

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

FINANCIAL STATEMENTS

June 30, 2021

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

FINANCIAL STATEMENTS

June 30, 2021

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Berger, Toombs, Elam, Gaines & Frank

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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, 2021, and the statement of changes in fiduciary net position for the year then ended and the related notes to financial statements, which collectively comprise the Internal Accounts' financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditors Responsibilities

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and performed the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

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

Fort Pierce / Stuart

School Board of Indian River County, Florida
Internal Accounts

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of the School Board of Indian River County, Florida Internal Accounts as of June 30, 2021, and the changes in net position for the year then ended 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.

Other Matters

Other information

Our audit was conducted for the purpose of forming an opinion on the statement of fiduciary net position and the changes in 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 15, 2021 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 15, 2021

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

Statement of Fiduciary Net Position

June 30, 2021

	Custodial Funds
ASSETS	
Cash and equivalents	\$ 1,477,156
Accounts receivable	154,814
Inventory	49,703
Total Assets	<u>1,681,673</u>
LIABILITIES	
Accounts payable	<u>22,141</u>
NET POSITION	
Fiduciary net position - held for others	<u><u>\$ 1,659,532</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, 2021

	Custodial Funds
ADDITIONS	
Miscellaneous	
Athletics	\$ 537,370
Music	37,268
Class	143,250
Club	89,702
Department	162,104
Trust	713,523
General	746,405
Total Additions	2,429,622
 DEDUCTIONS	
Other	
Athletics	452,881
Music	48,805
Class	129,502
Club	84,738
Department	139,450
Trust	616,069
General	748,163
Total Deductions	2,219,608
Change in Net Position	210,014
Fiduciary net position - held for others, July 1, 2020	1,449,518
Fiduciary net position - held for others, June 30, 2021	\$ 1,659,532

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, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis 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, 2021**

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, 2021, the bank balance for all schools totaled \$985,787 and the carrying value was \$938,992.

Cash and Investments

Deposits with Financial institutions	\$ 938,992
Invested with State Board of Administration Florida Prime	<u>538,164</u>
Total	<u>\$ 1,477,156</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 \$538,164 at June 30, 2021 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 50 days at June 30, 2021.

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, 2021

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, 2021, the School Board of Indian River County, Florida does not hold any investments subject to the fair value hierarchy.

SUPPLEMENTAL FINANCIAL SCHEDULES



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INDEPENDENT AUDITORS' 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, 2021, and have issued our report thereon dated October 15, 2021. 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) as a basis for designing 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. Accordingly, we do not express an opinion on the effectiveness of the Internal Accounts' internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be 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.

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 34-58 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 15, 2021

