

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

FINANCIAL STATEMENTS

June 30, 2020

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

FINANCIAL STATEMENTS

June 30, 2020

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1-3
Financial Statements	
Statement of Fiduciary Net Position	4
Statement of Changes in Fiduciary Net Position	5
Notes to Financial Statements	6-8
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 <i>Government Auditing Standards</i>	9-10
Supplemental Financial Schedules	
Schedule of Changes in Fiduciary Net Position:	
<u>Elementary Schools</u>	
Beachland Elementary School	11
Citrus Elementary School	12
Dodgertown Elementary School	13
Fellsmere Elementary School	14
Glendale Elementary School	15
Indian River Academy (previously Highlands Elementary) School	16
Liberty Magnet Elementary School	17
Osceola Magnet Elementary School	18

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

FINANCIAL STATEMENTS

June 30, 2020

TABLE OF CONTENTS

Pelican Island Elementary School	19
Rosewood Magnet Elementary School	20
Sebastian Elementary School	21
Treasure Coast Elementary School	22
Vero Beach Elementary School	23
<u>Middle Schools</u>	
Gifford Middle School	24
Oslo Middle School	25
Sebastian River Middle School	26
Storm Grove Middle School	27
<u>High Schools</u>	
Sebastian River High School	28
Vero Beach High School	29
<u>Other Centers</u>	
Alternative Center for Education	30
Treasure Coast Technical College	31
Wabasso School	32
County Office	33
Management Letter	34-59
Responses to Management Letter	60-81



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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, 2020, the statement of changes in fiduciary net position, 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.

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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, 2020, in conformity with accounting principles generally accepted in the United States of America.

Emphasis of 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.

As described in Note 3 of the Notes to Financial Statements, fiduciary net position – held for others was restated in accordance with the District's implementation of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. 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 October 26, 2020 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

October 26, 2020

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

Statement of Fiduciary Net Position

June 30, 2020

	Custodial Funds
ASSETS	
Cash and equivalents	\$ 1,390,845
Accounts receivable	85,243
Inventory	41,574
Total Assets	<u>1,517,662</u>
LIABILITIES	
Accounts payable	<u>68,144</u>
NET POSITION	
Fiduciary net position - held for others	<u><u>\$ 1,449,518</u></u>

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

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

Statement of Changes in Fiduciary Net Position

June 30, 2020

	Custodial Funds
ADDITIONS	
Miscellaneous	
Athletics	\$ 574,761
Music	135,446
Class	683,154
Club	181,518
Department	254,595
Trust	663,280
General	280,992
Total Additions	2,773,746
 DEDUCTIONS	
Other	
Athletics	545,293
Music	122,236
Class	647,873
Club	166,626
Department	279,380
Trust	663,355
General	288,216
Total Deductions	2,712,979
Change in Net Position	60,767
Fiduciary net position - held for others, July 1, 2019	1,388,751
Fiduciary net position - held for others, June 30, 2020	\$ 1,449,518

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, 2020

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 custodial funds, in the financial reporting entity of the District.

Basis of Accounting

The accompanying financial statements are 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, 2020

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, 2020, the bank balance for all schools totaled \$904,633 and the carrying value was \$844,493.

Cash and Investments

Deposits with Financial institutions	\$ 844,493
Invested with State Board of Administration Florida Prime	<u>546,352</u>
Total	<u>\$ 1,390,845</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 \$546,352 at June 30, 2020 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 53 days at June 30, 2020.

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, 2020

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, 2020, the School Board of Indian River County, Florida does not hold any investments subject to the fair value hierarchy.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLES

During the current year, the District implemented Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities* (GASB 84), applying the changes retrospectively. GASB 84 establishes criteria for identifying and reporting fiduciary activities. The implementation resulted in a change in the presentation of assets held for others. Fiduciary net position – held for others was restated to reflect this change in accounting principle. The effect on fiduciary net position – held for others is illustrated below:

Fiduciary net position - held for others, July 1, 2019, as previously reported	\$ -
Prior period adjustment – implementation of GASB 84	<u>1,388,751</u>
Fiduciary net position - held for others, July 1, 2019, restated	<u>\$ 1,388,751</u>



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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, 2020, and have issued our report thereon dated October 26, 2020. 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.

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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*. See pages 34-59 for additional findings.

