

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**JUNE 30, 2022**

**NASSAU COUNTY SCHOOL BOARD INTERNAL ACCOUNTS  
TABLE OF CONTENTS  
JUNE 30, 2022**

	<b><u>Page(s)</u></b>
<b>Independent Auditors' Report</b>	1 – 3
<b>Balance Sheet</b>	4
<b>Statement of Revenues, Expenditures, and Changes in Fund Balance</b>	5
<b>Notes to Financial Statements</b>	6 – 7
<b>Supplementary Information</b>	
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – All Schools	10– 11
<b>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 <i>Government Auditing Standards</i></b>	12 – 13
<b>Schedule of Findings and Recommendations</b>	14 – 21
<b>Management's Response to Findings</b>	22



## **INDEPENDENT AUDITORS' REPORT**

To the Nassau County School Board:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the internal accounts special revenue fund (Internal Accounts) of the Nassau County School Board (the Board), as of and for the year ended June 30, 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Internal Accounts as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

The Board's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Internal Accounts' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Internal Accounts' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Internal Accounts' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Emphasis of Matter***

As discussed in Note (1)(a), the financial statements present only the Internal Accounts and do not purport to, and do not, present fairly the financial position of the Board as of June 30, 2022, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

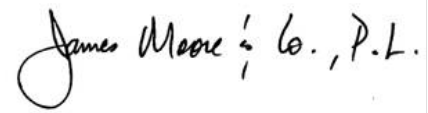
### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Internal Accounts' financial statements. The combining schedule of revenues, expenditures, and changes in fund balance is presented for purposes of additional analysis and are not a required part of the financial statements.

The combining schedule of revenues, expenditures, and changes in fund balance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to 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 statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2022, on our consideration of the Internal Accounts' internal control over financial reporting and on 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 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 Internal Accounts' internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Daytona Beach, Florida  
September 22, 2022

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
BALANCE SHEET  
JUNE 30, 2022**

	<u><b>Total Schools</b></u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,380,674
Investments	458,940
Total assets	<u><u>\$ 1,839,614</u></u>
<b>FUND BALANCE</b>	
Restricted for internal accounts	<u><u>\$ 1,839,614</u></u>

The accompanying notes to financial statements are an integral part of this statement.

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u><b>Total Schools</b></u>
<b>Revenues</b>	
Athletics	\$ 1,027,699
Music	81,801
Classes	301,563
Clubs	275,992
Departments	369,621
Trusts	146,432
General	731,176
Total revenues	<u>2,934,284</u>
<b>Expenditures</b>	
Athletics	961,831
Music	122,917
Classes	352,117
Clubs	262,757
Departments	321,629
Trusts	76,179
General	615,165
Total expenses	<u>2,712,595</u>
<b>Change in fund balance</b>	<u>221,689</u>
<b>Fund balance, beginning of year</b>	1,617,925
<b>Fund balance, end of year</b>	<u><u>\$ 1,839,614</u></u>

The accompanying notes to financial statements are an integral part of this statement.

**NASSAU COUNTY SCHOOL BOARD INTERNAL ACCOUNTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**(1) Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of the Nassau County School Board Internal Accounts (the Internal Accounts), which affect significant elements of the accompanying financial statements.

(a) **Organization**—The Internal Accounts represent assets collected and expended for providing necessary and proper services and materials for school activities as established and approved by the Nassau County School Board (the School Board), which is composed of five elected members. The Superintendent of Schools is the executive officer of the Board. The School Board is part of the State of Florida system of public education under the general direction and control of the State Board of Education. Support comes primarily from activity revenue. The cash funds included in the internal activity funds are the property of the various departments, clubs, and projects, and not that of the District. However, once these funds are collected by District personnel and subsequently deposited into the respective internal activity fund bank accounts, the cash receipts and subsequent disposition of all funds must comply with the guidelines and requirements of the Florida Department of Education and the District. The Internal Accounts are included as special revenue funds in the District's financial statements. The accompanying financial statements present only the Internal Accounts and are not intended to present fairly the financial position and results of operations of the District, in conformity with accounting principles generally accepted in the United States of America.

(b) **Measurement focus and basis of accounting**—The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Governmental fund financial statements are prepared utilizing the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

(c) **Cash and cash equivalents**—The Internal Accounts' cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

(d) **Revenues**—Revenues consist of amounts raised by student organizations through various fundraising activities (yearbook sales, charity events, sporting events, etc.). Revenue is recognized when it is both measurable and available.

(e) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.