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Beachland Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 258	\$ 150	\$ -	\$ 210	\$ 618
Classes	2,377	40	1,045	(7)	1,365
Clubs	200	-	-	-	200
Departments	9,160	6,168	5,313	-	10,015
Trusts	10,724	28,102	27,180	(339)	11,307
General	<u>16,209</u>	<u>8,816</u>	<u>6,523</u>	<u>136</u>	<u>18,638</u>
Net Position	<u>\$ 38,928</u>	<u>\$ 43,276</u>	<u>\$ 40,061</u>	<u>\$ -</u>	<u>\$ 42,143</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Citrus Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Athletics	\$ 8	\$ -	\$ -	\$ -	\$ 8
Classes	9,101	7,586	6,512	(625)	9,550
Clubs	1,648	-	136	-	1,512
Departments	4,575	1,128	1,069	-	4,634
Trusts	2,920	10,801	11,102	(35)	2,584
General	8,533	6,159	2,858	660	12,494
Net Position	<u>\$ 26,785</u>	<u>\$ 25,674</u>	<u>\$ 21,677</u>	<u>\$ -</u>	<u>\$ 30,782</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Dodgertown Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 188	\$ -	\$ -	\$ -	\$ 188
Classes	2,060	-	774	(26)	1,260
Clubs	629	-	50	-	579
Departments	115	17	52	(39)	41
Trusts	12,994	77,258	62,773	(4)	27,475
General	7,473	4,374	5,214	69	6,702
Net Position	<u>\$ 23,459</u>	<u>\$ 81,649</u>	<u>\$ 68,863</u>	<u>\$ -</u>	<u>\$ 36,245</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Fellsmere Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Classes	\$ 9,385	\$ 2,140	\$ 2,048	\$ (15)	\$ 9,462
Departments	1,155	2,370	1,325	-	2,200
Trusts	6,304	34,611	19,531	-	21,384
General	10,179	832	2,945	15	8,081
Net Position	<u>\$ 27,023</u>	<u>\$ 39,953</u>	<u>\$ 25,849</u>	<u>\$ -</u>	<u>\$ 41,127</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Glendale Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 19	\$ -	\$ -	\$ -	\$ 19
Classes	994	-	(105)	(144)	955
Clubs	269	-	-	-	269
Departments	7,668	5,954	5,569	-	8,053
Trusts	2,992	1,821	2,190	-	2,623
General	9,264	2,188	3,343	144	8,253
Net Position	<u>\$ 21,206</u>	<u>\$ 9,963</u>	<u>\$ 10,997</u>	<u>\$ -</u>	<u>\$ 20,172</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Indian River Academy Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 226	\$ -	\$ -	\$ -	\$ 226
Classes	2,748	6	734	(308)	1,712
Departments	623	3,008	3,067	-	564
Trusts	1,632	8,012	9,237	(17)	390
General	11,951	1,822	1,016	325	13,082
Net Position	<u>\$ 17,180</u>	<u>\$ 12,848</u>	<u>\$ 14,054</u>	<u>\$ -</u>	<u>\$ 15,974</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Liberty Magnet Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 1,064	\$ 74	\$ 30	\$ -	\$ 1,108
Classes	8,899	871	5,364	22	4,428
Clubs	1,233	-	-	-	1,233
Departments	8,326	3,794	4,110	-	8,010
Trusts	19,928	9,432	9,495	(3,981)	15,884
General	9,816	4,549	2,672	3,959	15,652
Net Position	<u>\$ 49,266</u>	<u>\$ 18,720</u>	<u>\$ 21,671</u>	<u>\$ -</u>	<u>\$ 46,315</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Osceola Magnet Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 1,190	\$ -	\$ 279	\$ -	\$ 911
Classes	1,871	3,389	3,060	(250)	1,950
Clubs	729	386	-	-	1,115
Departments	6,347	14,357	9,501	324	11,527
Trusts	12,293	23,839	20,829	(74)	15,229
General	28,099	12,187	4,205	-	36,081
Net Position	<u>\$ 50,529</u>	<u>\$ 54,158</u>	<u>\$ 37,874</u>	<u>\$ -</u>	<u>\$ 66,813</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Pelican Island Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 520	\$ -	\$ 456	\$ -	\$ 64
Classes	7,829	2,681	3,760	(390)	6,360
Clubs	1,652	2,203	1,720	-	2,135
Departments	566	1,422	1,051	(10)	927
Trusts	9,902	3,706	3,772	390	10,226
General	17,183	10,646	9,159	10	18,680
Net Position	<u>\$ 37,652</u>	<u>\$ 20,658</u>	<u>\$ 19,918</u>	<u>\$ -</u>	<u>\$ 38,392</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Rosewood Magnet Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 9	\$ -	\$ -	\$ -	\$ 9
Classes	12,538	487	1,535	(2,722)	8,768
Clubs	6,171	-	-	-	6,171
Departments	15,783	1,507	2,728	-	14,562
Trusts	7,702	12,585	13,505	200	6,982
General	<u>22,639</u>	<u>17,660</u>	<u>17,083</u>	<u>2,522</u>	<u>25,738</u>
Net Position	<u>\$ 64,842</u>	<u>\$ 32,239</u>	<u>\$ 34,851</u>	<u>\$ -</u>	<u>\$ 62,230</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Sebastian Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 455	\$ 3,914	\$ 3,632	\$ -	\$ 737
Classes	4,019	(675)	182	1	3,163
Clubs	3,386	2,622	468	-	5,540
Departments	853	67	86	-	834
Trusts	6,640	1,478	1,429	(1)	6,688
General	15,189	3,179	2,931	-	15,437
Net Position	<u>\$ 30,542</u>	<u>\$ 10,585</u>	<u>\$ 8,728</u>	<u>\$ -</u>	<u>\$ 32,399</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Treasure Coast Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 1,467	\$ 700	\$ 827	\$ -	\$ 1,340
Classes	15,851	2,589	8,553	(5,283)	4,604
Clubs	3,858	502	259	-	4,101
Departments	6,475	9,674	6,971	49	9,227
Trusts	6,748	8,818	8,248	-	7,318
General	16,959	1,034	11,380	5,234	11,847
Net Position	<u>\$ 51,358</u>	<u>\$ 23,317</u>	<u>\$ 36,238</u>	<u>\$ -</u>	<u>\$ 38,437</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Vero Beach Elementary School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Music	\$ 261	\$ -	\$ -	\$ -	\$ 261
Classes	436	-	-	-	436
Clubs	923	140	312	(444)	307
Departments	2,571	242	941	-	1,872
Trusts	4,781	7,218	8,883	18	3,134
General	<u>8,778</u>	<u>6,123</u>	<u>6,651</u>	<u>426</u>	<u>8,676</u>
Net Position	<u>\$ 17,750</u>	<u>\$ 13,723</u>	<u>\$ 16,787</u>	<u>\$ -</u>	<u>\$ 14,686</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Gifford Middle School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Athletics	\$ 10,229	\$ 5,920	\$ 8,249	\$ 1	\$ 7,901
Music	5,993	1,167	1,983	-	5,177
Classes	14,663	3,088	2,565	-	15,186
Clubs	664	467	972	-	159
Departments	4,821	2,613	3,817	-	3,617
Trusts	5,541	4,099	5,078	(119)	4,443
General	10,012	6,927	7,248	118	9,809
Net Position	<u>\$ 51,923</u>	<u>\$ 24,281</u>	<u>\$ 29,912</u>	<u>\$ -</u>	<u>\$ 46,292</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Oslo Middle School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Athletics	\$ 10,716	\$ 4,600	\$ 3,778	\$ -	\$ 11,538
Music	3,261	360	730	25	2,916
Classes	3,585	-	804	(25)	2,756
Clubs	2,407	120	-	-	2,527
Departments	7,868	20	5,055	-	2,833
Trusts	3,699	500	1,522	-	2,677
General	6,554	3,220	3,916	-	5,858
Net Position	<u>\$ 38,090</u>	<u>\$ 8,820</u>	<u>\$ 15,805</u>	<u>\$ -</u>	<u>\$ 31,105</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Sebastian River Middle School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Athletics	\$ 9,362	\$ 13,109	\$ 11,797	\$ -	\$ 10,674
Music	12,215	1,575	2,487	-	11,303
Classes	230	900	900	(222)	8
Clubs	2,799	901	2,223	(225)	1,252
Departments	7,006	6,864	7,277	(105)	6,488
Trusts	16,928	9,264	8,399	-	17,793
General	28,240	15,117	16,918	552	26,991
Net Position	<u>\$ 76,780</u>	<u>\$ 47,730</u>	<u>\$ 50,001</u>	<u>\$ -</u>	<u>\$ 74,509</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Storm Grove Middle School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Athletics	\$ 39,133	\$ 18,998	\$ 23,256	\$ -	\$ 34,875
Music	2,295	3,703	2,749	-	3,249
Classes	18,882	12,131	11,632	(2,792)	16,589
Clubs	18,886	10,133	9,659	(2,147)	17,213
Departments	6,972	8,512	7,695	2,792	10,581
Trusts	14,752	15,064	17,145	4,873	17,544
General	22,757	21,935	16,329	(2,726)	25,637
Net Position	<u>\$ 123,677</u>	<u>\$ 90,476</u>	<u>\$ 88,465</u>	<u>\$ -</u>	<u>\$ 125,688</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Sebastian River High School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Athletics	\$ 69,384	\$ 258,078	\$ 182,829	\$ (8,783)	\$ 135,850
Music	18,236	15,241	20,998	-	12,479
Classes	21,837	43,436	35,733	9,149	38,689
Clubs	36,616	34,513	30,741	(1,018)	39,370
Departments	26,504	27,508	19,964	2,175	36,223
Trusts	26,366	23,875	21,458	(1,422)	27,361
General	19,444	8,024	4,920	(101)	22,447
Net Position	<u>\$ 218,387</u>	<u>\$ 410,675</u>	<u>\$ 316,643</u>	<u>\$ -</u>	<u>\$ 312,419</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Vero Beach High School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Athletics	\$ 59,519	\$ 236,665	\$ 222,972	\$ 37	\$ 73,249
Music	16,640	10,384	14,634	220	12,610
Classes	85,683	64,581	44,406	(264)	105,594
Clubs	48,944	37,715	38,198	(4,076)	44,385
Departments	38,600	66,697	53,346	(365)	51,586
Trusts	12,936	41,959	19,782	2,296	37,409
General	32,915	15,882	28,084	2,152	22,865
Net Position	<u>\$ 295,237</u>	<u>\$ 473,883</u>	<u>\$ 421,422</u>	<u>\$ -</u>	<u>\$ 347,698</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Alternative Center for Education

