

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

**FINANCIAL STATEMENTS**

**June 30, 2018**

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

**FINANCIAL STATEMENTS**

**June 30, 2018**

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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, 2018, 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, 2018, in conformity with accounting principles generally accepted in the United States of America.

**Emphasis of a Matter**

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

**Other Matters**

*Other information*

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

School Board of Indian River County, Florida  
Internal Accounts

**Other Reporting Required by Government Auditing Standards**

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



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

March 25, 2019

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

**Statement of Fiduciary Net Position**

**June 30, 2018**

ASSETS

Cash and equivalents	\$ 1,313,452
Accounts receivable	7,056
Inventory	39,758
Total Assets	<u>\$ 1,360,266</u>

LIABILITIES

Accounts payable	\$ 119,326
Assets held for others	1,240,940
Total Liabilities	<u>\$ 1,360,266</u>

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

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

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Bases of Presentation

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

Basis of Accounting

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

Inventory

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

Cash and Investments

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

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

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



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

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2018**

**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, 2018, the bank balance for all schools totaled \$784,204 and the carrying value was \$728,045.

Cash and Investments

Deposits with Financial institutions	\$ 728,045
Invested with State Board of Administration Florida Prime	<u>585,407</u>
	<u>\$ 1,313,452</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 \$585,407 at June 30, 2018 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 30 days at June 30, 2018.

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, 2018**

**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, 2018, the School Board of Indian River County, Florida does not hold any investments subject to the fair value hierarchy.



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statement of fiduciary net position of the School Board of Indian River County, Florida Internal Accounts (the "Internal Accounts") as of June 30, 2018, have issued our report thereon dated March 25, 2019. Our report on the financial statement included a paragraph explaining that the financial statement includes only the fiduciary net position of the Internal Accounts and does not include other fiduciary net position of the Indian River District School Board (the "District").

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered School Board of Indian River County, Florida Internal Accounts' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of School Board of Indian River County, Florida Internal Accounts' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Internal Accounts' internal control over financial reporting.

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

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

Fort Pierce / Stuart

School Board of Indian River County, Florida  
Internal Accounts

**Compliance and Other Matters**

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

**Purpose of this report**

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



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

March 25, 2019

**SUPPLEMENTAL FINANCIAL STATEMENTS**

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Beachland Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 159	\$ 432	\$ 438	\$ -	\$ 153
Classes	565	30,037	29,090	32	1,544
Clubs	896	32,227	32,674	149	598
Departments	6,426	4,921	1,851	-	9,496
Trusts	18,241	17,743	27,120	(267)	8,597
General	12,531	13,782	12,981	86	13,418
Total cash	<u>\$ 38,818</u>	<u>\$ 99,142</u>	<u>\$ 104,154</u>	<u>\$ -</u>	33,806
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 33,806</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Citrus Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Athletics	\$ 23	\$ -	\$ 15	\$ -	\$ 8
Classes	11,587	44,321	47,496	(96)	8,316
Clubs	3,234	353	584	(1,189)	1,814
Departments	5,140	3,276	5,524	900	3,792
Trusts	5,917	10,005	11,476	1,106	5,552
General	7,722	17,835	18,344	(721)	6,492
<b>Total cash</b>	<b>\$ 33,623</b>	<b>\$ 75,790</b>	<b>\$ 83,439</b>	<b>\$ -</b>	<b>25,974</b>
Inventory					67
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 26,041</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Dodgertown Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 345	\$ 256	\$ 60	\$ (182)	\$ 359
Classes	2,064	4,761	3,082	20	3,763
Clubs	253	-	100	-	153
Departments	5,413	10,104	3,498	-	12,019
Trusts	2,601	2,706	2,971	199	2,535
General	1,200	10,148	4,352	(37)	6,959
Total cash	<u>\$ 11,876</u>	<u>\$ 27,975</u>	<u>\$ 14,063</u>	<u>\$ -</u>	25,788
Inventory					230
Accounts receivables					-
Accounts payable					<u>(1,395)</u>
Assets held for others					<u>\$ 24,623</u>