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

October 26, 2020

SUPPLEMENTAL FINANCIAL SCHEDULES

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Beachland Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 206	\$ 150	\$ 98	\$ -	\$ 258
Classes	850	19,147	17,440	(180)	2,377
Clubs	200	-	-	-	200
Departments	10,675	3,906	5,421	-	9,160
Trusts	7,607	41,592	38,577	102	10,724
General	15,012	11,142	10,023	78	16,209
Net Position	<u>\$ 34,550</u>	<u>\$ 75,937</u>	<u>\$ 71,559</u>	<u>\$ -</u>	<u>\$ 38,928</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Citrus Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Athletics	\$ 8	\$ -	\$ -	\$ -	\$ 8
Music	-	98	98	-	-
Classes	7,486	34,568	32,492	(461)	9,101
Clubs	1,648	-	-	-	1,648
Departments	4,452	2,255	2,132	-	4,575
Trusts	4,123	18,251	19,454	-	2,920
General	7,621	21,105	20,654	461	8,533
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Position	<u>\$ 25,338</u>	<u>\$ 76,277</u>	<u>\$ 74,830</u>	<u>\$ -</u>	<u>\$ 26,785</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Dodgertown Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 228	\$ -	\$ 40	\$ -	\$ 188
Classes	3,396	7,005	8,309	(32)	2,060
Clubs	496	200	67	-	629
Departments	3,888	15	3,788	-	115
Trusts	9,337	13,798	10,141	-	12,994
General	11,211	9,176	12,946	32	7,473
Net Position	<u>\$ 28,556</u>	<u>\$ 30,194</u>	<u>\$ 35,291</u>	<u>\$ -</u>	<u>\$ 23,459</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Fellsmere Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 361	\$ 1,436	\$ 1,834	\$ 37	\$ -
Classes	9,799	42,126	42,063	(477)	9,385
Clubs	36	-	-	(36)	-
Departments	1,133	7,206	7,184	-	1,155
Trusts	8,991	15,799	18,369	(117)	6,304
General	<u>8,130</u>	<u>3,042</u>	<u>1,586</u>	<u>593</u>	<u>10,179</u>
Net Position	<u>\$ 28,450</u>	<u>\$ 69,609</u>	<u>\$ 71,036</u>	<u>\$ -</u>	<u>\$ 27,023</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Glendale Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 19	\$ -	\$ -	\$ -	\$ 19
Classes	3,284	38,646	38,733	(2,203)	994
Clubs	269	-	-	-	269
Departments	6,948	8,459	7,739	-	7,668
Trusts	2,507	6,676	6,310	119	2,992
General	10,125	7,394	10,339	2,084	9,264
Net Position	<u>\$ 23,152</u>	<u>\$ 61,175</u>	<u>\$ 63,121</u>	<u>\$ -</u>	<u>\$ 21,206</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Indian River Academy Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 226	\$ -	\$ -	\$ -	\$ 226
Classes	1,860	17,137	16,605	356	2,748
Departments	524	5,913	5,814	-	623
Trusts	1,545	3,529	3,190	(252)	1,632
General	12,298	5,637	5,880	(104)	11,951
Net Position	<u>\$ 16,453</u>	<u>\$ 32,216</u>	<u>\$ 31,489</u>	<u>\$ -</u>	<u>\$ 17,180</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Liberty Magnet Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 2,105	\$ 1,851	\$ 2,892	\$ -	\$ 1,064
Classes	5,726	57,607	53,995	(439)	8,899
Clubs	3,335	273	2,375	-	1,233
Departments	7,002	11,906	10,582	-	8,326
Trusts	20,926	11,059	12,054	(3)	19,928
General	7,518	6,999	5,143	442	9,816
Net Position	<u>\$ 46,612</u>	<u>\$ 89,695</u>	<u>\$ 87,041</u>	<u>\$ -</u>	<u>\$ 49,266</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Osceola Magnet Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 1,051	\$ 1,172	\$ 1,033	\$ -	\$ 1,190
Classes	1,312	46,379	45,820	-	1,871
Clubs	43	22,762	22,076	-	729
Departments	6,865	6,000	6,518	-	6,347
Trusts	5,751	15,961	9,419	-	12,293
General	<u>24,472</u>	<u>20,851</u>	<u>17,224</u>	<u>-</u>	<u>28,099</u>
Net Position	<u>\$ 39,494</u>	<u>\$ 113,125</u>	<u>\$ 102,090</u>	<u>\$ -</u>	<u>\$ 50,529</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Pelican Island Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 60	\$ 460	\$ -	\$ -	\$ 520
Classes	5,763	19,254	14,921	(2,267)	7,829
Clubs	2,124	110	582	-	1,652
Departments	1,034	2,704	1,172	(2,000)	566
Trusts	15,116	4,276	11,455	1,965	9,902
General	<u>17,252</u>	<u>10,216</u>	<u>12,587</u>	<u>2,302</u>	<u>17,183</u>
Net Position	<u>\$ 41,349</u>	<u>\$ 37,020</u>	<u>\$ 40,717</u>	<u>\$ -</u>	<u>\$ 37,652</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Rosewood Magnet Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 9	\$ -	\$ -	\$ -	\$ 9
Classes	12,332	66,672	63,469	(2,997)	12,538
Clubs	8,949	28,189	30,967	-	6,171
Departments	16,240	7,340	7,797	-	15,783
Trusts	7,664	10,724	10,471	(215)	7,702
General	19,079	15,977	15,629	3,212	22,639
Net Position	<u>\$ 64,273</u>	<u>\$ 128,902</u>	<u>\$ 128,333</u>	<u>\$ -</u>	<u>\$ 64,842</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Sebastian Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 329	\$ 126	\$ -	\$ -	\$ 455
Classes	4,233	2,416	1,373	(1,257)	4,019
Clubs	2,550	3,456	2,620	-	3,386
Departments	857	355	359	-	853
Trusts	6,153	3,568	3,081	-	6,640
General	<u>12,511</u>	<u>8,132</u>	<u>6,711</u>	<u>1,257</u>	<u>15,189</u>
Net Position	<u>\$ 26,633</u>	<u>\$ 18,053</u>	<u>\$ 14,144</u>	<u>\$ -</u>	<u>\$ 30,542</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Treasure Coast Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 1,260	\$ 2,030	\$ 1,823	\$ -	\$ 1,467
Classes	8,600	68,296	60,541	(504)	15,851
Clubs	2,265	2,828	1,235	-	3,858
Departments	5,674	8,689	8,392	504	6,475
Trusts	6,252	9,437	8,941	-	6,748
General	16,576	5,030	4,647	-	16,959
Net Position	<u>\$ 40,627</u>	<u>\$ 96,310</u>	<u>\$ 85,579</u>	<u>\$ -</u>	<u>\$ 51,358</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Vero Beach Elementary School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Music	\$ 261	\$ -	\$ -	\$ -	\$ 261
Classes	741	20,272	20,661	84	436
Clubs	765	696	538	-	923
Departments	2,160	411	-	-	2,571
Trusts	5,251	20,558	20,702	(326)	4,781
General	7,211	9,271	7,946	242	8,778
Net Position	<u>\$ 16,389</u>	<u>\$ 51,208</u>	<u>\$ 49,847</u>	<u>\$ -</u>	<u>\$ 17,750</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Gifford Middle School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Athletics	\$ 10,727	\$ 13,490	\$ 13,955	\$ (33)	\$ 10,229
Music	4,955	4,466	3,428	-	5,993
Classes	13,549	11,936	10,823	1	14,663
Clubs	887	975	733	(465)	664
Departments	4,479	2,867	2,525	-	4,821
Trusts	6,875	34,973	36,562	255	5,541
General	11,883	9,772	11,885	242	10,012
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Position	<u>\$ 53,355</u>	<u>\$ 78,479</u>	<u>\$ 79,911</u>	<u>\$ -</u>	<u>\$ 51,923</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Oslo Middle School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Athletics	\$ 11,945	\$ 19,371	\$ 20,560	\$ (40)	\$ 10,716
Music	2,417	3,878	3,034	-	3,261
Classes	1,683	7,244	5,330	(12)	3,585
Clubs	2,343	750	686	-	2,407
Departments	9,244	9,467	12,175	1,332	7,868
Trusts	3,418	5,220	6,272	1,333	3,699
General	8,242	6,471	5,546	(2,613)	6,554
Net Position	<u>\$ 39,292</u>	<u>\$ 52,401</u>	<u>\$ 53,603</u>	<u>\$ -</u>	<u>\$ 38,090</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Sebastian River Middle School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Athletics	\$ 16,630	\$ 21,056	\$ 28,324	\$ -	\$ 9,362
Music	8,018	31,454	27,257	-	12,215
Classes	367	869	854	(152)	230
Clubs	3,575	535	1,109	(202)	2,799
Departments	9,890	7,956	10,840	-	7,006
Trusts	12,684	24,472	20,196	(32)	16,928
General	20,590	15,662	8,398	386	28,240
Net Position	<u>\$ 71,754</u>	<u>\$ 102,004</u>	<u>\$ 96,978</u>	<u>\$ -</u>	<u>\$ 76,780</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Storm Grove Middle School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Athletics	\$ 35,374	\$ 42,627	\$ 38,868	\$ -	\$ 39,133
Music	5,039	11,615	14,359	-	2,295
Classes	12,180	53,132	41,292	(5,138)	18,882
Clubs	17,061	17,561	9,326	(6,410)	18,886
Departments	4,960	1,504	3,460	3,968	6,972
Trusts	7,155	18,081	14,503	4,019	14,752
General	24,568	12,689	18,061	3,561	22,757
Net Position	<u>\$ 106,337</u>	<u>\$ 157,209</u>	<u>\$ 139,869</u>	<u>\$ -</u>	<u>\$ 123,677</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Sebastian River High School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Athletics	\$ 74,669	\$ 209,880	\$ 207,521	\$ (7,644)	\$ 69,384
Music	10,588	37,819	30,171	-	18,236
Classes	31,091	94,241	110,641	7,146	21,837
Clubs	34,574	47,623	46,612	1,031	36,616
Departments	26,804	27,862	29,139	977	26,504
Trusts	25,947	7,785	6,713	(653)	26,366
General	25,030	12,868	17,597	(857)	19,444
Net Position	<u>\$ 228,703</u>	<u>\$ 438,078</u>	<u>\$ 448,394</u>	<u>\$ -</u>	<u>\$ 218,387</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Vero Beach High School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Athletics	\$ 33,801	\$ 268,337	\$ 236,065	\$ (6,554)	\$ 59,519
Music	15,443	38,891	36,169	(1,525)	16,640
Classes	76,170	76,207	62,511	(4,183)	85,683
Clubs	42,017	55,560	47,700	(933)	48,944
Departments	48,051	130,864	144,095	3,780	38,600
Trusts	22,238	11,688	25,630	4,640	12,936
General	32,895	21,270	26,025	4,775	32,915
Net Position	<u>\$ 270,615</u>	<u>\$ 602,817</u>	<u>\$ 578,195</u>	<u>\$ -</u>	<u>\$ 295,237</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Alternative Center for Education

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Trusts	\$ 1,136	\$ 250	\$ 251	\$ -	\$ 1,135
General	878	1,881	1,998	-	761
Net Position	\$ 2,014	\$ 2,131	\$ 2,249	\$ -	\$ 1,896

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Treasure Coast Technical College

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Trusts	\$ 84,849	\$ 378,220	\$ 374,132	\$ -	\$ 88,937
General	26,855	51,509	52,053	-	26,311
Net Position	<u>\$ 111,704</u>	<u>\$ 429,729</u>	<u>\$ 426,185</u>	<u>\$ -</u>	<u>\$ 115,248</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

Wabasso School

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Clubs	\$ 21,299	\$ -	\$ -	\$ (21,299)	\$ -
Trusts	3,053	3,367	3,332	3,065	6,153
General	23,411	14,746	15,338	18,234	41,053
Net Position	\$ 47,763	\$ 18,113	\$ 18,670	\$ -	\$ 47,206

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

Schedule of Changes in Fiduciary Net Position

June 30, 2020

County Office

	Net Position July 1, 2019	Additions	Deductions	Transfers, net	Net Position June 30, 2020
Departments	\$ 9,963	\$ 8,916	\$ 10,248	\$ (2,710)	\$ 5,921
Trusts	14,052	3,996	3,600	2,710	17,158
General	1,323	152	-	-	1,475
Net Position	\$ 25,338	\$ 13,064	\$ 13,848	\$ -	\$ 24,554



**Berger, Toombs, Elam,
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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, 2020 and have issued a report thereon dated October 26, 2020.