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Trusts	\$ 1,135	\$ 1,700	\$ 1,039	\$ -	\$ 1,796
General	761	601	600	-	762
Net Position	\$ 1,896	\$ 2,301	\$ 1,639	\$ -	\$ 2,558

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Treasure Coast Technical College

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Trusts	\$ 88,937	\$ 364,105	\$ 316,300	\$ -	\$ 136,742
General	26,311	584,191	585,695	-	24,807
Net Position	<u>\$ 115,248</u>	<u>\$ 948,296</u>	<u>\$ 901,995</u>	<u>\$ -</u>	<u>\$ 161,549</u>

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

Wabasso School

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Trusts	\$ 6,153	\$ 800	\$ 1,619	\$ -	\$ 5,334
General	41,053	10,860	8,223	-	43,690
Net Position	\$ 47,206	\$ 11,660	\$ 9,842	\$ -	\$ 49,024

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

Schedule of Changes in Fiduciary Net Position

June 30, 2021

County Office

	Net Position July 1, 2020	Additions	Deductions	Transfers, net	Net Position June 30, 2021
Departments	\$ 5,921	\$ 182	\$ 513	\$ -	\$ 5,590
Trusts	17,158	24,476	25,553	-	16,081
General	1,475	79	250	-	1,304
Net Position	<u>\$ 24,554</u>	<u>\$ 24,737</u>	<u>\$ 26,316</u>	<u>\$ -</u>	<u>\$ 22,975</u>



**Berger, Toombs, Elam,
Gaines & Frank**

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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, 2021 and have issued our report thereon dated October 15, 2021.

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
Certified Public Accountants PL
Fort Pierce, Florida

October 15, 2021

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 our examination of bank reconciliations, we noted several schools with stale dated checks over 90 days old. We recommend that these checks be voided and reissued or otherwise handled to remove them from the bank reconciliation.
5. 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.

School Board of Indian River County, Florida
June 30, 2021

Beachland Elementary School

Unless noted below, the fiscal year June 30, 2020 findings were corrected.

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

School Board of Indian River County, Florida
June 30, 2021

Citrus Elementary School

Except where noted below, the fiscal year June 30, 2020 findings were corrected.

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

Dodgertown Elementary School

Except as noted below, the fiscal year June 30, 2020 findings were corrected.

During our test of receipts, we noted the following:

1. In two instances, monies collected were not receipted in School Funds Online by the next business day as required by Chapter 5, Section D(1) of the *Internal Accounts Procedures Manual*.
2. In two instances, a letter was not sent to the School Board office for grants or donations received over \$1,000 as required by Chapter 23, Section A of the *Internal Accounts Procedures Manual*.
3. A check dated May 14, 2021 was received in the front office and placed in the safe while the bookkeeper was quarantined. A receipt was not issued and the check was not deposited until June 2, 2021. This appears to be in violation of Chapter 5, Section D(1) of the *Internal Accounts Procedures Manual*, which requires that monies received be deposited no later than the next business day.

Our test of disbursements noted the following:

1. In one instance, a purchase order was not initially provided. Subsequently, a purchase order was provided with a January 8, 2021 date, although it appears the purchase order was not printed and signed until July 27, 2021. Chapter 6 A(2) of the *Internal Accounts Procedures Manual* requires that purchase orders be printed, posted, and approved prior to purchasing items.
2. The school received a grant and purchased power poles. We noted no documentation to support the prior approval of the Superintendent or his designee as required by Chapter 7, Section C(9) of the *Internal Account Procedures Manual*. Furthermore, a fixed asset form was not completed at the time of purchase, the form was not prepared until July 28, 2021, after it was requested by us the day of testing. Chapter 8, Section A(2)(a) of the *Internal Accounts Procedures Manual* requires that the fixed asset form be completed when fixed assets are purchased or recorded as a donation.

Fellsmere Elementary School

Except as noted below, the fiscal year June 30, 2020 findings were corrected.

We noted the following during our tests of disbursements:

1. In one instance, we were unable to determine if a purchase order was created timely. We also were unable to determine if sales tax was paid for a purchase of items that were available for resale.