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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Fellsmere Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 104	\$ 1,190	\$ 1,002	\$ -	\$ 292
Classes	7,265	44,185	43,259	(75)	8,116
Clubs	3	933	781	-	155
Departments	2,564	4,833	6,823	(24)	550
Trusts	6,183	12,997	11,737	150	7,593
General	3,833	1,771	2,439	(51)	3,114
Total cash	<u>\$ 19,952</u>	<u>\$ 65,909</u>	<u>\$ 66,041</u>	<u>\$ -</u>	19,820
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 19,820</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Glendale Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 19	\$ -	\$ -	\$ -	\$ 19
Classes	4,698	44,568	44,921	(401)	3,944
Clubs	269	-	-	-	269
Departments	6,182	10,793	10,367	-	6,608
Trusts	1,348	14,359	14,248	-	1,459
General	13,252	12,798	16,768	401	9,683
Total cash	<u>\$ 25,768</u>	<u>\$ 82,518</u>	<u>\$ 86,304</u>	<u>\$ -</u>	21,982
Inventory					1,833
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 23,815</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Indian River Academy Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 150	\$ -	\$ -	\$ -	\$ 150
Classes	1,504	20,868	19,347	(43)	2,982
Clubs	-	-	-	-	-
Departments	3,455	15	3,428	-	42
Trusts	3,316	5,514	6,193	(250)	2,387
General	6,397	5,116	6,959	293	4,847
<b>Total cash</b>	<b>\$ 14,822</b>	<b>\$ 31,513</b>	<b>\$ 35,927</b>	<b>\$ -</b>	<b>10,408</b>
Inventory					3,128
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 13,536</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Liberty Magnet Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 841	\$ 1,923	\$ 1,378	\$ 440	\$ 1,826
Classes	3,897	52,491	51,278	1,031	6,141
Clubs	1,558	9,721	9,979	(43)	1,257
Departments	8,142	23,065	26,468	4,265	9,004
Trusts	23,761	12,532	18,346	(2,963)	14,984
General	10,303	6,289	6,378	(2,730)	7,484
<b>Total cash</b>	<b>\$ 48,502</b>	<b>\$ 106,021</b>	<b>\$ 113,827</b>	<b>\$ -</b>	<b>40,696</b>
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<b>\$ 40,696</b>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Osceola Magnet Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 992	\$ 1,164	\$ 1,929	\$ 753	\$ 980
Classes	3,825	55,907	59,193	885	1,424
Clubs	2,152	11,880	13,648	(341)	43
Departments	10,317	8,687	15,775	2,186	5,415
Trusts	19,654	5,736	16,104	(3,762)	5,524
General	29,874	37,099	37,795	279	29,457
Total cash	<u>\$ 66,814</u>	<u>\$ 120,473</u>	<u>\$ 144,444</u>	<u>\$ -</u>	42,843
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 42,843</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Pelican Island Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 61	\$ -	\$ -	\$ -	\$ 61
Classes	2,612	32,180	31,927	235	3,100
Clubs	230	2,299	1,131	-	1,398
Departments	1,689	2,919	3,285	-	1,323
Trusts	6,344	11,921	9,018	1,034	10,281
General	10,908	13,253	12,704	(1,269)	10,188
Total cash	<u>\$ 21,844</u>	<u>\$ 62,572</u>	<u>\$ 58,065</u>	<u>\$ -</u>	26,351
Inventory					5,150
Accounts receivables					-
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 31,501</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Rosewood Magnet Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 252	\$ -	\$ 112	\$ -	\$ 140
Classes	8,161	80,650	81,525	6,425	13,711
Clubs	5,973	10,267	529	(9,867)	5,844
Departments	13,904	16,807	16,711	-	14,000
Trusts	6,204	4,148	4,552	422	6,222
General	13,235	14,101	12,625	3,020	17,731
<b>Total cash</b>	<b>\$ 47,729</b>	<b>\$ 125,973</b>	<b>\$ 116,054</b>	<b>\$ -</b>	<b>57,648</b>
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<b>\$ 57,648</b>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Sebastian Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 299	\$ 483	\$ 510	\$ -	\$ 272
Classes	5,101	6,252	6,093	(1,964)	3,296
Clubs	3,305	25,017	24,980	-	3,342
Departments	606	302	665	-	243
Trusts	7,414	4,089	4,007	1,000	8,496
General	12,258	9,968	10,924	964	12,266
<b>Total cash</b>	<b>\$ 28,983</b>	<b>\$ 46,111</b>	<b>\$ 47,179</b>	<b>\$ -</b>	<b>27,915</b>
Inventory					596
Accounts receivables					-
Accounts payable					-
Assets held for others					<b>\$ 28,511</b>