Attached to this letter is a summary of our observations and recommendations, by school, 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

October 26, 2020

General Comments – All Schools

1. 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:
 - a. More than one individual, preferably faculty or staff members, should be involved in the accountability of cash as it is collected.
 - b. Some type of written documentation should be made at the time cash is counted.
 - c. Receipts should be issued as cash is collected.
 - d. Cash collections should be deposited as soon as possible (preferably the same day or the next business day).
 - e. Mechanical devices such as cash registers should be used when possible and internal tapes should be preserved.
2. 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.
3. 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.
4. During March 2020, the COVID-19 pandemic affected the School District. The District converted to virtual schooling and the schools were closed. School District employees worked from home and certain comments for the schools may have been affected by these events.

Beachland Elementary School

Unless noted below, the fiscal year June 30, 2019 findings were corrected.

Our test of transfers noted the following:

1. During our test of journal entries, we noted three transfers to cover negative balances in certain Internal Accounts. Chapter 8, Section 3.2(a) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and Chapter 7 A(2) of the *Internal Accounts Procedures Manual* both state that disbursements from an individual account shall not exceed available resources, except for purchases of inventory for resale. Furthermore, two of the transfers involved the School Pictures account. Chapter 3.C.(h.) of the *Internal Accounts Procedures Manual* states the proceeds from School Pictures must always benefit students and cannot be redirected to any other account.

Our test of receipts noted the following:

1. In one instance, monies collected were not turned in to the office the next business day and were held over a weekend by the teacher/sponsor. Chapter 8, Section 1.4(b), of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and Chapter 5 A.3.(f) of the *Internal Accounts Procedures Manual* both require that monies collected be turned in to the school office no later than the next business day.

Our test of disbursements noted the following:

1. In one instance, a reimbursement to a staff member was made before receiving the principal's approval. Chapter 7 A.(7) of the *Internal Accounts Procedures Manual* states that a reimbursement to an employee for purchases made without a purchase order must include a check request approved by the principal and original receipts for the purchase made.

Citrus Elementary School

Except where noted below, the fiscal year June 30, 2019 findings were corrected.

Our test of receipts noted the following:

1. In one instance, the documentation provided for a receipt did not indicate the purpose, therefore, we were unable to determine if the receipt was credited to the proper account.

Our test of disbursements noted the following:

1. We noted one disbursement where the purchase order was created after the purchase was made. Chapter 6 A(2) of the *Internal Accounts Procedures Manual* states that the purchase order shall be created by the bookkeeper, posted and approved prior to ordering.
2. The Principal's Discretionary Account was used to pay for a staff breakfast. In accordance with Chapter 29 A., *Internal Accounts Procedures Manual*, the Principal's Discretionary Account should be used to benefit the school community or students. We do not believe that this disbursement complies with the above referenced policy.

Dodgertown Elementary School

Except as noted below, the fiscal year June 30, 2019 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. We were unable to determine if funds from these trust accounts were utilized to purchase staff items from the Principal; Discretionary Account.

During our test of receipts, we noted the following:

1. Again, we were unable to determine if three 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* from the support documentation provided.
2. We noted two receipts dated 1 to 4 months after the date monies were deposited into the bank. This also indicates the bank accounts were not reconciled timely as the receipt was dated after a timely reconciliation would be completed.

Our test of disbursements noted the following:

1. In one instance, the support documentation provided for a P-card purchase did not include prior approval, who requested the purchase, or what it was for, therefore, we were unable to determine if the purchase complied with the *Internal Accounts Procedures Manual*.
2. We noted the purchase of school shirts from the Principal's Discretionary Account. The proceeds from the sale of shirts were recorded in the T-Shirts Account. Therefore, we believe the purchase of the shirts should have been recorded in the T-Shirts account and not the Principal's Discretionary Account. We also noted that sales tax was not paid when the T-Shirts were purchased. In accordance with Chapter 11 A. items purchased for resale are subject to sales tax.
3. We noted a disbursement related to Book Fair sales from February 2018. We were provided a Purchase Order History report. However, the documentation provided did not include approval for the purchase. We also were not provided with an approved fundraising form for the Book Fair.

Fellsmere Elementary School

Except as noted below, the fiscal year June 30, 2019 findings were corrected.

During our test of journal entries we noted:

1. Funds were transferred to Class – Grade 4 related to the purchase of chocolate bars. The fourth grade class gave up the sale of the chocolate to the fifth grade class. The remaining value of the boxes given to the fifth grade were transferred primarily from General Activities, which was supposed to be reimbursed from the sales proceeds. However, because of COVID-19, the chocolate was not sold and was thrown away. At year end, the balance remaining in the Grade 5 Class account which was higher than the loans from General Activities, was transferred to General Activities. Chapter 8, *“Financial and Program Cost Accounting and Reporting for Florida Schools”* and the *Internal Accounts Procedures Manual* both have provisions prohibiting loans. The transfers from General Activities to the Class – Grade 4 and Class – Grade 5 appear to be loans as the monies were eventually repaid by Class – Grade 5.

We noted the following during our tests of disbursements:

1. In one of the items tested, the purchase order was created after the goods were purchased. In accordance with Chapter 8, Section 3.2(a.) *“Financial and Program Cost Accounting and Reporting for Florida Schools”* and Chapter 6 A (2) of the *Internal Accounts Procedures Manual*, a purchase order approval by the principal must be prepared before any purchase is made.
2. We noted one instance where the support documentation for the purchase of supplies did not contain a statement that School Board Funds were not available. Chapter 8, Section 3.5 (a) *“Financial and Program Cost Accounting and Reporting for Florida Schools”* states that this type of disbursement is inappropriate and shall not be made.
3. We noted that in one of the items tested, the support documentation for a refund to students that did not attend a field trip did not include the original receipt and/or a completed Request for Refund Form as required by Chapter 7 A(8) of the *Internal Accounts Procedures Manual*.
4. The support for a disbursement for transportation for a field trip included a credit memo from the bus company for a future trip for \$3,570, however, an accounts receivable had not been recognized. Furthermore, refunds had not been paid to the students who had signed up for the field trip. A purchase order was created in July 2020. Adjustments were made to properly recognize the accounts receivable and accounts payable at June 30, 2020.

Glendale Elementary School

Except as noted below, the fiscal year June 30, 2019 findings were corrected.

Our test of transfers noted three journal entries that were made to cover deficit balances in individual internal accounts. Chapter 8, section 3.2 (a) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and Chapter 7 A.(2) of the *Internal Accounts Procedures Manual* both state that disbursements from an individual account shall not exceed available resources, except for the purchase of inventory for resale.

Indian River Academy School

During our test of disbursements, we noted the following:

1. The purchase order for one of the items tested did not include the required signatures that the goods or services were received as required by Chapter 6 A(2) of the *Internal Accounts Procedures Manual*.
2. The purchase order for a fundraiser was not prepared until the date the check was processed for payment. The actual order for the items purchased was approximately two months before the date the check was written. Chapter 6 A(2) of the *Internal Accounts Procedures Manual* states that the purchase order should be printed, posted, and approved prior to ordering items.

School Board of Indian River County, Florida
June 30, 2020

Liberty Magnet Elementary School

Except as noted below, the fiscal year June 30, 2019 findings were corrected.

During our test of revenues, we noted one item where the support documentation provided did not indicate that the monies collected were turned in to the office the next business day as required by Chapter 8, Section 1.4 (b) of the *“Financial and Program Cost Accounting and Reporting for Florida Schools”*.

Osceola Magnet Elementary School

Except as noted below, the June 30, 2019 findings were corrected.

Our test of receipts noted the following:

1. For one receipt, a fundraiser form was not provided as required by Chapter 30 of the *Internal Accounts Procedures Manual*.

During our test of disbursements, we noted the following:

1. We again noted, in numerous instances, that 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*.
2. The Activity/Fundraising Form utilized by the school is not the recommended form provided in the Internal Accounts Procedures Manual and does not provide all the required information as outlined in the example provided in the manual.
3. In one instance, the Activity/Fundraising Form appeared to have been prepared after the fundraising event took place. Chapter 12c of the *Internal Accounts Procedures Manual* requires that a Fund Raiser Permit and Profit form must be prepared by the teacher/sponsor and approved by the principal prior to the start of fundraising activities.
4. In one instance, we noted that teacher supplies were purchased from a field trip account. This is in violation of Chapter 8, Section 3.5 (a) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" in that the purchase of supplies from internal accounts are deemed inappropriate and should not be made. This purchase was also in violation of Chapter 8, Section 2.3 (f) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" which states that class and club monies shall be expended for the benefit of the class or club, or for purposes designated by the class or club.
5. In two instances, the purchase did not contain the required signatures that the goods or services were received as required by Chapter 6 A (2) of the *Internal Accounts Procedures Manual*.