Glendale Elementary School

Except as noted below, the fiscal year June 30, 2020 findings were corrected.

During our test of receipts, we noted the following:

1. In one instance, the documentation provided did not include an approved fundraising form.
2. We noted one instance where a deposit did not include documentation to support the amount deposited. Furthermore, prenumbered receipts, monies collected forms or cash verification forms were not provided to support the deposit amount.

We noted the following during our tests of disbursements:

1. In two instances, a purchase order was prepared after the purchase was made or fundraising event took place, in violation of Chapter 6, Section B(2)(b) of the *Internal Accounts Procedures Manual*.

Indian River Academy School

Except as noted below, the fiscal year June 30, 2020 findings were corrected.

During our test of disbursements, we again noted the following:

1. The purchase order for a fundraiser (book fair) was not prepared until after the event took place. Chapter 6, Section B(2)(b) of the *Internal Accounts Procedures Manual* states that the purchase order with an estimated amount should be issued in advance of the date of the fundraiser.

Liberty Magnet Elementary School

Except as noted below, the fiscal year June 30, 2020 findings were corrected.

During the test of transfers we noted the following:

1. Funds were transferred from the Principal Discretionary Account to the Grade 5 account to cover a negative balance. Chapter 8, Section I(10) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" requires that purchases from internal accounts shall not exceed the resources of the applicable student activity project account.
2. An inactive trust account was transferred to the Principal Discretionary Account. In accordance with Chapter 9, Section A(3) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools,*" when the purpose of the trust has been accomplished, any unused funds of the trust are to be transferred to the General Account and used for the benefit of the entire student body.

School Board of Indian River County, Florida
June 30, 2021

Osceola Magnet Elementary School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of disbursements, we noted the following:

1. We again noted, two instances, that the purchase order was dated after the invoice date in violation of Chapter 6 Section A (2) of the *Internal Accounts Procedures Manual*.

Pelican Island Elementary School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of receipts, we noted the following:

1. In one instance, monies received from a video competition award were posted to an account titled "office supplies." We do not believe that this account is in compliance with Chapter 8, Section 2.5 of the Financial and Program Cost Accounting and Reporting for Florida Schools as "office supplies" indicates an operating expense and not an account for the general welfare of the student body.

During our test of disbursements, we noted the following:

1. In two instances, the purchase order was prepared after the fundraising event and/or order was placed. In accordance with Chapter 6, Section B(2)(b) a purchase order for an estimated amount should be issued in advance of the date of the fundraiser, for example book fairs or candle sales.

Rosewood Magnet School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of receipts, we noted the following:

1. Again in one instance, the support documentation did not include an activity form as required by Chapter 30, *Internal Accounts Procedures Manual*.
2. Again in one instance, the support documentation provided did not support that the proper amount was received for yearbook sales.
3. In two instances, the support documentation provided did not indicate the date checks were received so we were unable to determine if they were deposited timely in accordance with 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. In three instances, a purchase order was not prepared before the items were ordered as required by Chapter 6 (A)(2) of the *Internal Accounts Procedures Manual*.
2. In one instance, the support documentation provided did not indicate prior approval for a P-Card purchase as required by Chapter 6, Section C(3)(a) of the *Internal Accounts Procedures Manual*. Furthermore, the purchase appeared to have been split between purchasing cards to circumvent the daily limit on the purchasing card in violation of Chapter 6 C(2) of the *Internal Accounts Procedures Manual*.

School Board of Indian River County, Florida
June 30, 2021

Sebastian Elementary School

Except as noted below, the June 30, 2020 findings were corrected.

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

Treasure Coast Elementary School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of disbursements, we noted the following:

1. In one instance, a purchase order for payroll expenses was prepared after the services were rendered. Chapter 6, Section A(2) of the *Internal Accounts Procedures Manual* states that purchase orders should be printed, posted, and approved prior to incurring the expense.
2. Chapter 6, Section B(2)(b) of the *Internal Accounts Procedures Manual* requires that a purchase order with an estimated amount be issued prior to the date of the fundraiser. A purchase order for book fair costs was prepared after the invoice was received.

School Board of Indian River County, Florida
June 30, 2021

Vero Beach Elementary School

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

Gifford Middle School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of disbursements, we noted that one purchase order was created after the services for game officials was received. Chapter 7, Section D(2)(c) of the Internal Accounts Procedures Manual indicates that a blanket purchase order can be issued for officials for each sport. The purchase order documentation should include the beginning and end of the season, a schedule of games, and the maximum amount authorized per game. The purchase order must be approved by the principal.

Oslo Middle School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of receipts, we noted the following:

1. In all instances tested, monies collected outside the front office 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. In one instance, the monies submitted to the bookkeeper for deposit did not equal the total for the receipts provided. Chapter 8, Section III 1.4d. of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" requires that all deposits must equal the amount taken in and recorded on receipts for the period covered by the deposit. Furthermore, the documentation indicated that the difference was money due to a staff member. Chapter 7 of the *Internal Accounts Procedures Manual* states that loans are restricted expenditures and should not be made.
3. In one instance, school picture monies received was recorded in the yearbook account in violation of Chapter 3(h) of the *Internal Accounts Procedures Manual* that states the proceeds from school pictures must always benefit students and cannot be redirected to any other account. In addition, Chapter 25 A(3) of the *Internal Accounts Procedures Manual* states that yearbook transactions are to be accounted for within a separate yearbook account.

During our test of disbursements, we noted the following:

1. In one instance, the support documentation for a reimbursement for over \$250 did not include support that prior approval was obtained. Chapter 7 A(7) of the *Internal Accounts Procedures Manual* indicates that reimbursement without prior approval should not exceed \$250.
2. The support documentation for one disbursement included a check requisition and not a purchase order. Chapter 6 A(3) of the *Internal Accounts Procedures Manual* states that a check requisition may be used to pay expenses when the use of a purchase order is not feasible, such as reimbursements. We believe that this disbursement did not meet the exception for using a check requisition.

