer of funds from Pay-to-Participate to another athletic account. There was a lack of support provided for the transfer.

The bank account name does not include the name of the School District or Internal Fund as required by Chapter 8 Section III 1.2 of "*Financial and Program Cost Accounting and Reporting for Florida Schools*".

Inventory count sheets provided did not agree to the amount of inventory recorded. After requesting additional support, it was noted Yearbook ads were being included in the inventory account. We do not believe that year book ads are an inventory item. Also, the amount for the cost of the shirts on hand did not agree to the total value of shirts on hand. We recalculated the total cost and inventory is properly reflected in the financial statements.

During our test of receipts, we noted the following:

1. Again, a percentage of the monies collected from parking decal receipts was deposited into the Staff Benefit and Recognition account. Chapter 3 Section C(h) of the Indian River Internal Accounts Manual requires that parking decal proceeds may be used for related parking lot expenses, for school education purposes to benefit students, or the excess funds may be transferred to the General Activities account at year end. We do not believe that the deposit of proceeds into the Staff Benefit and Recognition account complies with those requirements.
2. Again, in one instance, monies received were only supported by a Cash Verification Form. Chapter 5 Section A(3) of the Indian River Internal Accounts Manual states that a separate receipt is not required for the sale of items if a record is kept showing the amount purchased and sold and remaining. The support documentation provided was only the Cash Verification Form.

During our test of disbursements, we noted the following:

1. Activity forms were not provided. Per the Internal Account manual, Chapter 30: "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit to the Principal for review and approval. The use of these forms assists the school in logging and keeping track of all the activities for the school".
2. Purchase Orders were created after the event took place or the purchase was made. In accordance with the Internal Account Procedures Manual, Chapter 6 A (2) "The bookkeeper shall create the purchase order in School Funds Online. Purchase orders should be printed, posted and approved prior to ordering items."

Alternative Center for Education

Except as noted below, the June 30, 2018 findings were corrected.

During our test of disbursements, we noted the following:

1. In one instance, a check request was not provided. The Internal Accounts Procedure Manual Chapter 7, A (7) states, "To reimburse for purchases made without a purchase order, the employee must complete a check request, attach original receipts and have the check request approved by the principal". A purchase order was provided for this transaction; however, it was dated after the purchase was made.

Treasure Coast Technical College

Cash

The reconciled bank balance differed from the general ledger balance at June 30, 2019. Although the amount was not material, the College should ensure that the balance per the general ledger and the bank balance per the reconciliation are the same each month.

Inventory

The count sheet provided did not match the inventory balance provided. We noted the inventory count sheet did not add to the total provided. The recalculated balance is reflected in the accompanying financial statements.

Receipts Test

Again, in one instance, we were unable to determine, from the documentation provided, if the monies received were deposited within five business days as required by Chapter 8 Section III 1.4(c) of "*Financial and Program Cost Accounting and Reporting for Florida Schools.*"

Disbursement Test

In two instances, General Activities was used to cover costs not allowable per the Internal Accounts Procedures Manual. Chapter 3, C, (h) states "The General Accounts should benefit the student body. These funds should not be used for a specific class, grade, club or other groups of students."

Wabasso School

Except as noted below, the June 30, 2018 findings were corrected.

During our test of receipts, we noted the following:

1. Again, a receipt for a fundraiser did not include a Cash Verification Form to indicate the date monies were collected. Chapter 5 of the Internal Accounts Procedures Manual states that a Cash Verification Form should be used when there is no other source of documentation.

During our test of disbursements, we noted the following:

1. Again, in two instances, the support documentation for the disbursement did not include a purchase order. Chapter 6 Section A(2) of the Internal Accounts Procedures Manual requires that purchase orders be printed, posted, and approved prior to ordering items.
2. One item tested lacked an activity form. Per the Internal Account Procedures Manual, Chapter 30: "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit to the Principal for review and approval. The use of these forms assists the school in logging and keeping track of all the activities for the school".

Internal Account – District Office

Except as noted below, the June 30, 2018 findings were corrected.

During our tests of receipts, we noted the following:

1. Again, in one instance, a check was not deposited within five business days as required by Chapter 8 Section III 1.4c of "*Financial and Program Cost Accounting and Reporting for Florida Schools*". Another receipt lacked support to determine if the deposit was made within five days.
2. Two receipts tested lacked an activity form. The Internal Account Procedures Manual, Chapter 30 states: "When Field Trips and Other Activities are planned, teacher/sponsors should complete a Field Trip and Other Activity Permit and submit to the Principal for review and approval. The use of these forms assists the school in logging and keeping track of all the activities for the school".
3. In one instance, a copy of the letter sent to the School Board for acceptance of a donation was not provided. Internal Account Procedures Manual, Chapter 23 Section A states "When a donation (monetary/property), award or grant is received to be deposited in the Internal Funds of a school, the bookkeeper shall keep all correspondence related to the donation or grant on file as follows: Grants and Awards - An award letter and copy of the grant application should be on file. If the donation is more than \$1,000, a letter to the School Board shall be drafted and forwarded to the Assistant Superintendent of Finance for review, routing and approvals".

During our test of disbursements, we noted the following:

1. Again, in one instance, the support documentation provided did not include a purchase order. Chapter 6 Section A(2) of the Internal Accounts Procedures manual requires that purchase orders should be printed, posted, and approved prior to ordering items.
2. Again, in more than one instance, an activity permit was not included in the support documentation provided.
3. In one instance, a purchase order or check requisition was not completed prior to a purchase being made on the P-Card. The Internal Accounts Procedures Manual, Chapter 6, (3), (a): states, "Consistent with approved School procurement procedures, the Principal must review and approve all requisitions prior to purchase. No purchases shall be made using the Purchasing Card without the prior written consent of the Principal."