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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Treasure Coast Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 1,021	\$ 1,350	\$ 1,792	\$ -	\$ 579
Classes	4,294	76,698	75,949	(138)	4,905
Clubs	2,184	1,075	1,273	-	1,986
Departments	7,173	13,097	16,894	-	3,376
Trusts	5,363	10,985	10,465	-	5,883
General	12,923	15,275	14,283	138	14,053
Total cash	<u>\$ 32,958</u>	<u>\$ 118,480</u>	<u>\$ 120,656</u>	<u>\$ -</u>	30,782
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 30,782</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Vero Beach Elementary School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Music	\$ 449	\$ 25	\$ 126	\$ -	\$ 348
Classes	2,104	17,997	18,557	259	1,803
Clubs	361	5,625	5,438	32	580
Departments	1,418	117	-	-	1,535
Trusts	4,580	12,778	13,324	278	4,312
General	8,809	12,900	14,087	(569)	7,053
Total cash	<u>\$ 17,721</u>	<u>\$ 49,442</u>	<u>\$ 51,532</u>	<u>\$ -</u>	15,631
Inventory					925
Accounts receivables					-
Accounts payable					<u>-</u>
Assets held for others					<u>\$ 16,556</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Gifford Middle School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Athletics	\$ 25,004	\$ 52,114	\$ 70,032	\$ -	\$ 7,086
Music	6,236	3,303	4,590	-	4,949
Classes	8,567	16,124	11,487	-	13,204
Clubs	1,439	3,263	3,915	-	787
Departments	3,867	5,053	4,424	-	4,496
Trusts	8,985	31,720	32,422	(289)	7,994
General	21,445	8,913	16,785	289	13,862
<b>Total cash</b>	<b>\$ 75,543</b>	<b>\$ 120,490</b>	<b>\$ 143,655</b>	<b>\$ -</b>	<b>52,378</b>
Inventory					3,812
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 56,190</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Oslo Middle School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Athletics	\$ 10,109	\$ 12,364	\$ 10,503	\$ -	\$ 11,970
Music	1,878	4,268	4,013	-	2,133
Classes	1,759	26,245	24,289	(86)	3,629
Clubs	909	554	89	(427)	947
Departments	9,097	9,760	9,546	-	9,311
Trusts	3,007	6,529	5,407	(675)	3,454
General	5,493	13,878	13,753	1,188	6,806
<b>Total cash</b>	<b>\$ 32,252</b>	<b>\$ 73,598</b>	<b>\$ 67,600</b>	<b>\$ -</b>	<b>38,250</b>
Inventory					910
Accounts receivables					45
Accounts payable					<u>(4,297)</u>
Assets held for others					<u>\$ 34,908</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Sebastian River Middle School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Athletics	\$ 13,751	\$ 20,854	\$ 17,453	\$ -	\$ 17,152
Music	16,232	27,339	32,896	8	10,683
Classes	1,696	2,939	3,177	(1,159)	299
Clubs	3,581	6,432	6,302	(178)	3,533
Departments	10,097	6,079	10,248	-	5,928
Trusts	9,797	41,361	39,652	40	11,546
General	16,733	21,625	18,475	1,289	21,172
<b>Total cash</b>	<b>\$ 71,887</b>	<b>\$ 126,629</b>	<b>\$ 128,203</b>	<b>\$ -</b>	<b>70,313</b>
Inventory					5,031
Accounts receivables					-
Accounts payable					(7,181)
Assets held for others					<u>\$ 68,163</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Storm Grove Middle School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Athletics	\$ 44,250	\$ 40,423	\$ 48,561	\$ -	\$ 36,112
Music	2,824	15,649	14,095	-	4,378
Classes	6,521	47,119	34,159	(4,456)	15,025
Clubs	11,518	11,909	10,204	(191)	13,032
Departments	2,543	2,672	3,829	5,650	7,036
Trusts	1,537	17,451	18,015	2,696	3,669
General	24,278	21,705	20,797	(3,699)	21,487
<b>Total cash</b>	<b>\$ 93,471</b>	<b>\$ 156,928</b>	<b>\$ 149,660</b>	<b>\$ -</b>	<b>100,739</b>
Inventory					8,449
Accounts receivables					-
Accounts payable					(17,115)
Assets held for others					<u>\$ 92,073</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Sebastian River High School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Athletics	\$ 58,406	\$ 203,463	\$ 215,051	\$ 4,147	\$ 50,965
Music	1,522	31,077	24,197	50	8,452
Classes	11,544	106,916	101,791	18,580	35,249
Clubs	35,530	69,318	78,886	3,183	29,145
Departments	22,577	28,392	29,970	987	21,986
Trusts	36,711	14,272	25,967	5,427	30,443
General	40,280	135,882	96,047	(32,374)	47,741
<b>Total cash</b>	<b>\$ 206,570</b>	<b>\$ 589,320</b>	<b>\$ 571,909</b>	<b>\$ -</b>	<b>223,981</b>
Inventory					7,797
Accounts receivables					223
Accounts payable					(870)
Assets held for others					<u>\$ 231,131</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Vero Beach High School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Athletics	\$ 89,618	\$ 356,161	\$ 389,254	\$ (2,720)	\$ 53,805
Music	19,415	60,392	58,370	1,962	23,399
Classes	68,041	123,230	115,094	(793)	75,384
Clubs	40,407	70,078	67,978	(350)	42,157
Departments	46,912	212,698	199,511	(1,440)	58,659
Trusts	10,234	17,772	20,579	5,515	12,942
General	26,898	40,010	27,880	(2,174)	36,854
 Total cash	 \$ 301,525	 \$ 880,341	 \$ 878,666	 \$ -	 303,200
 Inventory					 708
Accounts receivables					-
Accounts payable					-
Assets held for others					 \$ 303,908