School Board of Indian River County, Florida
June 30, 2021

Sebastian River Middle School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of disbursements, we again noted two instances where purchase orders were not prepared. Chapter 6 A(2) of the *Internal Accounts Procedures Manual* requires that purchase orders be prepared and approved prior to ordering items.

Storm Grove Middle School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of receipts, we noted two instances where monies collected outside of the office were not turned in to the bookkeeper the next business day as required by Chapter 8, Section III 1.4b of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*."

Furthermore, in one of the receipts noted above, a portion of the deposit should have been recorded to the General Account instead of the account credited. Also, the support documentation for this receipt totaled more than the deposit amount. Chapter 8, Section III 1.4d of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" requires that all deposits must equal the total monies collected.

During our test of disbursements, we noted the following:

1. Again 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. The support documentation for one disbursement included a check requisition and not a purchase order. Chapter 6 A(3) of the *Internal Accounts Procedures Manual* states that a check requisition may be used for pay expenses when the use of a purchase order is not feasible, such as reimbursements. We believe that this disbursement did not meet the exception for using a check requisition.

Sebastian River High School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of receipts, we noted the following:

1. Again in one instance, 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. A single receipt was provided of the sale of shirts and the name on the receipt indicates it was a class of the school. An individual receipt should be issued for each customer if the sales price was \$20 or more. Other documentation, such as a monies collected form, could be used if the sale price was less than \$20. We refer you to Chapter 5 A(1)(a-b) of the *Internal Accounts Procedures Manual* for the Board policy on receipts.
3. In one instance, the support documentation for the sale of prom tickets was a cash verification form and the required information was not included. Chapter 5 A(3)(a) of the *Internal Accounts Procedures Manual* indicates that a separate receipt is not required for items sold if an inventory record of the items sold is maintained showing the amount purchased, sold, and remaining. A summary report in spreadsheet format should be maintained and included with the deposit.

During our test of disbursements, we noted the following:

1. In one instance, a purchase order was not changed and approved by the principal when the actual purchase was more than 10% greater than the amount of the purchase order as required by Chapter 6 A(2) of the *Internal Accounts Procedures Manual*.
2. In two instances, the support documentation for operating expense type purchases did not indicate District operating funds were not available as required by Chapter 8, Section III 3.5 of "*Financial and Program Cost Accounting and Reporting for Florida Schools*."
3. In one instance, the support documentation for the repair of the baseball scoreboard did not include the approval of the Superintendent or his designee as required by Chapter 7 C(9) of the *Internal Accounts Procedures Manual*.
4. In one instance, the purchase order related to the payment for fall athletic transportation was not created until the bill was processed for payment in violation of Chapter 6 A(2) of the *Internal Accounts Procedures Manual*.

Vero Beach High School

Except as noted below, the June 30, 2020 findings were corrected.

During our test of disbursements, we noted the following:

1. In one instance, repairs to the gymnasium were paid from the Parking Decals account. Chapter 3 C(h) of the *Internal Accounts Procedures Manual* states that proceeds from the sale of parking decals are to be used for related parking program expenses, or the proceeds may also be used for school educational purposes to benefit students. Up to 25 percent of parking decal proceeds can be transferred to the Staff Benefit and Recognition account if approved on a Fundraiser/Activity Form. Finally, excess funds at year end may be transferred to the General Activities Account. The repairs to the gymnasium expense does not comply with the above referenced section of the *Internal Accounts Procedures Manual*. Furthermore, the support documentation provided did not indicate prior approval by the Superintendent or his designee as required by Chapter 7 C(9) of the *Internal Accounts Procedures Manual*.
2. In one instance, the support documentation originally provided did not include the W-9 as required by Chapter 7 D(2)(a) of the *Internal Accounts Procedures Manual*. Additionally, the W-9 we were subsequently provided did not appear to have been prepared by the independent contractor, nor did it appear that it had been prepared in a timely manner.

School Board of Indian River County, Florida
June 30, 2021

Alternative Center for Education

Except as noted below, the June 30, 2020 findings were corrected.

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

School Board of Indian River County, Florida
June 30, 2021

Treasure Coast Technical College

Except as noted below, the June 30, 2020 findings were corrected.

General

Tuition activity is reported in an 8000 internal account number. This activity should have been reported in a 6000-trust account as monies collected are remitted to the School Board operating funds. We recommend that this practice be reviewed to ensure compliance with Chapter 8, *“Financial and Program Cost Accounting and Reporting for Florida Schools.”* Chapter 8, Section 2.4e of the above referenced manual states that collections such as adult matriculation and tuition fees should be accounted for in a trust account.

The reports originally provided did not agree with the final trial balance amounts. After several inquiries, we obtained the appropriate reports to reconcile to the trial balance.

School Board of Indian River County, Florida
June 30, 2021

Wabasso School

We noted one disbursement from the General Activities account that appeared to benefit students, faculty and staff. Chapter 3 C(h) of the *Internal Accounts Procedures Manual* states that the General Accounts should be used for the benefit of the student body.

Internal Account – District Office

Except as noted below, the June 30, 2020 findings were corrected.

During our test of disbursements, we noted the following:

1. In one instance, an amount was paid out of the General Activities account for certain costs related to a retiree dinner in violation of Chapter 3 C(h) of the *Internal Accounts Procedures Manual*, which states that General Accounts should be used for the benefit of the student body. Furthermore, we do not believe that this event had a public purpose.