**NASSAU COUNTY SCHOOL BOARD INTERNAL ACCOUNTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**(1) Summary of Significant Accounting Policies:** (Continued)

(f) **Fund equity**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Board is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

*Nonspendable* – amounts not available to be spent or not in spendable form, such as inventory and prepaid items.

*Restricted* – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions or by enabling legislation.

*Committed* – amounts constrained to specific purposes based on actions taken by the Board through ordinance.

*Assigned* – amounts the Board intends to use for a specific purpose. Intent can be expressed by the Board or by an official or body which the Board delegates authority.

*Unassigned* – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available; the Board considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Board considers amounts to have been spent first out of committed funds, then assigned funds and finally, unassigned funds, as needed.

**(2) Concentrations of Credit Risk:**

All Nassau County School Board Internal Accounts cash balances were covered by Federal depository insurance or by collateral held by the Board's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

**(3) Investments:**

The Internal Accounts is a member of Florida PRIME, the Local Government Surplus Funds Trust Fund Investment Pool (the Pool), that is administered by the State Board of Administration of Florida (SBA). This pool is a "2a-7 like" pool, which has the characteristics of a money market fund. Therefore, the fair value of investments held at the State Board of Administration Pool is the same as the fair value of the pooled shares. The Regulatory Oversight of the Local Government Surplus Funds Trust fund is governed by Ch. 19-7 of the Florida Administrative Code, which identifies the Rules for the State Board of Administration. These rules provide guidance and establish the general procedure for the administration of the Local Government Surplus Funds Trust Fund. The Local Government Surplus Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedure consistent with the requirements for a 2a-7 fund. As of June 30, 2022, the investment pool had a weighted average of 28 days to maturity.

**NASSAU COUNTY SCHOOL BOARD INTERNAL ACCOUNTS**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

(3) **Investments:** (Continued)

The Internal Accounts held no assets or investments carried at fair value at June 30, 2022, and subject to the required disclosures of GASB 72.

<u>Investment Type</u>	<u>Credit Quality Rating (S&amp;P)</u>	<u>Carrying Value</u>	<u>Maturities (in Years)</u>		
			<u>Less Than 1</u>	<u>1-5</u>	<u>Over 5</u>
SBA funds	AAAm	\$ 458,940	\$ 458,940	\$ -	\$ -

*Custodial Credit Risk:* All demand deposits are held with qualified public depositories, as defined above. In the case of investments, this is the risk that, in the event of the failure of the counterparty, the Internal Accounts will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2022, the Internal Accounts' investment of \$458,940 in SBA funds are backed by the full faith and credit of the State of Florida, or explicitly guaranteed by the State of Florida.

## **SUPPLEMENTARY INFORMATION**

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - ALL SCHOOLS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Bryceville Elementary</b>	<b>Callahan Elementary</b>	<b>Callahan Intermediate</b>	<b>Emma Love Hardee Elementary</b>	<b>Hilliard Elementary</b>	<b>Southside Elementary</b>	<b>Wildlight Elementary</b>	<b>Yulee Elementary</b>	<b>Yulee Primary</b>	<b>Total Elementary</b>
<b>Revenues</b>										
Athletics	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500
Music	-	-	-	-	989	-	-	-	325	1,314
Classes	3,166	5,975	21,259	-	15,687	-	45,381	10,413	7,234	109,115
Clubs	715	1,804	1,320	-	1,871	-	37,835	47,287	-	90,832
Departments	6,525	15,572	32,090	13,493	20,824	12,561	28,251	14,051	11,857	155,224
Trusts	150	-	-	300	-	-	248	232	-	930
General	13,322	80,360	34,243	56,211	49,255	78,543	75,915	65,706	65,362	518,917
Total revenues	<u>23,878</u>	<u>103,711</u>	<u>88,912</u>	<u>70,004</u>	<u>88,626</u>	<u>91,604</u>	<u>187,630</u>	<u>137,689</u>	<u>84,778</u>	<u>876,832</u>
<b>Expenditures</b>										
Athletics	-	266	-	-	-	506	-	-	-	772
Music	-	-	-	-	915	-	-	559	302	1,776
Classes	2,967	5,880	21,200	909	14,075	-	45,340	9,170	7,078	106,619
Clubs	648	1,630	1,321	21	743	-	40,626	44,980	-	89,969
Departments	10,550	18,031	27,998	12,570	16,373	9,885	16,789	9,295	7,539	129,030
Trusts	186	-	-	44	-	-	207	-	-	437
General	15,505	64,853	28,839	62,731	40,648	63,323	84,345	46,464	56,177	462,885
Total expenses	<u>29,856</u>	<u>90,660</u>	<u>79,358</u>	<u>76,275</u>	<u>72,754</u>	<u>73,714</u>	<u>187,307</u>	<u>110,468</u>	<u>71,096</u>	<u>791,488</u>
<b>Change in fund balance</b>	<u>(5,978)</u>	<u>13,051</u>	<u>9,554</u>	<u>(6,271)</u>	<u>15,872</u>	<u>17,890</u>	<u>323</u>	<u>27,221</u>	<u>13,682</u>	<u>85,344</u>
<b>Fund balance, beginning of year</b>	14,823	64,839	43,988	27,227	57,687	55,245	83,144	45,412	50,938	443,303
<b>Fund balance, end of year</b>	<u>\$ 8,845</u>	<u>\$ 77,890</u>	<u>\$ 53,542</u>	<u>\$ 20,956</u>	<u>\$ 73,559</u>	<u>\$ 73,135</u>	<u>\$ 83,467</u>	<u>\$ 72,633</u>	<u>\$ 64,620</u>	<u>\$ 528,647</u>