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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Alternative Center for Education**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Classes	\$ -	\$ -	\$ -	\$ -	\$ -
Trusts	1,414	-	-	-	1,414
General	3,920	118	1,805	-	2,233
<b>Total cash</b>	<b>\$ 5,334</b>	<b>\$ 118</b>	<b>\$ 1,805</b>	<b>\$ -</b>	<b>3,647</b>
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<b>\$ 3,647</b>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Treasure Coast Technical College**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Trusts	\$ -	\$ 279,171	\$ 220,535	\$ -	\$ 58,636
General	16,017	10,049	5,435	-	20,631
Total cash	<u>\$ 16,017</u>	<u>\$ 289,220</u>	<u>\$ 225,970</u>	<u>\$ -</u>	79,267
Inventory					1,122
Accounts receivables					6,563
Accounts payable					<u>(51,485)</u>
Assets held for others					<u>\$ 35,467</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**Wabasso School**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Clubs	\$ 21,299	\$ -	\$ -	\$ -	\$ 21,299
Trusts	2,707	600	598	-	2,709
General	4,987	19,439	13,491	-	10,935
Total cash	<u>\$ 28,993</u>	<u>\$ 20,039</u>	<u>\$ 14,089</u>	<u>\$ -</u>	34,943
Inventory					-
Accounts receivables					-
Accounts payable					-
Assets held for others					<u>\$ 34,943</u>

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

**Schedule of Assets Held for Others**

**June 30, 2018**

**County Office**

	<b>Cash Balances June 30, 2017</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Transfers, net</b>	<b>Balances June 30, 2018</b>
Classes	\$ 467	\$ -	\$ -	\$ (467)	\$ -
Departments	6,219	14,871	13,699	-	7,391
Trusts	15,120	7,388	3,647	(514)	18,347
General	733	161	523	981	1,352
Total cash	<u>\$ 22,539</u>	<u>\$ 22,420</u>	<u>\$ 17,869</u>	<u>\$ -</u>	27,090
Inventory					-
Accounts receivables					225
Accounts payable					-
Assets held for others					<u>\$ 27,315</u>



Berger, Toombs, Elam,  
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School Board of Indian River County, Florida  
6500 57<sup>th</sup> 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, 2018 and have issued a report thereon dated March 25, 2019.

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

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

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

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

March 25, 2019

General Comments – All Schools

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

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

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

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

Beachland Elementary School

Unless noted below, the fiscal year June 30, 2017 findings were corrected.

Our test of journal entries noted a transfer from the General Activities account to the Seacamp account to cover a deficit. In accordance with Chapter 8 Section I (10) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*", purchases from internal accounts shall not exceed the resources of the applicable student activity/project account.

Our test of receipts noted that a fundraiser for an internal account activity was conducted by several families outside of normal internal accounts policies and procedures. The school was aware of the fundraiser and did complete a fundraiser permit; however, it appears the permit was not completed until the receipts from the fundraiser were received. Furthermore, it appears that all the proceeds deposited into the Internal Accounts were reimbursed to the families that organized the fundraiser. We do not see where the school received any benefits and therefore we recommend that this type of fundraiser be discontinued.

