

**NASSAU COUNTY SCHOOL BOARD
INTERNAL ACCOUNTS**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

JUNE 30, 2023

**NASSAU COUNTY SCHOOL BOARD INTERNAL ACCOUNTS
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JUNE 30, 2023**

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INDEPENDENT AUDITORS' REPORT

To the Nassau County School Board:

Report on the Audit of the Financial Statements

Opinion

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, 2023, 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 financial position of the Internal Accounts as of June 30, 2023, and the 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, 2023, 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.

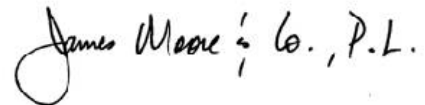
Supplementary Information

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 is 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 November 9, 2023, 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
November 9, 2023

**NASSAU COUNTY SCHOOL BOARD
INTERNAL ACCOUNTS
BALANCE SHEET
JUNE 30, 2023**

	<u>Total Schools</u>
ASSETS	
Cash and cash equivalents	\$ 1,676,256
Investments	455,125
Total assets	<u><u>\$ 2,131,381</u></u>
FUND BALANCE	
Restricted for internal accounts	<u><u>\$ 2,131,381</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, 2023**

	<u>Total Schools</u>
Revenues	
Athletics	\$ 1,197,531
Music	162,611
Classes	471,135
Clubs	438,425
Departments	437,463
Trusts	72,380
General	948,806
Total revenues	<u>3,728,351</u>
Expenditures	
Athletics	1,034,111
Music	180,022
Classes	509,741
Clubs	392,815
Departments	393,728
Trusts	60,802
General	865,365
Total expenses	<u>3,436,584</u>
Change in fund balance	<u>291,767</u>
Fund balance, beginning of year	1,839,614
Fund balance, end of year	<u><u>\$ 2,131,381</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, 2023

(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, 2023

(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, 2023, the investment pool had a weighted average of 28 days to maturity.

NASSAU COUNTY SCHOOL BOARD INTERNAL ACCOUNTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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

The Internal Accounts held no assets or investments carried at fair value at June 30, 2023, and subject to the required disclosures of GASB 72.

Investment Type	Credit Quality Rating (S&P)	Carrying Value	Maturities (in Years)		
			Less Than 1	1-5	Over 5
SBA funds	AAAm	\$ 455,125	\$ 455,125	\$ -	\$ -

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, 2023, the Internal Accounts' investment of \$455,125 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, 2023

	Bryceville Elementary	Callahan Elementary	Callahan Intermediate	Emma Love Hardee Elementary	Hilliard Elementary	Southside Elementary	Wildlight Elementary	Yulee Elementary	Yulee Primary	Total Elementary
Revenues										
Athletics	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500
Music	-	-	-	-	1,770	-	760	-	415	2,945
Classes	6,830	9,902	59,308	50	25,761	-	66,974	7,206	21,262	197,293
Clubs	670	3,915	920	716	49,186	-	64,048	71,256	-	190,711
Departments	5,976	13,664	33,526	21,593	34,289	38,695	33,622	11,309	16,432	209,106
Trusts	36	-	-	300	-	-	-	-	-	336
General	13,560	91,064	42,567	73,166	53,629	93,339	67,730	99,270	59,411	593,736
Total revenues	<u>27,072</u>	<u>118,545</u>	<u>136,321</u>	<u>95,825</u>	<u>164,635</u>	<u>132,534</u>	<u>233,134</u>	<u>189,041</u>	<u>97,520</u>	<u>1,194,627</u>
Expenditures										
Athletics	-	-	-	-	-	529	-	-	-	529
Music	-	-	135	-	1,788	-	843	16	335	3,117
Classes	7,511	9,690	59,671	33	26,313	-	64,163	8,190	21,563	197,134
Clubs	705	2,807	1,012	762	48,612	-	60,423	65,464	-	179,785
Departments	6,869	17,062	34,186	22,663	31,021	29,152	16,863	14,006	10,725	182,547
Trusts	-	-	-	79	-	-	-	-	-	79
General	15,152	85,858	46,380	73,599	37,951	103,727	62,899	92,838	53,310	571,714
Total expenses	<u>30,237</u>	<u>115,417</u>	<u>141,384</u>	<u>97,136</u>	<u>145,685</u>	<u>133,408</u>	<u>205,191</u>	<u>180,514</u>	<u>85,933</u>	<u>1,134,905</u>
Change in fund balance	<u>(3,165)</u>	<u>3,128</u>	<u>(5,063)</u>	<u>(1,311)</u>	<u>18,950</u>	<u>(874)</u>	<u>27,943</u>	<u>8,527</u>	<u>11,587</u>	<u>59,722</u>
Fund balance, beginning of year	8,845	77,890	53,542	20,956	73,559	73,135	83,467	72,633	64,620	528,647
Fund balance, end of year	<u>\$ 5,680</u>	<u>\$ 81,018</u>	<u>\$ 48,479</u>	<u>\$ 19,645</u>	<u>\$ 92,509</u>	<u>\$ 72,261</u>	<u>\$ 111,410</u>	<u>\$ 81,160</u>	<u>\$ 76,207</u>	<u>\$ 588,369</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, 2023
(CONTINUED)**

