

**CASEY COUNTY SCHOOL DISTRICT**

MANAGEMENT LETTER  
COMMENTS

YEAR ENDED JUNE 30, 2019

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AMERICAN INSTITUTE OF CPAs  
KENTUCKY SOCIETY OF CPAs

Kentucky State Committee for School District Audits and  
Members of the Board of Education  
Casey County School District  
Liberty, Kentucky

In planning and performing our audit of the financial statements of Casey County School District for the year ended June 30, 2019, we considered the District's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of certain matters that are an opportunity for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. A separate report dated October 23, 2019 contains our report on the District's internal control structure. This letter does not affect our report dated October 23, 2019 on the financial statements of the Casey County School District.

We will review the status of our comments during our next audit engagement. We have already discussed the comments and suggestions with various District personnel, and their implementation is currently being reviewed. We will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended solely for the information and use of management, members of the board of education, the Kentucky Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

*Stiles, Carter & Associates, CPAs, P.S.C.*  
Stiles, Carter & Associates, CPAs, P.S.C.  
Bardstown, Kentucky  
October 23, 2019

**CASEY COUNTY SCHOOL DISTRICT**

**MANAGEMENT LETTER COMMENTS**

JUNE 30, 2019

**PRIOR YEAR UNCORRECTED COMMENTS**

**CASEY COUNTY MIDDLE SCHOOL**

**EXTERNAL SUPPORT/BOOSTER CLUBS**

We noted that the Annual Financial Report and the June 2019 Monthly Financial Report that were on file for the PTO for the 2018-2019 school year were not signed by the PTO's treasurer or the school's principal. Therefore we were unable to determine if either reports were submitted timely.

We noted that the PTO did not have liability insurance coverage for the 2018-2019 school year. Redbook requires that external support/booster organizations obtain separate general liability coverage prior to commencing any fundraising activities.

**MANAGEMENT'S RESPONSE**

In the future I will make sure that all signatures are on the External PTO reports before including them in my audit box.

\* \* \*

**CURRENT YEAR COMMENTS**

**LIBERTY ELEMENTARY SCHOOL**

**DEPOSIT SLIPS**

We noted that none of the receipts that were reviewed had the receipt number listed on the deposit slip. Redbook requires that each of the receipts included in the deposit are listed on the deposit slip.

**MANAGEMENT'S RESPONSE**

Bookkeeper states they will correct this error by noting the receipt number on the deposit slip going forward.

**JONES PARK ELEMENTARY SCHOOL**

**FUNDRAISER FORM**

We noted that the Fundraiser Approval Forms (F-SA-2A) that were on file for the Kona Ice and School mall fundraisers did not specify which student activity fund was holding the fundraiser. Therefore, we were unable to determine if the fundraiser proceeds were deposited into the proper fund.

**MANAGEMENT'S RESPONSE**

Both the online CCBOE fundraiser request and the F-SA-2A are now being completed, so as clear where funds are deposited.

**MISSING DOCUMENTATION**

We noted that the deposit made on 05/13/19, in the amount of \$88.00 deposited into the C-Fund was proceeds from a yearbook sale fundraiser. However, there was not a Fundraiser Approval Form (F-SA-2A) on file for this fundraiser. Therefore, we were unable to determine if these proceeds were deposited into the correct student activity fund.

## **CASEY COUNTY SCHOOL DISTRICT**

### **MANAGEMENT LETTER COMMENTS**

JUNE 30, 2019

#### MANAGEMENT'S RESPONSE

The fundraiser request F-SA-2A and online have been completed for 2019-2020 with the information as to where these funds will be deposited.

#### LIBERTY ELEMENTARY SCHOOL

##### DEPOSIT SLIPS

We noted that none of the receipts that were reviewed had the receipt number listed on the deposit slip. Redbook requires that each of the receipts included in the deposit are listed on the deposit slip.

##### MANAGEMENT'S RESPONSE

Bookkeeper states they will correct this error by noting the receipt number on the deposit slip going forward.

#### CASEY COUNTY HIGH SCHOOL

##### CREDIT CARDS

We noted that the Sam's Club Business credit card was signed out from 11/20/18 – 11/26/18 and 12/4/18 – 12/10/18 on the Credit Card Sign In/Out Form (F-SA-13) by the same person. Redbook requires that the card be checked back in by the same day or next business day.

##### MANAGEMENT'S RESPONSE

Will not happen again, Sponsors had meetings in Lexington, checked out card so they would not have to make an extra trip.

##### EXTERNAL SUPPORT/BOOSTER CLUB

We noted that the Annual External Support/Booster Organization Financial Report that was on file for the Fishing Team for the 2018-2019 school year was not signed by the organization's treasurer or president and was not signed and dated by the school's principal. Redbook requires that the annual financial report be signed and dated by 7/15/18.

##### MANAGEMENT'S RESPONSE

Fishing Team had a new treasurer and she had problems getting all her paperwork done correctly and in on time. I had to send it back a couple times for her to redo. It was finished at the last minute and by that time Mr. Blevins (Principal) was out of town. I send with our Athletic Director a packet that list items each booster club is responsible for turning in and date. He gives the packet to each group. On the information list in bold print and underlined I state the Annual Financial Report is to be signed and dated.

##### INVENTORY CONTROL WORKSHEETS

We noted that the boys' soccer concession sales and FFA Florida Fruit Association sales each had one Inventory Control Worksheet (F-SA-5) on file for the entirety of the fundraiser. The concession worksheet was completed for the period of 08/24/18-10/12/18 and the fruit sale worksheet was completed for the period of 10/09/18-01/15/19. Redbook requires inventory control worksheets to be completed on a monthly basis to document the flow of inventory.

##### MANAGEMENT'S RESPONSE

Boys' soccer coach was out an extended time with illness. I contacted him several times in regards of turning in his inventory, but he was not able to come in. I spoke with FFA Sponsor about the importance/requirement of turning in inventory monthly.

**CASEY COUNTY SCHOOL DISTRICT**

**MANAGEMENT LETTER COMMENTS**

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ACCOUNTS RECEIVABLE

We noted that the deposit made on 07/12/19 included a receipt in the amount of \$11,974.27 to the Athletic Fund from the Casey Co. Board of Education for reimbursement of FY 18-19 athletic expenses. However, this receipt was not included in the Accounts Receivable portion of the Accounts Receivable and Accounts Payable Form (F-SA-15B) that was on file for the month of June 2019.

MANAGEMENT'S RESPONSE

Spoke with Mr. Stonebraker Athletic Director, he will ask for reimbursements from the Board twice a year (Fall/Spring Sports) and make me aware of the request.