Pelican Island Elementary School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of receipts, we noted the following:

1. In one instance, monies collected were not turned in to the office the next business day as required by Chapter 8, Section 1.4 (b) of the *“Financial and Program Cost Accounting and Reporting for Florida Schools”*.

During our test of disbursements, we noted the following:

1. In one instance, a purchase order was not provided as required by Chapter 6 A (2) *Internal Accounts Procedures Manual* and there was no indication that the items had been received as required by the above referenced policy.

Rosewood Magnet School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of receipts, we noted the following:

1. In one instance, the support documentation did not include activity forms as required by Chapter 30, *Internal Accounts Procedures Manual*.
2. In one instance, the support documentation provided did not support that the monies received were for yearbook sales.

During our test of disbursements, we noted the following:

1. The support documentation for one disbursement did not include the approval by principal of the purchase order as required by Chapter 6 A (2) of the *Internal Accounts Procedures Manual*.
2. An activity form was not included in the support documentation provided for a disbursement as required by Chapter 30 of the *Internal Accounts Procedures Manual*.

Sebastian Elementary School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of receipts, we noted the following:

1. The activity form was not provided in one instance as required by Chapter 30 of the *Internal Accounts Procedures Manual*.

During our test of disbursements, we noted the following:

1. A purchase order was not prepared and approved for two of the items tested as required by Chapter 6 A.(2), *Internal Accounts Procedures Manual*.

Treasure Coast Elementary School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of disbursements, we noted the following:

1. In five of the items tested, the purchase order was prepared after the contract was accepted or after the date of the invoice in violation of Chapter 6 A(2), *Internal Accounts Procedures Manual*.
2. An activity form was not included with the support documentation for one of the disbursements tested as required by Chapter 30, *Internal Accounts Procedures Manual*.
3. The purchase order provided did not included the required signatures for two of the items tested as required by Chapter 6 A(2), *Internal Accounts Procedures Manual*.

School Board of Indian River County, Florida
June 30, 2020

Vero Beach Elementary School

Except as noted below, the June 30, 2019 findings were corrected.

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

School Board of Indian River County, Florida
June 30, 2020

Gifford Middle School

Except as noted below, the June 30, 2019 findings were corrected.

The June 30, 2020 bank reconciliation included an outstanding check for \$45. The check cleared the bank in July 2020 for \$349.36. During the analysis of the discrepancy, we learned that an employee was co-mingling her personal credit card and official school business. The District office discussed this situation with the school employees and this practice will not be continued. We also determined that the employee reimbursed the school for the \$304.36 difference between the outstanding check and the amount cleared because of an error in processing the payment of her personal credit card.

Oslo Middle School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of transfers, we noted that the Book Fair fundraising request form indicated 50% of proceeds would benefit media and 50% would benefit staff, however, the documentation provided did not include support that the Book Fair event was advertised to the parents with the split of proceeds.

During our test of receipts, we noted the following:

1. In one instance, monies were not turned into the bookkeeper the next business day as required by the Internal Accounts Procedures Manual, Chapter 5, B, (1) and Chapter 8, Section 1.4 (b) "*Financial and Program Cost Accounting and Reporting for Florida Schools*".
2. A receipt for proceeds from uniform sales did not indicate the inventory at the beginning and end of that day's sales, and separate receipts were not included with the documentation provided. Chapter 5 A(3) of the *Internal Accounts Procedures Manual* requires separate receipts if the inventory of items for sale is not included with the support documentation for the monies received.

School Board of Indian River County, Florida
June 30, 2020

Sebastian River Middle School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of disbursements, we noted three instances where the purchase order was created after the event took place or the invoice date. Chapter 6 A(2) of the *Internal Accounts Procedures Manual* requires that purchase orders should be prepared and approved prior to ordering items.

Storm Grove Middle School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of receipts, we noted the following:

1. In three of the receipts tested, a field trip / activity form was not provided as required by Chapter 30, *Internal Accounts Procedures Manual*.
2. In two of the receipts noted above, the support documentation was not provided, so we were unable to determine if the receipt was credited to the proper account or for the correct amount. We were also unable to determine if the funds were submitted the next business day, deposited within 5 business days, or if other required receipt procedures were completed.

During our test of disbursements, we noted the following:

1. In one of the items tested, the purchase order was not signed that the goods had been received as required by Chapter 6 A(2) of the *Internal Accounts Procedures Manual*.
2. Two of the disbursements tested were reimbursed to staff members for items purchased. The reimbursement included the sale tax paid in violation of Chapter 11 B(5) of the *Internal Accounts Procedures Manual*.

Sebastian River High School

Except as noted below, the June 30, 2019 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. A transfer was made from the Football Booster account to the Athletics General account and the documentation provided was not adequate to support the transfer of the funds.
3. We examined the transfer of funds from the Scholarship Foundation Account to the Athletics General account and the documentation provided did not include support for the split of the funds collected and therefore, we were unable to determine that the amount transferred was for the proper amount.
4. We tested two transfers between accounts to cover a negative balance in the account that funds were transferred into. Chapter 8, Section 3.2(a) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" requires that no purchase shall be made unless sufficient resources are available.

During our test of receipts, we noted the following:

1. In three of the receipts tested, the monies were not turned in to the office the next business day as required by Chapter 8, Section 1.4(b) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*".
2. In one instance the receipts from grant funds were deposited into a Class Account internal account. Chapter 23 A of the *Internal Accounts Procedures Manual* requires that grants be accounted for in a separate trust account.
3. One receipt selected for testing did not have adequate support as the result of a lost receipt book, and we were therefore unable to determine if the receipt followed all the required receipt procedures.
4. Two of the receipts tested did not include support for when the check was received, therefore, we were unable to determine if the check was 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*".

During our test of disbursements, we noted the following:

1. Petty cash funds were used in one instance to reimburse an employee for items purchased rather than completing a reimbursement request/check requisition. In accordance with Chapter 4 B of the *Internal Accounts Procedures Manual*, petty cash shall not be used as a means to bypass or circumvent the use of check requisitions, purchase orders, or other financial controls.

Sebastian River High School (Continued)

2. The support provided for the disbursement for field trip refunds did not agree to the check amount issued to the School District. A payable was later created for most of the remaining amount to be refunded.
3. One of the disbursements tested was to the Band Boosters to reimburse them for equipment purchased. We recommend in the future that all purchases be processed through the Internal Accounts purchasing process.
4. In one instance, a check was processed for a portion of ticket sales, however, the support documentation provided was not adequate to determine if the check was written for the proper amount.

Vero Beach High School

Except as noted below, the June 30, 2019 findings were corrected.

During our test of transfers, we noted the following:

1. We noted that monies were transferred from the Varsity Cheerleading account to the Staff benefit and Recognition account. The activity form and advertisement included in the support for this transfer did not indicate the amount or percentage of total proceeds to be allocated to the Staff Benefit and Recognition Account. Therefore, we were unable to determine if the proceeds were properly allocated.

The support provided by the school for accounts payable at June 30, 2020 was the outstanding purchase order listing. We were unable to verify that all of the open purchase orders were accounts payable at June 30, 2020. We recommend that in the future, the school provide the unpaid invoices as of June 30, 2020 as the accounts payable balance.

During our test of receipts, we noted the following:

1. We noted one instance where monies collected at the start of a holiday break were put in a locked night drop and not receipted and deposited until the holiday break was over. We recommend that the school and/or District office adopt procedures so that significant monies are not left on campus during holiday breaks.

During our test of disbursements, we noted the following:

1. In three instances, the purchase order did not include the required signatures that the goods or services were received in accordance with Chapter 6 A(2) of the *Internal Accounts Procedures Manual*.
2. In one instance, a Fixed Asset Form for the purchase of two golf carts was not included with the support documentation provided. Chapter 8 B(2)a. of the Internal Accounts Procedures Manual requires that a Fixed Assets Not Purchased with District Funds Form be completed when fixed assets are purchased through Internal Accounts. We did determine that the golf carts were added to the District's fixed asset inventory.
3. The SGA Booster Account was utilized to purchase items for staff benefit in one of the items tested. This account has not had any activity for several years. Chapter 8, Section 2.3(f) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" requires that class and club money be expended for the benefit of the class or club or for purposes designated by the class or club that generated the revenues. Any remaining balance in the account of an inactive student organization shall be considered as belonging to the general miscellaneous account and shall be closed at the end of the following year. The balance of the general miscellaneous account is to be used for the general welfare of the student body.