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - ALL SCHOOLS  
FOR THE YEAR ENDED JUNE 30, 2022  
(CONTINUED)**

	<b>Callahan Middle</b>	<b>Fernandina Beach Middle</b>	<b>Yulee Middle</b>	<b>Total Middle</b>	<b>Fernandina Beach High</b>	<b>Hilliard Middle Senior High</b>	<b>West Nassau County High</b>	<b>Yulee High</b>	<b>Total High</b>	<b>District Total</b>
<b>Revenues</b>										
Athletics	\$ 72,602	\$ 51,677	\$ 57,796	\$ 182,075	\$ 236,806	\$ 200,917	\$ 249,985	\$ 157,416	\$ 845,124	\$ 1,027,699
Music	36,801	9,252	2,835	48,888	1,703	4,111	447	25,338	31,599	81,801
Classes	4,930	1,806	7,618	14,354	40,682	34,695	102,717	-	178,094	301,563
Clubs	-	1,706	4,145	5,851	45,023	59,912	14,276	60,098	179,309	275,992
Departments	6,111	21,803	11,144	39,058	50,446	14,934	46,298	63,661	175,339	369,621
Trusts	500	-	-	500	61,830	-	26,340	56,832	145,002	146,432
General	29,655	21,837	42,285	93,777	36,447	11,211	38,661	32,163	118,482	731,176
Total revenues	<u>150,599</u>	<u>108,081</u>	<u>125,823</u>	<u>384,503</u>	<u>472,937</u>	<u>325,780</u>	<u>478,724</u>	<u>395,508</u>	<u>1,672,949</u>	<u>2,934,284</u>
<b>Expenditures</b>										
Athletics	55,594	36,507	53,590	145,691	186,380	197,306	239,526	192,156	815,368	961,831
Music	24,027	7,420	3,814	35,261	18,825	2,526	457	64,072	85,880	122,917
Classes	5,250	2,427	7,005	14,682	42,185	37,887	97,124	53,620	230,816	352,117
Clubs	-	2,382	8,160	10,542	44,148	40,687	15,564	61,847	162,246	262,757
Departments	12,030	19,405	13,950	45,385	37,979	31,045	37,673	40,517	147,214	321,629
Trusts	-	-	144	144	68,092	-	7,506	-	75,598	76,179
General	24,735	15,236	30,845	70,816	22,557	12,309	23,987	22,611	81,464	615,165
Total expenses	<u>121,636</u>	<u>83,377</u>	<u>117,508</u>	<u>322,521</u>	<u>420,166</u>	<u>321,760</u>	<u>421,837</u>	<u>434,823</u>	<u>1,598,586</u>	<u>2,712,595</u>
<b>Change in fund balance</b>	<u>28,963</u>	<u>24,704</u>	<u>8,315</u>	<u>61,982</u>	<u>52,771</u>	<u>4,020</u>	<u>56,887</u>	<u>(39,315)</u>	<u>74,363</u>	<u>221,689</u>
<b>Fund balance, beginning of year</b>	81,861	67,671	85,002	234,534	292,000	175,016	281,679	191,393	940,088	1,617,925
<b>Fund balance, end of year</b>	<u>\$ 110,824</u>	<u>\$ 92,375</u>	<u>\$ 93,317</u>	<u>\$ 296,516</u>	<u>\$ 344,771</u>	<u>\$ 179,036</u>	<u>\$ 338,566</u>	<u>\$ 152,078</u>	<u>\$ 1,014,451</u>	<u>\$ 1,839,614</u>



**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**

To the Nassau County School Board:

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 balance sheet as of June 30, 2022, and statement of revenues, expenditures, and changes in fund balance for the year then ended, and the related notes to the financial statement, which collectively comprise the Nassau County School Board Internal Accounts' (the Internal Accounts) financial statements, and have issued our report thereon dated September 22, 2022.