Responses to Management Letter



Aretha Vernette
Principal



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



Kristen Racine
Assistant Principal

October 12, 2021

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

Dear Mr. Fagan,

Subject: 2020-21 Audit Response – Dodgertown Elementary – 0151

RECEIPTS

1. The money was receipted when I returned to work following quarantine.
2. I failed to send a memo requesting approval for the grant money because I was not aware the grant money was treated the same as a donation.
3. The check in question was put in the safe by the principal due to my absence. I was out on quarantine. Supporting documentation was submitted to the auditor. Upon my return the check was receipted and deposited.

DISBURSEMENTS

1. The purchase order was created and printed in January. However, at my audit the auditor requested the po. I couldn't locate the original purchase order due to my office move and I had also transferred to another school site. When the auditor requested the po I reprinted the po which was July 27th (the audit date).
2. I was not aware that there was a form for fixed assets.

Respectfully,

Lavette Ponders
Administrative Assistant – Oslo Middle

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

Jennifer Alderton
Assistant Principal

Memorandum

To: Ronald Fagan, Chief Financial Officer
From: Ramon Echeverria, Principal at Fellsmere Elementary
Date: September 27, 2021
Subject: Response to the Internal Account Audit on School Year 2020-2021

Disbursements #1

The disbursement of Check #8112 and issued on 11/3/2020 did not have a suitable invoice backup for the distribution of funds for determining that the purchase order was done in a timely manner. The check was distributed on a quote estimate dated 10/11/2020. In the future, we will make sure that a suitable backup is used.

Ramon Echeverria
Principal, Fellsmere Elementary School

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

9/29/2021

Ronald Fagan,

After reviewing your findings for the 2020-2021 school year and going back over our records, we do agree with the following findings

1. In one instance, the documentation provided did not include an approved fundraising form
2. We noted one instance where a deposit did not include documentation to support the amount deposited. Furthermore, prenumbered receipts, monies collected forms or cash verification forms were not provided to support the deposit amount.
3. In two instances, a purchase order was prepared after the purchase was made or fundraising event took place, in violation of Chapter 6, Section B(2)(b) of the *Internal Accounts Procedures Manual*.

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 be sure to have documentation included with deposit. This includes any receipts, monies collected forms or cash verification forms.

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



Indian River Academy

of Aerospace and Robotics



Kelly Good, Principal

Jayde Norwood, Assistant Principal

500 20th Street SW, Vero Beach, FL 32962 Phone: 772-564-3390
September 28, 2021

Dear Mr. Fagan:

This letter is the response to our audit finding.

As stated to the auditor upon her visit, Follett Book Fairs is not a cash back fund raiser. They calculate all sales, including credit cards, which they process. After all calculations they determine how many "free books" we will get, and the dollar amount we will then owe.

Estimating a dollar amount under those circumstances is difficult enough, it was also a Covid year, with only half of our students on campus. That also made it difficult to estimate a dollar amount from previous years.

The auditor stated that she would explain this to her boss and that the finding would most likely be removed. Mrs. Gioffre offered supporting materials but was told it wasn't necessary.

We have reviewed the finding and discussed how to proceed in the future.

We will not be having any book fair fund raisers this school year.

Sincerely,

Kelly Good

Principal

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

Memorandum

To: Ronald Fagan, Chief Financial Officer, SDIRC
From: Takeisha Harris, Principal, Liberty Magnet School
Date: October 4, 2021
Subject: Response to the 2020-2021 Internal Accounts Audit

Please see responses below to the 2020-2021 Internal Accounts Audit findings, where during the test of transfers, the following was noted:

1. Funds were transferred from the Principal Discretionary Account to the Grade 5 account to cover a negative balance.

Response: In the future, we will require that purchases from internal accounts do not exceed the resources of the applicable student activity project account.

2. An inactive trust account was transferred to the Principal Discretionary Account.

Response: In the future, any unused funds of a trust will be transferred to the General Account and used for the benefit of the entire student body when the purpose of the trust has been accomplished.

Please note that our current Administrative Assistant to the Principal began her duties on July 1, 2021.

OSCEOLA MAGNET ELEMENTARY SCHOOL



School District of Indian River County
1110 18th Ave. SW • Vero Beach, Florida, 32962 • (772) 564-5821



Chadwick Bacon, Ed. D.
Principal

Natalie Ern, Ed. S.
Assistant Principal

TO: School Board of Indian River County

FROM: Dr. Chadwick Bacon

DATE: October 4, 2021

SUBJECT: 2020 – 2021 Internal Account Audit

This is in response to the auditor's observations, comments and/or findings related to Osceola Magnet Elementary School for the Internal Accounts Audit performed for the fiscal year ending June 30, 2021.

There was one finding; two instances that the purchase order was dated after the invoice date in violation of Chapter 6 Section A (2) of the *Internal Accounts Procedures Manual*. In the future a purchase order will be created at the time of contract.

Sincerely,

Chadwick Bacon, Ed. D.

EXPLORERS OF MATHEMATICS AND ENGINEERING

Pelican Island Elementary School

1355 Schumann Drive, Sebastian, Florida 32958
Telephone: (772) 564-6500 Fax: (772) 564-6493

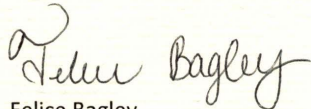
September 30, 2021

To Whom It May Concern,

Pelican Island Elementary acknowledges receipt of the audit findings for 2020-21 school year. We work hard to follow all purchasing procedures, however, without intent, made errors in our receipts and disbursements of our Internal Accounts.

We have discussed these errors and will continue to strive to follow policies as it pertains to posting funds to the appropriate accounts as well as preparing Purchase Orders for an estimated amount prior to the event and/or receipt of an invoice. Our bookkeeper will work closer with those involved in entering into yearbook contracts and other purchases requiring prior approval and to have no findings in future audits.