Our test of disbursements noted the following:

1. Four of the fifteen items tested did not include a School Internal Fund Purchase Order as required by Chapter 6 of the Internal Accounts Procedures Manual. A check requisition form was utilized; however, the purchases were greater than \$25, which requires a purchase order.
2. One item tested was for topper repair. Documentation included for this disbursement from the General Activities Internal Account does not indicate how it was for the benefit of the student body. Chapter 8 Section 2.5(a) of the "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and Chapter 3 C(h) of the Internal Accounts Procedures Manual both indicate the disbursements from the general activities account should be for the benefit of all students.
3. In one instance, the purchase order was not signed by the requestor, nor was any approval noted in the support documentation provided. Chapter 6 Section A(2) of the Internal Accounts Procedures Manual requires that the teacher/sponsor complete and sign the purchase order and that the purchase order should be signed that the goods or services have been received.

Citrus Elementary School

Except where noted below, the fiscal year June 30, 2017 findings were corrected.

Our tests of journal entries noted a transfer from the Safety Patrol internal account to the PE Department internal account, and the support documentation provided did not support the funds transferred.

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

During our test of disbursements, we noted one instance where the purchase order was dated after the invoice date. Furthermore, the purchase order did not contain the required signatures that the goods or services were received, Chapter 6 Section A(2) of the Internal Accounts Procedures Manual.



Dodgertown Elementary School

Except as noted below, the fiscal year June 30, 2017 findings were corrected.

The School has a Bright Red Bookcase program that is accounted for as a department. The majority of the funds received are from donations and we believe that in accordance with Chapter 23 of the Internal Accounts Procedures Manual, this activity should be accounted for in a Trust Account.

During our test of receipts we noted:

1. No support documentation was provided for several receipts so we were unable to determine if the receipts were in compliance with Chapter 8 of the *“Financial and Program Cost Accounting and Reporting for Florida Schools”* and the *Internal Accounts Procedures Manual*.

Our test of disbursements noted the following:

1. The pre-approval of one reimbursement in excess of \$250 was again not provided as required by Chapter 7, Internal Accounts Procedures Manual.
2. In one instance, a check requisition was prepared; however, we believe that a purchase order was feasible and should have been completed in accordance with Chapter 6 Section A(2) of the Internal Accounts Procedures Manual.
3. In one instance, the only support provided was a note from the Bakery Manager. Additionally, a purchase order was not utilized as required by Chapter 6 Section A(2) of the Internal Accounts Procedures Manual.
4. We noted that a check was prepared to reimburse the School Cafeteria; however, no documentation was provided to support the amount disbursed.
5. We noted one instance where the invoice was dated prior to the approval of the principal and the required purchase order was not provided.

Fellsmere Elementary School

Except as noted below, the fiscal year June 30, 2017 findings were corrected.

During our test of transfers, we noted a transfer from the Principal's Discretionary Account to the Staff Benefit and Recognition Account. We believe this transfer is in violation of Chapter 29 Section A of the Internal Accounts Procedures Manual as it does not benefit the School community or students.

During our test of receipts we noted:

1. One of the receipts tested was school picture proceeds that were deposited into the Staff Benefit and Recognition Account. Chapter 3 Section 6(h) of the Internal Accounts Procedures Manual states that proceeds from school pictures will benefit students. We understand that the flyer indicated a portion of the proceeds will be utilized for staff benefit and recognition, however, a school flyer may not override an Internal Accounts Procedure.
2. In one instance, documentation provided does not indicate when the teacher received the check. Furthermore, the bookkeeper noted that she received the check on a certain date and the receipt was not issued until two days later. Chapter 5 Section D(1) of the Internal Accounts Procedures Manual requires that the bookkeeper receipt money into School Funds Online the day it is received or the next business day at the latest.

We noted the following during our tests of disbursements:

1. We again noted that the purchase order required by Chapter 6 Section A(2) Internal Accounts Procedures Manual was not included with the support documentation provided.
2. In one instance the activity permit was not prepared for a field trip as required by Chapter 30 of the Internal Accounts Procedures Manual.

Glendale Elementary School

Except as noted below, the fiscal year June 30, 2017 findings were corrected.

In several instances, General Activity funds were transferred to cover negative balances in other internal accounts. Chapter 8 Section I 10 of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" states that purchases from internal accounts shall not exceed the applicable resources of that account.