Alternative Center for Education

Except as noted below, the June 30, 2019 findings were corrected.

During our test of receipts, we noted the following:

1. One of the receipts tested did not include adequate support for us to determine if the receipt was credited to the proper account.
2. The support documentation for one of the items tested did not include an Activity Form as required by Chapter 30 of the *Internal Accounts Procedures Manual*.

During our test of disbursements, we noted the following:

1. For two of the items tested covering one event, the support documentation provided did not include an Activity Form as required by Chapter 30 of the *Internal Accounts Procedures Manual*.

School Board of Indian River County, Florida
June 30, 2020

Treasure Coast Technical College

Receipts Test

We noted two disbursements for casual for a cause did not include a purchase order as required by Chapter 6 A 2 of the *Internal Accounts Procedures Manual*.

School Board of Indian River County, Florida
June 30, 2020

Wabasso School

Except as noted below, the June 30, 2019 findings were corrected.

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

Internal Account – District Office

Except as noted below, the June 30, 2019 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*".

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 A(2) *Internal Accounts Procedures Manual* requires that purchase orders should be printed, posted, and approved prior to ordering items.

Responses to Management Letter

Beachland Elementary School
3350 Indian River Drive East
Vero Beach, Florida 32963-1799
Telephone: (772) 564-3300
FAX: (772) 564-3350

Rachel Finnegan
Principal

Susan Del Tufo
Assistant Principal

September 10, 2020

To: Mr. Ronald Fagan, Chief Financial Officer, School District of Indian River County.

Fr: Mrs. Rachel Finnegan, Principal, Beachland Elementary School.

Re: Beachland 2020 Audit Finding Responses

1. During our test of journal entries, we noted three transfers to cover negative balances in certain Internal Accounts. Chapter 8, Section 3.2(a) of the "Financial and Program Cost Accounting and Reporting for Florida Schools" and Chapter 7 A(2) of the Internal Accounts Procedures Manual both state that disbursements from an individual account shall not exceed available resources, except for purchases of inventory for resale. Furthermore, two of the transfers involved the School Pictures account. Chapter 3.C.(h.) of the Internal Accounts Procedures Manual states the proceeds from School Pictures must always benefit students and cannot be redirected to any other account.

In the future, funding accounts will be reviewed prior to disbursement to ensure funding accounts are not exceeded. Also, review of proper account choice prior to disbursements will be reviewed.

1. In one instance, monies collected were not turned in to the office the next business day and were held over a weekend by the teacher/sponsor. Chapter 8, Section 1.4(b), of the "Financial and Program Cost Accounting and Reporting for Florida Schools" and Chapter 5 A.3.(f) of the Internal Accounts Procedures Manual both require that monies collected be turned in to the school office no later than the next business day.

Beachland will address the faculty and staff in efforts to have funding turned into the Bookkeeper within the required timeline for processing. Each teacher has been provided the document of "Information for Teachers regarding School Internal Accounts" as received from District Finance Department.

1. In one instance, a reimbursement to a staff member was made before receiving the principal's approval. Chapter 7 A.(7) of the Internal Accounts Procedures Manual states that a reimbursement to an employee for purchases made without a purchase order must include a check request approved by the principal and original receipts for the purchase made.

In the future, all forms signed and dated will be reviewed for accuracy of date for the item(s) being signed.

Respectfully,


Mrs. Rachel Finnegan
Principal


Bethany Rice
Administrative Assistant

School District of Indian River County

"It Takes A Community To Raise A Child"

PLTW|LAUNCH AMAZING DISCOVERIES START HERE

Citrus Elementary School
2771 Citrus Road * Vero Beach, Florida 32968
Telephone: (772) 978-8350 * Fax: (772) 978-8351

Kimberly Garcia
Principal

Mrs. Kimberly Rahal
Assistant Principal

August 1, 2020

To: Mr. Ron Fagan, Chief Financial Officer, School District of Indian River County

From: Mrs. Kimberly Garcia, Principal, Citrus Elementary School

Mrs. Beth Ann Dunton, Administrative Assistant/Bookkeeper, Citrus Elementary School

Please accept the following responses from Citrus Elementary School for the 2019 – 2020 Internal Audit findings at Citrus Elementary School. Please let us know if you have any questions.

Receipts:

1. **#3098 – Supporting documentation for contribution from Target did not indicate the purpose of the receipt. Therefore, we are unable to determine if the receipt was recorded in the proper account.**

The checks from Target just started showing up with no description other than what was on the checks. The checks say "Employee Giving Program" so I was depositing these funds into Staff Benefit thinking it was "for" the employees. Come to find out, these are donations by Target employees to the school in general. I will be depositing these funds in the future into the General Account #7000.00.

Disbursements:

1. **Check #2418 - Purchase order date is after invoice date with no indication of pre-approval.**

We will fill out an Internal Accounts Purchase Order Request form for approval by the Principal if we will not know the amount of the Purchase Order needed before the end of such fundraiser and invoice that may be dated before the Purchase Order is created to show prior approval.

2. **Check #2470 – Staff breakfast was paid from Principal Discretionary.**

These reimbursements will be paid out of the Staff Benefit account #6400.00 in the future. I thought that the Principal's Discretionary account #7020.00, could be the decision of the Principal for any needs.

Thank you,

Kimberly Garcia, Citrus Elementary School, Principal

kimberly.garcia@indianriverschools.org/772-978-8360



Beth Ann Dunton, Citrus Elementary School, Administrative Assistant/Bookkeeper

beth.dunton@indianriverschools.org/772-978-8361



Guiding Today's Children to Become Tomorrow's Leaders
School District of Indian River County



Aretha Vernette
Principal



Kristen Racine
Assistant Principal

4350 43rd Avenue • Vero Beach, FL 32967
Telephone: (772)564-4100 • Fax: (772)564-4093

Dear Mr. Fagan,

I acknowledge that I have read and received my 2019-20 audit findings.

Audit Findings and Reply

Receipts:

- #962 – Lack of support provided. We are unable to determine where the vending machine that earned the commission was located. If the vending machine was anywhere other than the teacher's lounge, staff benefit would not be an acceptable account to record the funds in. We were also unable to determine if the check was receipted by the Bookkeeper timely as there was no indication when the check was received. The date on the check was 15 days prior to the deposit. We also noted this receipt was not recorded in SFO timely as it was record on 8/13/19 with a receipt date of 7/17/2019.

The vending machine is located at the staff lounge area. Only staff have access and allowed to purchase from the machine.

Moving forward I will stamp all checks when I received them, enter in SFO and make every effort to deposit in a timely manner.

- #1021 – No indication of when check was received; therefore, unable to determine timely receipt or deposit. We also noted this receipt was not recorded in SFO timely as it was recorded on 2/4/2020 with a receipt date of 9/23/2019.

Moving forward I will stamp all checks when I received them, enter in SFO and make every effort to deposit in a timely manner

- #1052 – Support lacked letter from donor; therefore, we are unable to determine if the donation was deposited into the proper account. There was also no indication of when the check was received; therefore, we are unable to determine timely receipt or deposit. The check was dated 4/13/2020; however, was not deposited until 6/30/2020.

Field of Dreams



Let's Make it Happen!

School District of Indian River County



Fellsmere Elementary School

50 North Cypress Street, Fellsmere, FL 32948 - Phone 772-564-5970 Fax 772-564-6020

Home of the Mustangs
Gallop for Success...Nothing Less!

Ramón J. Echeverría
Principal

Assistant Principal

To: Ron Fagan, Chief Financial Officer, School District of Indian River County
From: Ramon Echeverria, Principal, Fellsmere Elementary School
Judith Marsiglia, Administrative Assistant/Bookkeeper, Fellsmere Elementary School
Date: September 10, 2020
Subject: Response to the Internal Account Audit on School Year 2019-2020

Please accept the following responses from Fellsmere Elementary School for the 2019-2020 Internal Audit Findings at Fellsmere Elementary School. Please let us know if you have any questions.

