



Escambia County
PUBLIC SCHOOLS

Success Academy
Audit of School Internal Accounts
For the year ended June 30, 2025

Office of Internal Auditing
October 2025

McKenzie Lane, CFE
Director – Internal Auditing

Audit Team:
Mindy Waldie
Internal Auditor
Melissa Weekley
Senior Internal Auditor

Preface

The Office of Internal Auditing serves to improve the fiscal accountability and enhance the public's perception of the management and operations of the Escambia County School District. This engagement strives to meet those objectives and align with the District's strategic goals by ensuring effective stewardship of internal funds.

Audits, reviews, and other engagements are determined through a District-wide risk assessment process and are incorporated into the annual work plan of the Office of Internal Auditing, as approved by the Audit Committee. Other assignments are also undertaken at the request of District management.

This engagement was conducted with the full cooperation of Success Academy staff and other District personnel.

Any recommendations included in this engagement are designed to improve operations and serve as the basis for informed discussions related to policies and procedures.

This engagement was conducted in accordance with the 2024 Global Internal Audit Standards issued by the Institute of Internal Auditors, which establish the principles and expectations for the professional practice of internal auditing.

We thank the principals, assistant principals, bookkeepers, secretaries, and various support personnel throughout the District for their cooperation and commitment.

Executive Summary

Success Academy received a full audit for the 2024-2025 fiscal year.

Our office audits the internal accounts of the District's schools annually. The authority to conduct these audits is granted by the School Board of Escambia County in the Charter for the Office of Internal Auditing.

These audits are conducted on a rotating basis with a sample of schools receiving "full" audits each year, and the other schools receiving "limited" audits. For each full audit, extensive testing procedures are applied to internal funds accounts. Limited audits include cash procedures and reconciliation to independent bank confirmations. For the 2024-2025 fiscal year, Success Academy received a full audit. This report documents the results of the audit.

The purpose of our audit was to determine whether the financial information reported in the internal accounts reconciles with bank statements and corresponding independent bank confirmations, and to determine compliance of transactions included in those same internal accounts with the governing provisions of Florida Statutes, State Board of Education rules, and policies and procedures of the School Board. We also sought to determine whether any instances of non-compliance were severe enough to render the financial information reported by the school unreliable. We believe our audit provides a reasonable basis for our conclusion, findings, and recommendations. This engagement adds value by promoting sound financial management, supporting compliance with policies and laws, and strengthening accountability at the school level.

Three adjusting journal entries were recommended.

Our audit procedures indicated matters that required adjustment of the school's records. Three journal entries were necessary:

- To transfer the remaining balance of the Graduated Seniors account to the General account.
- To correct the improper posting of Vending Commissions to the General account.
- To correct the improper posting of purchases for graduation supplies to the Public Relations & Promotions account.

These journal entries were processed by the bookkeeper in the following school year.

Minor instances of non-compliance are documented in the audit field notes.

We noted some minor instances of violation of Board Policies and Florida Statutes. These matters were documented and provided to the principal and bookkeeper.

Our testing resulted in five audit findings

Our testing resulted in five audit findings:

- Purchases were made without prior written approval.
- Request for Purchase forms (RFPs) were not properly completed.
- Monies Collected Forms (MCFs) were not properly completed.
- Credit card sign in/out log was not utilized.
- The yellow receipt copy was still attached to the Monies Collected Forms (MCFs).

The school's overall fund balance as of June 30, 2025 was \$1,187.65.

The overall fund balance reported by the school at June 30, 2025 was \$1,187.65. We have determined that the financial information reported by the school reconciles with bank statements and independent bank confirmations.

The majority of transactions included in the school's internal accounts were processed in accordance with applicable policies and procedures.

We concluded that the majority of transactions included in the school's internal accounts were processed in accordance with all applicable Florida Statutes, State Board of Education rules, and policies and procedures of the School Board.

We have also determined that the instances of non-compliance noted above and elsewhere in this report do not have a material effect and are not severe enough to render the financial information unreliable.

This report contains recommendations. The Executive Summary is intended to highlight the various aspects of the report. The full report should be read to understand the basis of our recommendations. We will follow-up on these recommendations approximately 90 days after the school's exit conference.

Background

Each year, our office audits the District's schools' internal accounts. The authority to conduct these audits is granted by the School Board of Escambia County in the Charter for the Office of Internal Auditing.