Our test of receipts indicated the following:

1. The School earned a 25% commission of the gross sales for school pictures and deposited 10% of that amount in the Staff Benefit and Recognition Account. Chapter 3 Section C(h) of the Internal Accounts Procedures Manual requires that the proceeds from school pictures be spent on students.

Our test of disbursements noted the following:

1. We noted that one purchase order was not signed by the receiver/sponsor when goods were received. Chapter 6, A(2) of the Internal Accounts Procedures Manual requires that the purchase order shall be signed by the receiver/sponsor when the goods and/or services are received and satisfactory.
2. In several instances, the purchase order was not prepared until after the invoice date, nor was a purchase requisition prepared. Chapter 6 Section A(2) of the internal Accounts Procedures Manual requires that a purchase order or purchase requisition be prepared by the teacher/sponsor and approved before ordering goods and/or services.

School Board of Indian River County, Florida  
June 30, 2018

Indian River Academy School

The fiscal year June 30, 2017 findings were corrected.

In one of the disbursements tested the approval by the Principal on the internal accounts purchase order request form was dated after the check was issued.

Liberty Magnet Elementary School

Except as noted below, the fiscal year June 30, 2017 findings were corrected.

We noted the following during our test of disbursements:

1. On one of the disbursements tested, the documentation provided properly included a Cash Verification Form to support the amount disbursed; however, the Cash Verification Form did not have two signatures for verification as required by Chapter 5 Section C of the Internal Accounts Procedures Manual.
2. In one instance, the purchase order was dated after the invoice date. A purchase order must be completed and approved by the Principal before goods or services are ordered in accordance with Chapter 6, A(2) of the Internal Accounts Procedures Manual.

Osceola Magnet Elementary School

Except as noted below, the June 30, 2017 findings were corrected.

Our test of receipts noted the following:

1. A donation was received and recorded in a separate account; however, the separate account established was not a trust account as required by Chapter 23 Section A of the Internal Accounts Procedures Manual.
2. We noted two instances where monies were received for fundraising events and the fundraising permit required by Chapter 12 C of the Internal Accounts Procedures Manual was not prepared.
3. Several receipts related to Sea Camp had the following issues:
  - a. Monies apparently were collected in May and July and were not turned in to the bookkeeper until August. Monies collected and/or Cash Verification Forms were also not utilized. These practices are in violation of Chapter 8, Section III, 1.4 of *"Financial and Program Cost Accounting and Reporting for Florida Schools"* and Chapter 5 of the Internal Accounts Procedures Manual.

During our test of disbursements, we noted the following:

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

Pelican Island Elementary School

Except as noted below, the June 30, 2017 findings were corrected.

During our tests of journal entries, we noted the following:

1. In one instance we noted the transfer of 65% of school picture commissions to the Staff Benefit and Recognition Account. Chapter 3 Section C(h) requires that school picture proceeds are to benefit students.

During our test of receipts, we noted the following:

1. In one instance we noted a donation by a check. The check was dated in late August, however it was not deposited until late September. We were unable to determine from the documentation provided 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"*. We also noted two instances where monies collected were not turned in to the school 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"*.

During our test of disbursements, we noted the following:

1. In one instance monies were transferred to the operating accounts of the School from the school pictures account. We were unable to determine from the documentation provided that the monies were spent on students as required by Chapter 3 Section C(h) of the Internal Accounts Procedures Manual.

Rosewood Magnet School

Except as noted below, the June 30, 2017 findings were corrected.

During our test of disbursements, we noted the following:

1. We again noted two items did not include the signature of the teacher/sponsor.
2. Support documentation for purchasing card payments did not include support for the pre-approval of the purchase by the Principal as required by Chapter 6 Section C(3)(a) of the Internal Accounts Procedures Manual.



School Board of Indian River County, Florida  
June 30, 2018

Sebastian Elementary School

Except as noted below, the June 30, 2017 findings were corrected.

During our test for receipts and disbursements, we noted one of the items tested, a fundraising activity or field trip activity permit was not included with the support documentation provided as required by Chapter 12 and Chapter 30 of the Internal Accounts Procedures Manual.

Treasure Coast Elementary School

Except as noted below, the June 30, 2017 findings were corrected.