Journal Entry:

- #8978 – Funds should not be loaned between internal accounts.**
The 4th and 5th grade were having a chocolate fundraiser to reduce the cost of the grade level field trips. The 4th grade was not able to sell their half of their portion. The 5th grade was to complete the rest of the chocolate fundraiser sales including their half plus the remaining of the 4th grade. We transferred the cost amount of the remaining chocolate taken out of the 4th grade class account from the general account until the 5th grade sold the rest of the chocolate. The chocolate fundraiser sales were not completed because of the closing of school due to COVID-19. The remaining chocolate bars were disposed of at the end of the year with documentation provided. This will not be done in the future as a corrective action.

Disbursements:

- Check #8040 – Purchase order was prepared after the invoice date.**
We did not have the teacher fill out the Request for Purchase form before any order was placed. The activity form was done before the order was placed. This will be done correctly in the future with the documentation being completed and turned in, in a timely manner.
- Check #8075 – Purchase of classroom supplies with no indication that District funds were not available.**
We had a signed email request for purchase but did not have a filled out the Request for Purchase form filled out indicating that district funds were not available. This was a purchase based on a donation for the PE classroom for PE equipment. This will be done correctly in the future with the documentation being completed and turned in, in a timely manner.

WE EXIST TO ACHIEVE HIGH LEVELS OF LEARNING FOR ALL STUDENTS!

GLENDALE ELEMENTARY SCHOOL

4940 8th Street • Vero Beach, Florida 32968

Telephone (772) 978-8050 • Fax (772) 978-8098

Adam Faust
Principal
978-8050

Michelle Banack
Assistant Principal
978-8046

September 21, 2020

Dear Mr. Fagan,

This letter is in response to the Internal Accounts Audit for the fiscal year ending June 2020.

The finding noted three journal entries that were made to cover deficit balances in individual internal accounts. Discussing this with my Bookkeeper, she stated she takes full responsibility and will implement measures going forward to make sure this does not happen again.

This occurred due to the grade levels not charging enough money initially for field trips and/or transportation costs. The final transportation costs ended up being more than estimated causing the accounts to go into the negative.

Moving forward Mrs. Beasley will work closely with each grade level chair when trips are in the planning stages to ensure the price of each trip is sufficient enough to cover all costs incurred.

If you need any additional information, please don't hesitate to call me at 978-8056.

Sincerely,



Adam Faust
Principal



School District of Indian River County



September 18, 2020

Mr. Fagan:

After reviewing the findings from the auditors report our response is as follows.

1. We will triple check all PO/Receiving documentation.
2. We will follow the NEW recommendation regarding processing of purchase orders for fund raisers.

A handwritten signature in blue ink, appearing to be "C. Kelly Good", written over a horizontal line.

C. Kelly Good, Principal

A handwritten signature in black ink, appearing to be "Elizabeth Gioffre", written over a horizontal line.

Elizabeth Gioffre, Administrative Assistant

LIBERTY MAGNET SCHOOL
"An IBO World School - Primary Years Program"

6850 81st Street • Vero Beach, FL 32967 • (772) 564-5300 • Fax: (772) 564-5303

Takeisha Harris
Principal

Tabetha Esposito
Assistant Principal

September 10, 2020

Mr. Ronald Fagan
Internal Accountant
School District/IR County

Dear Mr. Fagan,

In response to the following audit finding for Liberty Magnet Elementary School's 2020 report:

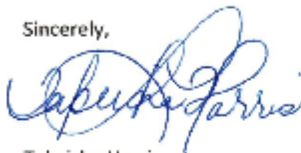
"During our test of revenues, we noted one item where the support documentation provided did not indicate that the monies collected were turned to the office the next business day as required by Chapter 8, Section 1.4 (b) of the "Financial and Program Cost Accounting and Reporting for Florida Schools."

First, I would like to say that Mrs. Watson does an outstanding job with our internal accounts. She has many responsibilities and handles our internal accounts with the utmost of integrity and honesty, always keeping the SDIRC rules and regulations in the highest regard. Her records are organized and maintained daily. All in all I feel this was a very good audit and my response to the exception is as follows.

As explained to Yarizel Cantu immediately after the auditors left, Mrs. Watson was with her daughter in Tampa for a surgical procedure on the day the funds were receipted in the classroom. (January 13,2020) The receipt book and money were placed in the safe until her return (January 16,2020.) The delay of the deposit was completely unexpected as no funds were to be collected during this time. We will continue to do our utmost in following the SDIRC rules in regard to collecting and depositing internal funds.

Thank you for your continuing support and consideration.

Sincerely,



Takeisha Harris
Principal

School District of Indian River County

OSCEOLA MAGNET ELEMENTARY SCHOOL



School District of Indian River County
1110 19th Ave. SW • Vero Beach, Florida, 32962 • (772) 564-5821



Chadwell Bacon, Ed. D.
Principal

TO: Mr. Ronald Fagan
RE: Audit 2019 – 2020 response

School Board of Indian River County, Florida
June 30, 2020

Osceola Magnet Elementary School

Except as noted below, the June 30, 2019 findings were corrected.

Our test of receipts noted the following:

1. For one receipt, a fundraiser form was not provided as required by Chapter 30 of the *Internal Accounts Procedures Manual*.

In the past, it was ok to use Photography by Michael Siegel's Contract. A fundraiser form will be used for all activities. During our test of disbursements, we noted the following:

1. We again noted, in numerous instances, that 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*.

I understand it is now acceptable to carry a negative balance in accounts. A PO will be created at time of contract.

2. The Activity / Fundraising Form utilized by the school is not the recommended form provided in the *Internal Accounts Procedures Manual* and does not provide all the required information as outlined in the example provided in the manual.

Updated accordingly.

3. In one instance, the Activity / Fundraising Form appeared to have been prepared after the fundraising event took place. Chapter 12c of the *Internal Accounts Procedures Manual* requires that a Fund Raiser Permit and Profit form must be prepared by the teacher/sponsor and approved by the principal prior to the start of fundraising activities.

Profit and Loss stmt printed over top of it after the event like you would a check in the printer. This will no longer be done.

4. In one instance, we noted that teacher supplies were purchased from a field trip account. This is in violation of Chapter 8, Section 3.5 (a) of *"Financial and Program Cost Accounting and Reporting for Florida Schools"* in that the purchase of supplies from internal accounts are deemed inappropriate and should not be made. This purchase was also in violation of Chapter 8, Section 2.3 (f) which states that class and club monies shall be expended for the benefit of the class or club, or for purposes designated by the class or club.

Will be done correctly in the future. Maritza explained it to the teacher.

5. In two instances, the purchase did not contain the required signatures that the goods or services were received as required by Chapter 6 A (2) of the *Internal Accounts Procedures Manual*.

In the future, all PO's will be signed when received.

Pelican Island Elementary School

1355 Schumann Drive ♦ Sebastian, Florida 32958

Telephone: (772) 564-6500 Fax: (772) 564-6493

September 10, 2020

Dear Mr. Fagan,

I accept the findings by the audit firm, Berger, Toombs, Elam, Gaines & Frank, and will work to improve in those areas by having the bookkeeper stress the importance of having teachers turn in monies collected as required by the Procedures Manual so that it can be receipted in a timely manner. We will also continue to follow procedures for using purchase orders when using internal funds for purchases.

Sincerely,



Rachel Moree
Principal

School District of Indian River County

Rosewood Magnet School

3850 16th Street * Vero Beach, FL 32960

(772) 564-3840 * Fax (772) 564-3888

"A Rich Tradition, A Bright Future"

An Honor Roll School

9/15/2020

Ronald Fagan,

After reviewing your findings for the 2019-2020 school year and going back over our records, we do agree with the following findings:

1. In one instance the support documentation did not include activity forms
2. In one instance the support documentation did not support that the monies received was for yearbook sales
3. Purchase order not approved by Principal for one disbursement
4. Activity form not included in support documentation for a disbursement

In the future we will make sure we do all of this correctly.

We will have all activity forms completed and signed by both the teacher/sponsor and the Principal before collecting any monies.

When collecting monies we will clearly mark what the monies being received is for.

We will also make sure that all purchase orders are signed and approved by the Principal before purchasing any items.

Thank you.