School internal funds are defined in the Internal Funds Policy Manual (the Manual) as "all monies collected and disbursed by school personnel within a school, for the benefit of the school, or a school sponsored activity." As further explained in the Manual, "School internal funds shall be used to supplement activities approved by the school board when the District budgetary funds are not available or have been exhausted." More plainly, internal funds include everything from money found on campus to collections from ticket sales for athletic events.

Outside support organizations are not included in this report and are not audited by our office.

Each year, District schools receive either a “full” audit (including all procedures listed in the Methodology section below), or a “limited” audit, where only certain procedures are performed (such as obtaining third-party confirmation for all cash and investment accounts and reconciliation of bank statements and confirmations). For the 2024-2025 fiscal year, Success Academy received a full audit.

Outside support organizations (school booster clubs and parent teacher associations) affiliated with this school that operate independent of a school’s internal accounts **are not included** in this report and **are not audited** by the Office of Internal Auditing.

The bookkeeper resigned in July 2025, and was subsequently replaced during the next school year.

Success Academy last received a full audit in the 2023-2024 fiscal year. There were two matters that rose to the level of audit findings. There were findings related to the proper processing of receipts with the correct Skyward date, and the proper utilization of the purchasing card log.

The school’s previous bookkeeper resigned in July 2025, and was subsequently replaced during the next school year.

Objective

The purpose of our audit was to evaluate the accuracy, reliability, and compliance of the internal funds maintained by the school for the fiscal year ended June 30, 2025. Specifically, our objectives were to determine whether the financial information reported in the school’s internal accounts reconciled with corresponding bank statements and independent bank confirmations; whether transactions were processed in accordance with applicable Florida Statutes, State Board of Education Rules, and School Board policies and procedures; and whether any instances of non-compliance or internal control weaknesses were significant enough to impact the reliability of the reported financial information. We also sought to identify opportunities for operational improvements or enhancements to internal controls where appropriate. This engagement also supports the District’s strategic objective of ensuring fiscal accountability at the school level.

We believe our audit provides a reasonable basis for our conclusion, findings, and recommendations.

Scope

The scope of this engagement included a full audit of the school's internal accounts as of and for the fiscal year ended June 30, 2025. This engagement focused solely on internal funds maintained at the school level and did not include an audit of external support organizations such as PTAs or booster clubs.

Audit procedures included the examination of financial records, transaction testing, evaluation of supporting documentation, and confirmation of cash and investment balances. These procedures were designed based on an engagement-level risk assessment conducted during the planning phase, which helped guide the nature, timing, and extent of testing.

The authority to perform this audit is established by Florida Statute 1011.07, which designates the School Board as responsible for the administration and control of internal accounts, and by the Redbook, which requires an annual audit of those accounts. While each school principal is responsible for maintaining their school's internal accounts, District management retains oversight of internal account policies and the preparation of year-end financial statements.

Methodology

The audit consists of three phases: planning, fieldwork, and reporting.

No known conflicts of interest were identified.

Based on a rotating audit schedule, each year District schools receive either a "full" audit (including extensive testing of transactions), or a "limited" audit, where only certain procedures are performed (such as obtaining third-party confirmation for all cash and investment accounts and reconciliation of bank statements and confirmations). For the year ended June 30, 2025, twenty schools were selected for "full" audits.

Each individual school audit consists of three phases: planning, fieldwork, and reporting.

The planning phase includes steps taken by the auditor to familiarize himself or herself with the school, and to determine their approach to the audit. An independence statement is completed for each school. This statement contains the signature of each auditor certifying that there are no conflicts of interest and that they are free from bias. The internal audit team affirms that this engagement was conducted independently and objectively. **No impairments to independence or**

Control risk for Success Academy has been assessed at moderate.

For our purposes, exceptions of greater than or equal to 20% of the total population may exist before an audit finding is issued.

objectivity were identified. An engagement-level risk assessment was conducted to identify and evaluate potential risks relevant to the school's internal funds. This included consideration of the school's prior audit history, recent staffing changes, the overall complexity of financial operations, and known or suspected control weaknesses. Based on this assessment, control risk for the school was determined to be moderate, and standard audit procedures were applied accordingly. If control risk is assessed at a level higher than moderate, additional procedures may be performed. The engagement risk assessment informed the development of our audit program, including the nature, timing, and extent of procedures necessary to provide reasonable assurance regarding the reliability of the school's financial information and compliance with applicable statutes, rules, and Board policies.