During our test of receipts, we noted the following:

1. We noted that a portion of the proceeds from school pictures was deposited in the Staff Account. Chapter 3 Section C(h) of the Internal Accounts Procedures Manual requires that proceeds from school pictures will benefit students.
2. We noted two receipts that we were unable to determine if the monies were deposited within five business days as required by Chapter 8 Section 1.4 C of "*Financial and Program Cost Accounting and Reporting for Florida Schools*". We noted that the checks were dated outside of five business days from when they were deposited and the documentation provided did not indicate the date received by the school.

During our test of disbursements, we noted the following:

1. In 30% of the items tested, the purchase order was not signed by the requestor as required by Chapter 6 Section A(2) of the internal Accounts Procedures Manual.
2. In one instance, the general account was utilized to purchase concessions for the judges of the science fair. Chapter 8 Section 2.5(a) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" and Chapter 3 Section C(h) of the Internal Accounts Procedures Manual require that general accounts be utilized for the welfare of the student body.

School Board of Indian River County, Florida  
June 30, 2018

Vero Beach Elementary School

There were no June 30, 2017 findings.

During our test of receipts, we noted the following:

1. In one instance the Monies Collected Form was not signed by the teacher/sponsor as required by Chapter 5 Section B(l)(d)vi of the Internal Accounts Procedures Manual.

During our test of disbursements, we noted the following:

1. In one instance the field trip activity permit was not included with the support documentation provided as required by Chapter 30 of the Internal Accounts Procedures Manual.

Gifford Middle School

Except as noted below, the June 30, 2017 findings were corrected.

During our test of receipts, we noted the following:

1. The Monies Collected Form was not signed by the bookkeeper on 10% of the items tested. Chapter 5 Section B(I) of the Internal Accounts Procedures Manual requires that the bookkeeper verify the count, sign and date the form, and return a copy to the person responsible for collecting the funds.

During our test of disbursements, we noted the following:

1. Two of the disbursements tested did not contain adequate support documentation to support the amount paid. In one instance, the only support was a word document. The other disbursement was only supported by an emailed invoice advisement that did not contain a copy of the actual invoice.

Oslo Middle School

Except as noted below, the June 30, 2017 findings were corrected.

During our test of receipts, we noted the following:

1. In one instance, the total of the Monies Collected Form was \$60 more than the monies turned in to the bookkeeper. The documentation provided included an email to the teacher/sponsor indicating that the shortage must be corrected. The additional \$60 to cover the shortage was not received and deposited until 7 months later.

During our test of disbursements, we noted the following:

1. In 40% of the items tested, the fundraising permit and/or field trip activity permit was not included with the support documentation provided.
2. In one instance, the support documentation did not include support for the amount of monies collected and the disbursement was based on the amount of money collected.

School Board of Indian River County, Florida  
June 30, 2018

Sebastian River Middle School

Except as noted below, the June 30, 2017 findings were corrected.

The inventory count sheet to support inventory on hand at June 30, 2018 was not fully completed. The items counted were not totaled, and the count sheet was not signed and dated to indicate when and by whom the inventory was counted.

Storm Grove Middle School

Except as noted below, the June 30, 2017 findings were corrected.

During our test of disbursements, we noted the following:

1. In one instance, sales tax was paid by a staff member and reimbursed by the internal accounts. Purchases that are made for the school are exempt from sales tax, and therefore sales tax should not have been paid or reimbursed.
2. In one instance, the invoice was dated prior to the date of the purchase order. Chapter 6 Section A(2) requires that a purchase order must be completed and signed by the teacher/sponsor and approved by the Principal before the item is ordered.

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

Sebastian River High School

Except as noted below, the June 30, 2017 findings were corrected.

Our review of Journal Entries noted the following:

1. We again noted the transfer of monies from the Parking Account to the Senior Activities Account. Chapter 3 Section C(h) of the Indian River Internal Accounts Manual requires that parking decal proceeds may be used for related parking lot expenses, for school education purposes to benefit students, or the excess funds may be transferred to the General Activities account at year end. We do not believe that the above transfer complies with those requirements.
2. We also again noted transfers from one internal account to another internal account to cover a negative balance. Chapter 8 Section I (10) of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" states that purchases from internal accounts shall not exceed the applicable resources of that account.
3. We also again noted the transfer of monies from the Rentals – Facilities and Equipment account to the Pay to Participate Account. 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.

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

During our test of receipts, we noted the following:

1. We noted that 40% of the receipts tested included all three copies of the receipt, which indicates that the top copy of the receipt was not provided to the individual who gave the money as required by Chapter 5 Section A(3)d of the Internal Accounts Procedures Manual.
2. In one instance, no support documentation was provided to support the amount received.