***Internal Control over Financial Reporting***

In planning and performing our audit, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 a 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 over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and recommendations as items 2022-001 and 2022-002, which we consider to be significant deficiencies.

### ***Compliance and Other Matters***

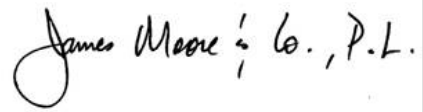
As part of obtaining reasonable assurance about whether the Nassau County School Board Internal Accounts' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

### **Management's Response to Findings**

Management's responses to the findings identified in our audit are described starting on page 22. The response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Daytona Beach, Florida  
September 22, 2022

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

The following is a summary of all findings and recommendations related to the audit of the Internal Accounts for the year ended June 30, 2022.

**2022-001 Segregation of Duties**

Internal account funds are generally administered by a small number of personnel. It is not uncommon to find weaknesses in internal controls due to the small number of personnel performing multiple tasks. For example, school bookkeepers generally handle cash collections, co-sign checks, reconcile bank statements and post the accounting records. Vending machines, school store and concession receipts are usually handled by one individual. An ideal system of internal controls would segregate cash collections from posting of accounting records. The individual responsible for performing reconciliations should not have access to cash collections.

**2022-002 Compliance with Policies and Procedures (School-Specific)**

We noted various instances of School Board policies not being followed with regard to certain cash receipt and/or disbursement activity at various schools. We recommend the School Board and all individual schools continue to work toward ensuring that all policies and procedures are consistently followed. Additionally, we recommend that all bookkeepers begin dating with their signature on the Report of Monies Collected Forms to document clearly when receipts were received by the bookkeeper. The items identified in our testing are summarized by school as follows:

***BRYCEVILLE ELEMENTARY***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted two instances where funds were not deposited within five business days.

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted four instances where money was not turned into the bookkeeper within one business day after receipt.

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted four instances in which money collected was not substantiated by sufficient auditable support.

***CALLAHAN ELEMENTARY***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must



**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

be within five business days. During our test of 26 cash receipts, we noted one instance where funds were not deposited within five business days.

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted one instance where money was not turned into the bookkeeper within one business day after receipt.

***CALLAHAN INTERMEDIATE***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted one instance where funds were not deposited within five business days.

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted 17 instances in which money collected was not substantiated by sufficient auditable support.

***CALLAHAN MIDDLE***

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted one instance where money was not turned into the bookkeeper within one business day after receipt.

***EMMA LOVE HARDEE ELEMENTARY***

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted six instances where money was not turned into the bookkeeper within one business day after receipt.

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

receipts, we noted 11 instances in which money collected was not substantiated by sufficient auditable support.

**Approval of Fundraising Activity**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.46, II, each fundraising activity shall have the approval of the organization sponsor and the principal. During our test of one fundraising activity, we noted it was not approved by the principal prior to commencement of activity.

***FERNANDINA BEACH HIGH***

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted 11 instances in which money collected was not substantiated by sufficient auditable support.

**Approval of Fundraising Activity**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.46, II, each fund raising activity shall have the approval of the organization sponsor and the principal. During our test of one fundraising activity, we noted it was not approved by the principal prior to commencement of activity.

**Timely Reconciliation of Bank Statements**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.41, VIII, bank statements shall be reconciled in a timely manner, preferably by a person other than the person who receipts and disburses funds. Based upon the returned compliance checklist, it was indicated that the bank accounts are not always timely reconciled.

***FERNANDINA BEACH MIDDLE***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted three instances where funds were not deposited within five business days.

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted two instances where money was not turned into the bookkeeper within one business day after receipt.

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted three instances in which money collected was not substantiated by sufficient auditable support.

**Approval of Fundraising Activity**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.46, II, each fundraising activity shall have the approval of the organization sponsor and the principal. During our test of two fundraising activities, we noted two instances in which the activity was not approved by the principal prior to commencement of activity.