Sincerely,



Felice Bagley
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

9/30/21

Dear Mr. Fagan,

After reviewing your findings for the 2020-2021 school year and going back over our records, we cannot dispute the following findings:

1. In one instance the support documentation did not include an activity form.
2. In one instance the support documentation did not support that the proper amount was received for yearbook sales
3. In two instances, the support documentation did not indicate the date the checks were received so you were unable to determine if they were deposited timely.
4. In three instances a purchase order was not prepared before the items were ordered.
5. In one instance the support documentation did not indicate prior approval for a P-card purchase. Also, the purchase appeared to have been split between cards to circumvent the daily limit on purchase cards.

In the future, we will ensure all processes and procedures are followed.

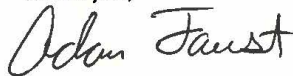
We will ensure and activity form is completed for each activity.

We will ensure supporting documentation includes the proper amounts, includes the date checks were received and includes prior approval for purchases.

We will ensure purchases are proper on any given day and that daily limits are followed.

We will ensure all purchase orders are prepared before items are order.

Thank you,



Adam Faust, Principal
Rosewood Magnet School

Treasure Coast Elementary

8955 85th Street • Sebastian, FL 32958 • (772) 978-8510 • Fax (772) 978-8503

Scott Simpson
Principal

Susan S. Del Tufo
Assistant Principal

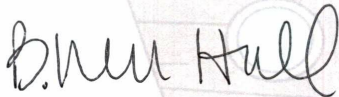
September 27, 2021

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. This item described issuing a purchase order for payroll expenses after services were rendered. This payroll was created after hours worked were logged in and complete.
**** Our corrective action plan assures that a PO will be issued before Garden Club commences and will be based on the average for the previous year's payroll expense.
2. This finding was for Book Fair fundraiser expense. I entered the PO after book fair ended and was reconciled.
**** Our corrective action plan moving forward includes entering a PO when Book Fair activity form is filled out and scheduled based on last year's receipt totals.

Sincerely,



Barbara Negreira-Harrell
Administrative Assistant to Principal



"Our Children, Our Treasures"

School District of Indian River County

Gifford Middle School

Ms. Tosha Jones
Principal

Mr. Jeremy Szaichler
Assistant Principal

Mrs. Tisa Blidgen
Assistant Principal

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. Saphir Verne-Saint Louis
School Counselor

Kristina Browning
Resource Specialist

August 4, 2021

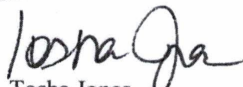
Mr. Ronald Fagan
Chief Financial Officer
School District of Indian River County
6500 57th Street
Vero Beach, FL 32967

Dear Mr. Fagan:

Subject: 2020-2021 Audit Response-Gifford Middle School

Ms. Delisa was following bookkeeping procedures from previous years and had not been audited on this policy previously. In the future a blanket purchase order will be used for Treasure Coast Officials.

Respectfully,


Tosha Jones
Principal



TOGETHER WE MAKE OUR SCHOOL A SUCCESS



OMS
Oslo Middle School
Mr. Eddie Robinson - Principal

August 4, 2021

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

Dear Mr. Fagan:

Subject: 2020-2021 Audit Response-Oslo Middle School

Our bookkeeper was working special hours due to COVID so sometimes it was difficult for money to be turned in within the time frame.

We have a new bookkeeper at Oslo Middle School this year, she will be working with the teachers and staff to ensure that all policies and procedures are followed.

Respectfully,

Eddie Robinson

Principal

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

October 6, 2021

Mr. Ronald Fagan,

This memo is in response to the Internal Accounts audit for the fiscal year ended June 30, 2021.

Finding 1: Our tests of disbursements noted the following:

We again noted two instances where purchases orders were not prepared. 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 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

Mr. Fagan,

Please except the following response to the audit finds:

Receipts

#3615 - The checks and cash were collected after 4 days from the sales in the school store that week. The money and roster will be collected each day and receipted that day. This matter will not happen in the future. I will be explaining this to the volunteer moms in our school store.

#3732 – The monies collect from our Scholastic Book Fair was not turned in the next business day. This will not happen in the future. I will explain this to the new Media teacher.

Disbursements

#4210 - A PO and quote will be created in the future and the sponsor/teacher will sign the PO when Items are delivered so the invoice can be paid.



School District of Indian River County

SEBASTIAN RIVER HIGH SCHOOL

9001 Shark Boulevard • Sebastian, Florida 32958

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

October 5, 2021

Ronald Fagan
Chief Financial Officer
School District of Indian River County

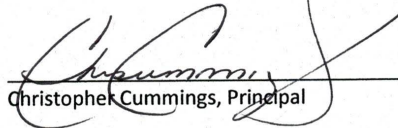
RE: Internal Accounts Audit Response

Receipts:

1. The proper procedures were followed on campus and the check was receipted within the appropriate guidelines.
2. A Monies Collected Form or a Cash Verification Form will be used in the future, so shirt sales are not combined into one receipt.
3. A list of all students who purchased a ticket, along with beginning and ending ticket dates will be collected for any future events.

Disbursements:

1. The principal or assigned designee will approve all increases in Purchase Orders.
2. If District funds are available, it will be noted on the purchase order.
3. Approval from the Superintendent will be requested for any facility repairs or purchases.
4. Purchase orders for all athletic transportation will be opened at the beginning of the school year, to prevent any date issues.


Christopher Cummings, Principal

"You Can't Hide That Shark Pride"

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

Madison Cama • Stephanie Walters Cleveland • Aleida Gamez • Natasha Greene • Stephanie Miles • Kim O'Keefe
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

Audit Response 2020-2021

Vero Beach High School

During our test of disbursements, we noted the following:

1. In one instance, repairs to the gymnasium were paid from the Parking Decals account. Chapter 3 C(h) of the *Internal Accounts Procedures Manual* states that proceeds from the sale of parking decals are to be used for related parking program expenses or the proceeds may also be used for school educational purposes to benefit students. Up to 25 percent of parking decal proceeds can be transferred to the Staff Benefit and Recognition account if approved on a Fundraiser/Activity Form. Finally, excess funds at Year end may be transferred to the General Activities Account. The repairs to the gymnasium expense does not comply with the above referenced section of the *Internal Accounts Procedures Manual*. Furthermore, the support documentation provided did not indicate prior approval by the Superintendent or his designee as required by Chapter 7 C(9) of the *Internal Accounts Procedures Manual*.