During our test of disbursements, we noted the following:

1. One of the items tested was for the purchase of folding tables for campus activities. The documentation provided did not indicate that School Board funds were not available. Chapter 8 Section III 3.5 of "*Financial and Program Cost Accounting and Reporting for Florida Schools*" states that these types of disbursements are "restricted" and shall not be made unless School Board funds are not available.



Sebastian River High School (Continued)

Test of Disbursements (Continued)

2. We also noted five additional disbursements for operating supplies that did not contain documentation that School Board funds were not available. Per our discussion with the bookkeeper, these disbursements related to elective programs that are solely funded by donations and fundraisers. We still believe that the documentation provided should indicate that School Board funds are not available.
3. We noted one instance of a disbursement related to a fundraising event and the documentation provided did not include a copy of the fundraising permit required by Chapter 12 Section C of the Internal Accounts Procedures Manual.

Vero Beach High School

Except as noted below, the June 30, 2017 findings were corrected.

During our test of transfers, we noted the following:

1. We noted the transfer of funds from the General Activities account to the Staff Benefit and Recognition Account for the purchase of 12 umbrellas to be used by the Homecoming Court. We do not believe this was an appropriate disbursement from the Staff Benefit and Recognition Account.

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

During our test of receipts, we noted the following:

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

During our test of disbursements, we noted the following:

1. Again, this year numerous purchase orders were issued for nominal amounts and then manually altered for significant amounts and approved by the Principal because of the use of open or blanket purchase orders. We recommend that in the future, when disbursement exceeds the blanket purchase order, a new blanket purchase order be completed and approved by the Principal.
2. The signature of the requestor/sponsor was not included on five purchase orders as required by Chapter 6 A(2) of the Internal Accounts Procedures Manual.
3. In one instance a disbursement for more than \$25 did not contain a purchase order, only a check requisition. Chapter 6 Section A(3) allows a check requisition only when a purchase order is not feasible. This disbursement does not appear to meet this policy exception.

Alternative Center for Education

Except as noted below, the June 30, 2017 findings were corrected.

During our test of receipts, we noted the following:

1. One receipt was deposited into the bank and the receipt was not prepared until four days later. All monies received should be receipted when received.

During our test of disbursements, we noted the following:

1. In one instance, the purchase order was dated after the invoice date. Chapter 6 Section A(2) of the Internal Accounts Procedures Manual requires that purchase orders should be printed, posted, and approved prior to ordering items.
2. A disbursement related to the Culinary Club was paid for from the General Activities account. Chapter 8 Section III 2.6(a) of *Financial and Program Cost Accounting and Reporting for Florida Schools* states that the general account is to be used for the welfare of the student body. We do not believe this disbursement complies with that requirement. We also noted several other disbursements charged to the General Activities account and the support documentation provided was not adequate to determine that the disbursement complied with the above reference requirement.

Treasure Coast Technical College

General

Treasure Coast Technical College (the “College”) was the only internal account that converted to the new accounting software system. The School Board was not able to provide a balanced trial balance that agreed with supporting schedules until over eight months after year end. This situation creates an internal control deficiency as the School Board was unable to timely reconcile balances and determine individual account balances.

Cash

The reconciled bank balance differed from the general ledger balance at June 30, 2018. Although the amount was not material, the College should ensure that the balance per the general ledger and the bank balance per the reconciliation are the same each month.

Receipts Test

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

Disbursement Test

The support documentation provided did not include a signed purchase order or other preapproval documentation for the disbursements tested as required by Chapter 6 of the Internal Accounts Procedures Manual.

Wabasso School

Except as noted below, the June 30, 2017 findings were corrected.

During our test of receipts, we noted the following:

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

During our test of disbursements, we noted the following:

1. In two instances, the support documentation for the disbursement did not include a purchase order. Chapter 6 Section A(2) of the Internal Accounts Procedures Manual requires that purchase orders be printed, posted, and approved prior to ordering items.

Internal Account – District Office

There were no findings for the year June 30, 2017.

During our tests of receipts, we noted in one instance, a check was not deposited within 5 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. In one instance, the support documentation provided did not include a purchase order. Chapter 6 Section A(2) of the Internal Accounts Procedures manual requires that purchase orders should be printed, posted, and approved prior to ordering items.
2. In one instance, the support documentation provided did not include the required approval.
3. In one instance, an activity permit was not included in the support documentation provided.