***HILLIARD ELEMENTARY***

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted three instances where money was not turned into the bookkeeper within one business day after receipt.

***HILLIARD MIDDLE SENIOR HIGH***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted 17 instances where funds were not deposited within five business days.

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted 14 instances where money was not turned into the bookkeeper within one business day after receipt.

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted 10 instances in which money collected was not substantiated by sufficient auditable support.

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

**Approval of Fundraising Activity**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.46, II, each fundraising activity shall have the approval of the organization sponsor and the principal. During our test of one fundraising activity, we noted it was not approved by the principal prior to commencement of activity.

***SOUTHSIDE ELEMENTARY***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted one instance where funds were not deposited within five business days.

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted nine instances where money was not turned into the bookkeeper within one business day after receipt.

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted one instance in which money collected was not substantiated by sufficient auditable support.

***WEST NASSAU COUNTY HIGH***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted five instances where funds were not deposited within five business days.

**Completeness and Accuracy of Ticket Inventory**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Section Chapter 6 – Part II, Code 6.45, VI, all checks, receipt forms and tickets shall be pre-numbered and perpetual inventories of each shall be maintained. Inventories shall show the beginning and ending numbers of all documents acquired and issued. In all cases where tickets are used, ticket reports and unsold tickets must be available for audit. Any pre-numbered documents shall be accompanied by a certified statement of the numbers received. During our test of three events for which tickets were sold, we noted three instances where the Report of Tickets Issued and Sold form was incomplete or inaccurate.

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

**Approval of Fundraising Activity**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.46, II, each fundraising activity shall have the approval of the organization sponsor and the principal. During our test of one fundraising activity, we noted it was not approved by the principal prior to commencement of activity.

***WILDLIGHT ELEMENTARY***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted three instances where funds were not deposited within five business days.

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted one instance where money was not turned into the bookkeeper within one business day after receipt.

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted seven instances in which money collected was not substantiated by sufficient auditable support.

***YULEE ELEMENTARY***

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted nine instances where funds were not deposited within five business days.

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted ten instances where money was not turned into the bookkeeper within one business day after receipt.

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

**Support for Receipts**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.45, I, all money collected by the school must be substantiated by pre-numbered receipts, consecutively numbered class receipt records, reports of monies collected, pre-numbered tickets, reports of tickets issued and sold, or other auditable records. During our test of 26 receipts, we noted ten instances in which money collected was not substantiated by sufficient auditable support.

**Approval of Fundraising Activity**

In accordance with Nassau County District School Board Internal Accounts Procedures Handbook, Chapter 6 – Part II, Code 6.46, II, each fundraising activity shall have the approval of the organization sponsor and the principal. During our test of one fundraising activity, we noted it was not approved by the principal prior to commencement of activity.

***YULEE HIGH***

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted two instances where money was not turned into the bookkeeper within one business day after receipt.

**Timeliness of Deposits**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, III, all money collected must be deposited intact to a depository as frequently as feasible and as dictated by sound business practices. In any event, funds collected must be within five business days. During our test of 26 cash receipts, we noted two instances where funds were not deposited within five business days.

**Completeness and Accuracy of Ticket Inventory**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Section Chapter 6 – Part II, Code 6.45, VI, all checks, receipt forms and tickets shall be pre-numbered and perpetual inventories of each shall be maintained. Inventories shall show the beginning and ending numbers of all documents acquired and issued. In all cases where tickets are used, ticket reports and unsold tickets must be available for audit. Any pre-numbered documents shall be accompanied by a certified statement of the numbers received. During our test of three events for which tickets were sold, we noted two instances where the Report of Tickets Issued and Sold form was incomplete or inaccurate.

***YULEE MIDDLE***

No findings noted during the current year.

**NASSAU COUNTY SCHOOL BOARD  
INTERNAL ACCOUNTS  
SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2022**

***YULEE PRIMARY***

**Timeliness of Collections Submitted to School Office**

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.45, II, collections made outside of the school office must be turned in to the school office no later than the next business day. During our test of 26 cash receipts, we noted two instances where money was not turned into the bookkeeper within one business day after receipt.

## **MANAGEMENT'S RESPONSE TO FINDINGS**

### **2022-001 Segregation of Duties (All Schools)**

The School Board will continue to review and monitor internal control procedures currently in place to mitigate any potential issues that may arise.

### **2022-002 Compliance with Policies and Procedures (School-Specific)**

The School Board and all individual schools will continue to work toward ensuring that all policies and procedures are consistently followed.