Casandra Flores

Principal

School District of Indian River County

Sebastian Elementary Performing Arts School

400 Sebastian Boulevard Sebastian, Florida 32958

Telephone: (772) 978-8200

Fax: (772) 978-8205

Letitia Whitfield-Hart
Principal

Ashley Kohlstedt
Assistant Principal

September 10, 2020

Memorandum for: Mr. Ronald Fagan, Chief Financial Officer

RE: Draft of 2019/2020 Internal Audit

This memorandum serves to provide answers to the following items listed on the draft of the audit of internal funds conducted by Berger, Toombs, Elam, Gaines & Frank Certified Public Accounts PL, Fort Pierce, FL

Receipts

1. The activity form was not provided in one instance as required by Chapter 30 of the Internal Accounts Procedures Manual.

The sale of school spirit t-shirts occurs yearly. An activity sheet was not completed in the past. For the start of the new school year an activity sheet was completed and will continue from this point on.

Disbursements

1. A purchase order was not prepared and approved for two of the items tested as required by Chapter 6 A. (2), Internal Procedures Manual.

The two items mentioned are for Bookfairs. Check requisitions were submitted and approved instead of purchase orders. In the future purchase orders will be submitted and approved instead of check requisitions.

Sincerely,



Letitia Whitfield-Hart

Home of the Sebastian Sea Turtles
"Where Every Student and Teacher Experiences
Emotional, Social and Academic Success"
www.ses.indianriverschools.org

Treasure Coast Elementary

8955 85th Street • Sebastian, FL 32958 • (772) 978-8500 • Fax (772) 978-8503

Scott Simpson
Principal

Felice Heppern
Assistant Principal

September 14, 2020

Dear Mr. Fagan,

Below please find comments for my findings and all corrective actions being taken for my June 30th audit at Treasure Coast Elementary.

1. These 5 items described were for 2 fieldtrips that required charter buses and entry tickets. In both instances' teachers secured buses and venue based on date of convenience, signed the contract to hold the date and turned in the contract for the PO to be issued.
**** Our corrective action plan assures that teachers will be reminded that under no circumstance's contracts are to be signed until a PO has been issued. They were under the impression that it was OK to proceed because the principal had approved the activity form.
2. No activity form was issued for this event as it was a PTA sponsored event. I was informed that ALL events that require transactions from internal funds need an activity form.
**** Our corrective action plan moving forward includes all activities on campus will be supported with an activity form.
3. Packing slips were not turned in as "received items"
****Our corrective action plan will include reminding teachers again that it is mandatory that we receive all signed received packing slips, as we are unable to proceed with payment until all paperwork is received. Teachers will also sign the PO paperwork when requested and received.

Sincerely,



Barbara Negreira-Harrell
Administrative Assistant to Principal

SH
9/17/20

"Our Children, Our Treasures"

School District of Indian River County

Ms. Tosha Jones
Principal

Mr. Jeremy Szpaichler
Assistant Principal

Mrs. Felice Heppem
Assistant Principal

Gifford Middle School

4530 28th Court • Vero Beach, Florida 32967
Office Telephone: (772) 564-3550
Attendance Telephone: (772) 564-3551 • FAX: 564-3561

Mrs. Constance Peterson
School Counselor

Mrs. Sachir Verno-Saint Louis
School Counselor

Lateshia Henry
Resource Specialist

Mr. Eric Eberhart
Behavior Interventionist
Specialist

September 10, 2020

Mr. Ronald Fagan
Chief Financial Officer
School District of Indian River County
6500 57th Street
Vero Beach, Florida 32967

Dear Mr. Fagan:

Subject: 2020 Audit Response – Gifford Middle School

Please let it be noted that the employee reported this store error immediately after it occurred and returned to school within 20 minutes to reimburse Internal Accounts the amount that was mistakenly charged against the \$45 GMS check.

In the future, no personal credit cards will be used to purchase items for our school. We are currently in the process of applying for a school P-Card which will alleviate future problems of this nature.

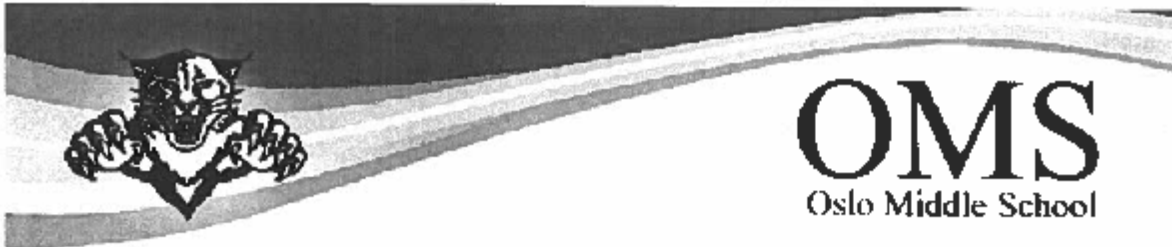
Respectfully,



Tosha Jones
Principal



School District of Indian River County



DATE: October 1, 2020

TO: Ronald Fagan

SUBJECT: Audit Response Letter-2019-2020

- 1) Staff was informed of the audit findings by Eddie Robinson, principal, via e-mail and in the faculty meeting. Policies and Procedures were mentioned on how the findings should have been handled.
- 2) Staff will be given an information handout prior to their activity regarding School Internal Accounts as it relates to their responsibilities by the bookkeeper.
- 3) We will continue to implement and enforce School Internal Accounts Policies and Procedures.

Roariffically yours,

A handwritten signature in black ink, appearing to read 'Eddie Robinson', is written over a horizontal line.

Eddie Robinson

Oslo Middle School
Home of the Wildcats

772-564-3950

You Can't Hide That Wildcat Pride

480 20th Avenue S.W. Vero Beach FL 32962 772-564-3980

SEBASTIAN RIVER MIDDLE SCHOOL

9400 County Road 512 ♦ Sebastian, Florida 32958
Telephone: 772.564.5111 ♦ Fax: 772.564.5225
www.indianriverschools.org/srms

Todd Racine, Principal

Assistant Principals
Michele Holmes
Kelly Durwin-Ward

September 15, 2020

Mr. Ronald Fagan,

This memo is in response to the Internal Accounts audit for the fiscal year ended June 30, 2020.

Finding 1: Our tests of disbursements noted the following:

We noted three instances where the purchase order was created after the event took place or the invoice date. Chapter 6 A(2) of the Internal Accounts Procedures Manual requires that purchase orders should be prepared and approved prior to ordering items.

Corrective Action:

Corrective Action 1: Purchase orders will be printed, posted and approved prior to ordering items.

Thank you,



Mr. Todd Racine, Principal
Sebastian River Middle School



world school

School District of Indian River County

STORM GROVE MIDDLE SCHOOL
6400 57th Street • Vero Beach, FL 32967
772-564-6400 • Fax: 772-564-6321
Anne Bieber, Principal

October 2, 2020

Mr. Fagan,

Please except the following response to the audit findings:

Receipts

An activity form was not completed for cheer and yearbook sales. In the future, an activity form will be completed for all activities.

Supporting documentation was not provided for two receipts and funds were not given to the bookkeeper by the following business day. The funds were receipted to the correct account as per the receipt book that was signed out for the activity. The funds were not given to the bookkeeper from the staff member by the next business day, but the bookkeeper made sure to deposit them as soon as she received them. For the future, the bookkeeper has made a note in all receipt books that will be signed out this year. Staff will also be reminded to turn in funds by the following day.

Disbursements

The purchase order tested was not signed when items were received. This has been corrected for the future.

The two disbursements that included sales tax were reimbursed to staff. Sales tax will not be reimbursed to staff in the future.



School District of Indian River County

SEBASTIAN RIVER HIGH SCHOOL

9001 Shark Boulevard • Sebastian, Florida 32958

Telephone: (772) 564-4170 • Fax: (772) 564-4182

September 14, 2020

Ronald Fagan
Chief Financial Officer
School District of Indian River County

RE: Internal Accounts Audit Response

Journal Entries:

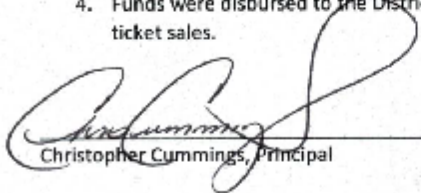
1. The transfer was for student incentives. In the future, this account will only be used for school facility expenses.
2. Proper documentation from AD will be required for any future transfers.
3. Proper documentation from AD will be required for any future transfers.
4. During normal circumstances, funds would have been collected to cover the expenses, if not for the school closure due to COVID-19.