	Callahan Middle	Fernandina Beach Middle	Yulee Middle	Total Middle	Fernandina Beach High	Hilliard Middle Senior High	West Nassau County High	Yulee High	Total High	District Total
Revenues										
Athletics	\$ 79,416	\$ 63,583	\$ 53,409	\$ 196,408	\$ 282,257	\$ 159,941	\$ 293,609	\$ 264,816	\$ 1,000,623	\$ 1,197,531
Music	37,633	12,743	10,063	60,439	-	896	1,479	96,852	99,227	162,611
Classes	6,336	2,051	8,255	16,642	46,778	9,417	116,316	84,689	257,200	471,135
Clubs	1,455	2,738	17,533	21,726	63,659	43,522	30,453	88,354	225,988	438,425
Departments	19,985	43,126	13,598	76,709	42,261	15,778	42,348	51,261	151,648	437,463
Trusts	-	443	-	443	66,291	-	5,310	-	71,601	72,380
General	24,192	38,292	80,439	142,923	72,304	15,962	62,612	61,269	212,147	948,806
Total revenues	<u>169,017</u>	<u>162,976</u>	<u>183,297</u>	<u>515,290</u>	<u>573,550</u>	<u>245,516</u>	<u>552,127</u>	<u>647,241</u>	<u>2,018,434</u>	<u>3,728,351</u>
Expenditures										
Athletics	76,475	71,697	47,748	195,920	216,459	150,121	254,516	216,566	837,662	1,034,111
Music	43,678	12,845	13,050	69,573	12,017	5,360	1,390	88,565	107,332	180,022
Classes	6,343	3,102	8,227	17,672	59,599	21,476	118,994	94,866	294,935	509,741
Clubs	1,935	3,616	14,246	19,797	48,751	37,870	28,613	77,999	193,233	392,815
Departments	7,010	33,734	10,388	51,132	38,943	14,444	67,064	39,598	160,049	393,728
Trusts	273	678	-	951	56,861	-	2,911	-	59,772	60,802
General	31,107	42,629	78,987	152,723	51,415	10,504	33,103	45,906	140,928	865,365
Total expenses	<u>166,821</u>	<u>168,301</u>	<u>172,646</u>	<u>507,768</u>	<u>484,045</u>	<u>239,775</u>	<u>506,591</u>	<u>563,500</u>	<u>1,793,911</u>	<u>3,436,584</u>
Change in fund balance	<u>2,196</u>	<u>(5,325)</u>	<u>10,651</u>	<u>7,522</u>	<u>89,505</u>	<u>5,741</u>	<u>45,536</u>	<u>83,741</u>	<u>224,523</u>	<u>291,767</u>
Fund balance, beginning of year	110,824	92,375	93,317	296,516	344,771	179,036	338,566	152,078	1,014,451	1,839,614
Fund balance, end of year	<u>\$ 113,020</u>	<u>\$ 87,050</u>	<u>\$ 103,968</u>	<u>\$ 304,038</u>	<u>\$ 434,276</u>	<u>\$ 184,777</u>	<u>\$ 384,102</u>	<u>\$ 235,819</u>	<u>\$ 1,238,974</u>	<u>\$ 2,131,381</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, 2023, 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 November 9, 2023.

Report on 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 2023-001 and 2023-002, which we consider to be significant deficiencies.

Report on Compliance and Other Matters

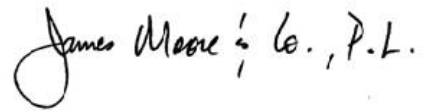
As part of obtaining reasonable assurance about whether the Nassau County School Board Internal Accounts' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which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

Government Auditing Standards required the auditor to perform limited procedures on Management's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Recommendations. Management's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
November 9, 2023

**NASSAU COUNTY SCHOOL BOARD
INTERNAL ACCOUNTS
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2023**

The following is a summary of all findings and recommendations related to the audit of the Internal Accounts for the year ended June 30, 2023.

2023-001 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.

2023-002 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

Recording of Receipts

During our test of 25 cash receipts, we noted 1 instance where supporting documentation did not agree to the amount recorded for the receipt in the accounting system, such as the amounts recorded on the student receipts did not agree to the Report of Monies Collected Form turned in to the bookkeeper and accompanying official receipt and deposit amount.

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 25 cash receipts, we noted 1 instance where money was not turned into the bookkeeper within one business day after receipt.

Expenditures Exceeding Resources

In accordance with Florida Department of Education Financial and Program Cost Accounting and Reporting for Florida Schools, Chapter 8, Section II, 7, no school organization shall make expenditures that exceed the cash resources available to that organization. We noted 1 account with an ending deficit balance in which expenditures had exceeded resources.