***RESPONSE:**

The improvements of paint and murals to the gymnasium were for areas of high level student usage to improve school culture, but in the future we will ensure that we receive the approval from the Superintendent after the transfer of funds have been relocated to the General Fund.

2. In one instance, the support documentation originally provided did not include the W-9 was required by Chapter 7 D(2)(a) of the *Internal Accounts Procedures Manual*. Additionally, the W-9 we were subsequently provided did not appear to have been prepared by the independent contractor, nor did it appear that it had been prepared in a timely manner.

***RESPONSE:**


The said vender was originally set up in SFO for student meal money and a W-9 form was not required for this transaction. Once she became a Head Coach, she obtained a Supplement. At this time, she was already in the SFO system and there was a very large time gap from the first payment, I didn't think about getting a copy of her W-9 to file in my office. Had I realized the W-9 form should have been attached to each vender, I certainly would have had it ready for you prior to the Audit.

When Janet temporarily left the Audit meeting to process a receipt for a student, she approached the Athletic Secretary and asked her if she had a copy of the W-9 form. (She always keeps a copy for all the athletic Coaches.)

As soon as I walked out of the Audit Meeting at its closure, I noticed the copy of the W-9 form that she placed on my desk and immediately handed it to you while you were walking by my office on your way out.



Bookkeeper's signature



Principal's signature

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



September 29th, 2021

RE: Internal audit findings

SDIRC

Mr. Ronald Fagan,

The 8000 account lines were used for TCTC revenue. This revenue gets sent to the SDIRC for TCTC.

We have created new 6XXX trust accounts to replace all the 8XXX accounts. We will no longer be using the 8XXX accounts.

We are currently working on a process to check the reports weekly. We have put in place a monthly call with Focus and other school district finance team members. These meetings will help to ensure our reports match our trail balance.

A handwritten signature in blue ink, which reads 'Christi Shields'. The signature is fluid and cursive, with the first name 'Christi' being more prominent than the last name 'Shields'.

Christi A. Shields, M.Ed

Principal

Treasure Coast Technical College

Christi.shields@indianriverschools.org

4680 28th Court • Vero Beach, Florida 32967
Phone: 772-564-4970 • Fax: 772-564-4994
Website: www.indianriverschools.org/tctc

WABASSO SCHOOL



Chris Kohlstedt, Principal

8895 U.S. Hwy 1, Sebastian, Florida 32958

(772) 978-8000

Date: 9/30/2021

To: Finance Department

From: Christopher Kohlstedt, Principal *CK*

Regarding: Wabasso 2020-2021 Internal Accounts Audit Findings

In response to the audit finding for Wabasso School Internal Account audit for the fiscal year ending June 30, 2020, please note the following response and action plan:

- **Finding:** "We noted one disbursement from the General Activities account that appeared to benefit students, faculty, and staff. Chapter 3C(h) for the *Internal Accounts Procedure Manual* states that the General Activities should be used for the benefit of the student body."
- **Response:** We provide shirts to all students from grades K- age 22 (special needs school with adult students) at the beginning of the year free of charge. We also do a yearly fundraiser for spirit shirts that we do resell. Our process has been, when we purchase at the beginning of the year, we do one PO for all students with additional items to provide shirts for the fundraiser, so when a parent/guardian or community partner wants to purchase one we will already have the inventory.
- **Plan of action:** If shirts are provided to staff, it will come out of the principal discretionary or the staff recognition fund. Going forward the PO will note the different accounts.

Should you require additional information please feel free to contact us at 772-978-8000.

Chris Kohlstedt, Principal



School District of Indian River County

6500 57th Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-564-3054

David K. Moore, Ed.D. - Superintendent

Date: October 09, 2021
To: Ronald Fagan, Chief Financial Officer
From: Yarizel Cantu, Staff Accountant
Regarding: *Response to 2020-2021 Internal Accounts Audit Findings for District Administration Building*

Mr. Ronald Fagan,

Please accept the following responses to the 2020-2021 Internal Account Audit findings for the District Administration Building.

Disbursements:

- 1. In one instance, an amount was paid out of the General Activities account for certain costs related to a retiree dinner in violation of Chapter 3 C(h) of the Internal Accounts Procedures Manual, which states that General Accounts should be used for the benefit of the student body. Furthermore, we do not believe that this event had a public purpose.**

In this instance, two-hundred and fifty dollars from the District Office Internal General Account were used to cover a portion of a retiree dinner hosted by the Communications Department when the invoice received was priced higher than the quote. At the time, it was determined that the \$250 portion of the invoice was an appropriate expense from this account because the District Office does not have a "student body." The corrective actions the District Office will undertake are the following:

1. As advised by the auditor, the District Office General Account will be eliminated.
2. The remaining funds in the General Account will be transferred to three separate trust accounts and each will be given a specific purpose.
3. The Internal Accounts Manual will be amended to include guidelines on how the District Office Internal Account should handle inactive trust accounts in the future.

Sincerely,


Yarizel Cantu, Staff Accountant

Dr. Mara Schiff • Jacqueline Rosario • Dr. Peggy Jones • Teri L. Barenborg • Brian M. Barefoot
District 1 District 2 District 3 District 4 District 5

Transforming education to inspire & empower ALL students to maximize their full potential.
Equal Opportunity Educator and Employer