Receipts:

1. Monies turned in late were acknowledged with a "Monies Remitted Late" form and placed with official receipt. More training will be provided to teachers/staff and coaches regarding turning monies in within the 24-hour period.
2. In the future, all grant funds will be deposited into the separate grant account.
3. Receipt book was misplaced by the Assistant Principal during the COVID-19 school closure.
4. All checks will be documented in the future with the date received.

Disbursements:

1. The petty cash reimbursement was within the allowable petty cash reimbursement amount. Petty cash was not used to bypass or circumvent the PO process.
2. Per the Assistant Principal refunds were issued to students based on permission slips received.
3. Going forward, the proper PO procedures will be followed for purchases.
4. Funds were disbursed to the District for the amount that was collected from the Grad Bash ticket sales.



Christopher Cummings, Principal

"You Can't Hide That Shark Pride"

Christopher Cummings • Jacqueline Contri • Robert Raskin • James Thimmer • Kevin Van Brimmer
Principal • Assistant Principal • Assistant Principal • Assistant Principal • Assistant Principal

Mashaun Casza • Natasha Greene • Kim O'Keefe • Wendy Palmer • Lynn Phillips • Enrique Valencia
Guidance Counselor • Guidance Counselor • Guidance Counselor • Guidance Counselor • Guidance Counselor • Guidance Counselor



School District of Indian River County

VERO BEACH HIGH SCHOOL

1707 16th Street, Vero Beach, Florida 32960

Mr. Shawn O'Keefe, Principal

Ronald Fagan,

Vero Beach High School Audit Response 2019-2020

Transfers:

1. We noted that monies were transferred from the Varsity Cheerleading account to the Staff Benefit and Recognition account. The activity form and advertisement included in the support for this transfer did not indicate the amount or percentage of total proceeds to be allocated to the Staff Benefit and Recognition Account. Therefore, we were unable to determine if the proceeds were properly allocated.

Response: *The amount of funds brought in from this fundraiser always varies and cannot be determined how much can be donated until we are aware of the profit. We stated on the Activity Form and on the advertisement that proceeds will benefit the cheerleaders and staff but I did not recognize anywhere in the Procedures Manual that we have to specify a percent.*

To prevent this being a future issue, the Cheerleaders will no longer fundraise proceeds from Golf to benefit the Staff Benefit and Recognition account.

Receipts:

1. We noted one instance where monies collected at the start of a holiday break were put in a locked night drop and not receipted and deposited until the holiday break was over. We recommend that the school and/or District Office adopt procedures so that significant monies are not left on campus during holiday breaks.

Response: *The Basketball games (Holiday Hoopla) are played during the holiday once school is closed. Employees do not work during the holidays. The funds are locked up and secured in the Vault afterwards until schools is back open after the holiday.*

According to Pg. 5-6 E in the Internal Accounts Procedures Manual, Holidays would be an exception.

E. Bank Deposits

All monies collected must be deposited intact into the bank as frequently as feasible as dictated by sound business practices. In any event, funds collected must be deposited within five (5) business days after initial collection of funds. Every effort should be made to deposit funds Deposits must be made before weekends and/or holidays. If there is an extenuating circumstance that prohibits a deposit from being made prior to a weekend or holiday, the funds and any documentation will be secured and locked in the school safe and a notation will be made by the staff member securing the funds.

VBHS Main Campus
Telephone: (772) 564-5600
Fax: (772) 564-5553

Freshman Learning Center
Telephone: (772) 564-5800
Fax: (772) 564-5679

" It's Great To Be A Fighting Indian! "

School District of Indian River County

Page 1 of 2

Disbursements:

1. In three instances, the purchase order did not include the required signatures that the goods or services were received in accordance with Chapter 6 A(2) of the Internal Manual.

Response: As noted, we strive to make sure we have signatures on all invoices. In the future will make sure employees sign the actual receipts as well.

2. In one instance, a Fixed Asset Form for the purchase of two gold cars was not included with the support documentation provided. Chapter 8 B(2)a. of the Internal Accounts Procedures Manual requires that a Fixed Assets Not Purchased with District Funds Form be completed when fixed assets are purchased through Internal Accounts. We did determine that the gold cars were added to the District's fixed asset inventory.

Disbursements continued:

Response: All future Fixed Assets will also include the "Fixed Assets Not Purchased with a District Funds Form

3. The SGA Booster Account was utilized to purchase items for staff benefit in one of the items tested. This account has not had any activity for several years. Chapter 8, Section 2.3(f) of "Financial and Program Cost Accounting and Reporting for Florida Schools" requires that class and club money be expended for the benefit of the class or club or for purposes designated by the class of club that generated the revenues. Any remaining balance in the account of an inactive student organization shall be closed at the end of the following year. The balance of the general miscellaneous account is be used for the general welfare of the student body.

Response: The requirements noted above will be followed as stated in future transactions.

Bookkeeper: Toni Kouns



Principal: Shawn O'Keefe



Alternative Center for Education

1426 18th Street
Vero Beach, Florida 32960

Office: (772) 564-6240/6262

"We Accept, Restore & Return with Care!"

Fax: (772) 564-6265

The Alternative Center for Education
September 9, 2020
RE: Audit Response School Year 2019-2020

Mr. Ronald Fagan,




On 10/18/2020 an internal purchase order request was submitted for a Damage Deposit (only) rental of a room at Vero Heritage House. The evening was to be a combination SAC/Odyssey Night for Parents, Students and Staff. The money was to be returned to the account when refunded by Vero Heritage House. I was told to use the money from the Staff Benefit and Recognition account. I did not do a:

Activity Form (Finding #1 under Disbursements and Finding #2 under Receipts) since no money was collected and the activity was after school hours in the evening away from the campus with staff, parents and students.

The actual cost of the room rental was paid in cash by Mr. Denny Hart on his own, no school funds were used. When Mr. Hart returned to pick up the damage deposit after the event there were two checks made out to The Alternative Center for Education.

One check Receipt #88 for \$50.00 (Finding #1 under Receipts) was for an overcharge on the actual use of the room. Since the check was made out to The Alternative Center for Education Mr. Hart chose to donate the money which originally came from Mr. Hart to The General Activity Account (for the use of all students). Money was deposited.

Going forward Activity Forms will be used for all evening activities that involve the use of internal accounts.

2019 - 2021 Bookkeeper signature:		9/17/2020
		Date
2019-2020 Principal signature:		9/17/2020
		Date
2020-2021 Principal signature:		9/17/2020
		Date

Dariyall Brown
Principal

School District of Indian River County



September 18, 2020

RE: Internal audit findings

SDIRC

Mr. Ronald Fagan,

I Kimber Civita bookkeeper for Treasure Coast Technical College created purchase orders for all the Casual for a Cause monthly checks. In error on 2 different occasions I cut the checks with no purchase order in place. I created the invoice in Focus but no purchase order. This will not happen again.

A handwritten signature in black ink that reads 'Christi Shields'. The signature is written in a cursive, flowing style.

Christi A. Shields, M.Ed

Principal

Treasure Coast Technical College, SDIRC

772-564-5006

Christi.shields@indianriverschools.org

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School District of Indian River County

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David K. Moore, Ed.D. - Superintendent

Date: September 24, 2020

To: Ronald Fagan, Chief Financial Officer

From: Yarizel Cantu, Staff Accountant

Regarding: *Response to 2019-2020 Internal Accounts Audit Findings for District Administration Building*

Mr. Ronald Fagan,

Please accept the following responses to the 2019-2020 Internal Account Audit findings for the District Administration Building.

Receipts:

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 Account and Reporting for Florida Schools".**

In the future, the bookkeeper will be assigned a back-up staff member who will enter receipts, prepare deposits and conduct bank visits when the bookkeeper is not on site. All deposits will be made timely.

Disbursements:

2. **Again, in one instance, the support documentation provided did not include a purchase order. Chapter 6 A(2) Internal Accounts Procedures Manual requires that purchase orders should be printed, posted, and approved prior to ordering items.**

In this instance, items were ordered prior to the bookkeeper's knowledge. The departments that require the use of internal accounts will be educated on the process for internal account purchase orders and provided with a memorandum that will outline procedures for purchasing from internal accounts.

Sincerely,

Yarizel Cantu, Staff Accountant

Dr. Mara Schiff • Jacqueline Rosario • Laura Zoro • Teri L. Barenborg • Tiffany M. Justice
 District 1 District 2 District 3 District 4 District 5

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