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 be within five business days. During our test of 25 cash receipts, we noted 1 instance where funds were not deposited within five business days.

**NASSAU COUNTY SCHOOL BOARD
INTERNAL ACCOUNTS
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
JUNE 30, 2023**

Recording of Receipts

During our test of 25 cash receipts, we noted 1 instance where supporting documentation did not agree to the amount recorded for the receipt in the accounting system, such as the amounts recorded on the student receipts did not agree to the Report of Monies Collected Form turned in to the bookkeeper and accompanying official receipt and deposit amount.

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 25 receipts, we noted 2 instances in which money collected was not substantiated by sufficient auditable support.

Expenditures Exceeding Resources

In accordance with Florida Department of Education Financial and Program Cost Accounting and Reporting for Florida Schools, Chapter 8, Section II, 7, no school organization shall make expenditures that exceed the cash resources available to that organization. We noted 4 accounts with ending deficit balances in which expenditures had exceeded resources.

CALLAHAN INTERMEDIATE

Support and Approval of Disbursements

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.57, II, a signed commitment from the principal or designee(s) must be on file before any purchase is made. During our test of disbursements, we noted 1 instance where signed commitment before the purchase was not obtained. We noted 1 instance in which there was missing support for transactions.

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 25 receipts, we noted 1 instance in which money collected was not substantiated by sufficient auditable support.

Expenditures Exceeding Resources

In accordance with Florida Department of Education Financial and Program Cost Accounting and Reporting for Florida Schools, Chapter 8, Section II, 7, no school organization shall make expenditures that exceed the cash resources available to that organization. We noted 1 account with ending deficit balances in which expenditures had exceeded resources.

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CALLAHAN MIDDLE

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 25 receipts, we noted 1 instance in which money collected was not substantiated by sufficient auditable support.

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 25 cash receipts, we noted 15 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 25 receipts, we noted 4 instances in which money collected was not substantiated by sufficient auditable support.

FERNANDINA BEACH HIGH

Approval of Disbursements

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.57, II, a signed commitment from the principal or designee(s) must be on file before any purchase is made. During our test of disbursements, we noted 2 instances where signed commitment before the purchase was not obtained.

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 25 cash receipts, we noted 1 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 25 cash receipts, we noted 2 instances where money was not turned into the bookkeeper within one business day after receipt.

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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 25 cash receipts, we noted 1 instance 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 25 cash receipts, we noted 11 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 25 cash receipts, we noted 8 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 25 receipts, we noted 6 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 2 fundraising activities, we noted both were not approved by the principal prior to commencement of activity.

Expenditures Exceeding Resources

In accordance with Florida Department of Education Financial and Program Cost Accounting and Reporting for Florida Schools, Chapter 8, Section II, 7, no school organization shall make expenditures that exceed the cash resources available to that organization. We noted 1 account with ending deficit balances in which expenditures had exceeded resources.

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SOUTHSIDE 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 25 cash receipts, we noted 3 instances where money was not turned into the bookkeeper within one business day after receipt.

WEST NASSAU COUNTY HIGH

Approval of Disbursements

In accordance with Nassau County District School Board Internal Accounts Procedure Handbook, Chapter 6 – Part II, Code 6.57, II, a signed commitment from the principal or designee(s) must be on file before any purchase is made. During our test of disbursements, we noted 1 instance where signed commitment before the purchase was not obtained.

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 25 cash receipts, we noted 10 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 25 cash receipts, we noted 2 instances 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 25 receipts, we noted 6 instances in which money collected was not substantiated by sufficient auditable support.

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 3 events for which tickets were sold, we noted 3 instances where the Report of Tickets Issued and Sold form was incomplete or inaccurate.

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Compliance With Red Book

We noted that the School acknowledged noncompliance with a number of Red Book requirements as identified in the compliance checklist, including the following:

- i. The Principal's office does not receive a financial report at the end of each fundraising activity, Remaining balances from graduated classes or inactive organizations are not transferred to the general account, and
- ii. Fundraising activities are not approved and controlled by the Principal.

WILDLIGHT 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 25 cash receipts, we noted 2 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 25 receipts, we noted 1 instance in which money collected was not substantiated by sufficient auditable support.

YULEE 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 25 cash receipts, we noted 2 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 25 receipts, we noted 1 instance in which money collected was not substantiated by sufficient auditable support.

YULEE HIGH

No recommendations in current year.

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YULEE 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 25 cash receipts, we noted 1 instance where money was not turned into the bookkeeper within one business day after receipt.

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 25 cash receipts, we noted 1 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 25 receipts, we noted 2 instances in which money collected was not substantiated by sufficient auditable support.

MANAGEMENT'S RESPONSE TO FINDINGS

2023-001 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.

2023-002 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.