The fieldwork phase involves the application of testing procedures to the financial records of the school. While performing our testing, a percentage of transactions is allowed to contain compliance violations before it is determined to be an audit finding. For our purposes, an audit finding is a recurring issue that is present in greater than or equal to 20% of the sample. In addition, due to seriousness or materiality, a single compliance violation could also result in an audit finding. Upon the completion of fieldwork, exit conferences to discuss the results of the audit are conducted with principals and secretaries/bookkeepers, if necessary.

Finally, the reporting phase consists of communicating the results of the audit to the relevant parties in an easily readable and understandable format. Each phase consists of specific steps taken to ensure an audit is done in accordance with professional standards and currently accepted practices. Financial information from full audits is combined with information from limited audits and compiled into a District-Wide Report on Internal Accounts.

Detailed Results

Summary of Fund Activity	
07/01/24 Cash Balance	\$ 778.53
Total Receipts	9,867.91
Total Disbursements	(2,583.31)
Total Net Journal Entries	(6,875.48)
06/30/25 Balance, per Skyward	\$ 1,187.65
Audit Adjustments	-
06/30/25 Audited Balance	\$ 1,187.65
06/30/25 Cash Balance, per Confirmation(s)	\$ 1,187.65
Outstanding Deposits	-
Outstanding Checks	-
Other Reconciling Items	-
06/30/25 Reconciled Balance	\$ 1,187.65

General Ledger Review

Throughout the year and prior to the school's closing of their records at year end, we may review various reports, transactions, and supporting documentation of the school. The purpose of this review is to recommend adjusting journal entries, reclassifications, or other necessary actions which we feel will result in more accurate reporting and/or compliance with established rules, policies, and procedures. Any recommended entries or actions are traditionally completed prior to the close of the school's records and are therefore included in the reported June 30 financial information, unless otherwise indicated.

Three adjusting journal entries were recommended.

As a result of our fieldwork, three additional adjusting journal entries were recommended:

- To transfer the remaining balance of the Graduated Seniors account to the General account, we recommend processing a journal entry in the amount of \$20.75.
- To correct the improper posting of Vending Commissions to the General account, we recommend processing a journal entry in the amount of \$6.34.
- To correct the improper posting of purchases for graduation supplies to the Public Relations & Promotions account, we recommend processing a journal entry in the amount of \$178.77.

Minor instances of non-compliance are documented in the audit field notes.

After fieldwork, but prior to the issuance of this report, the school implemented our recommendations to process all journal entries mentioned above.

During our fieldwork, we noted minor instances of non-compliance, which are not included in this report. We documented these matters in our audit field notes, which were provided to the bookkeeper and principal.

One finding related to the yellow receipt copy for MCFs

Findings

Monies Collected Forms – Yellow Receipt Copy

Our testing indicated that the yellow receipt copy of the Monies Collected Form was not returned to the teacher or sponsor.

The Internal Funds Policy Manual provides specific requirements for the handling of Monies Collected Forms (MCFs). These guidelines state that the bookkeeper must sign and date the MCF and return the yellow copy to the individual submitting the funds. The yellow copy is used to verify the accuracy of the end-of-month account ledger report. Additionally, the Manual requires that all yellow MCF copies be submitted to the school administrator at year end and retained on file for auditing purposes.

See our recommendation in the Recommendations section below.

One finding related to improper completion of MCFs

Monies Collected Forms – Proper Completion

Our testing indicated Monies Collected forms were not properly completed.

The Internal Funds Policy Manual gives specific guidelines to be followed for the receipt of monies. These guidelines mention specific procedures to be followed concerning indication of whether the monies were remitted in cash or check, requirements of the teacher or sponsor to sign the monies collected form, and verification by the bookkeeper of the monies collected and the counter signature on the forms.

See our recommendation in the Recommendations section below.

One finding related to lack of prior written approval.

Prior Written Approval

Our testing indicated purchases were made prior to the principal's written approval date, as evidenced on the approval forms for both check requests and credit card purchase requests.

The Internal Funds Policy Manual gives specific guidelines regarding the prior approval of purchases. Section VIII, A.1 of the Manual states, "All disbursements require **prior written approval** of the Principal or

One finding related to the improper completion of RFPs

his/her designated representative. 'Prior written approval' may consist of a properly completed Purchase Requisition/Request for Purchase Order. This must be done **BEFORE** the item is ordered and funds are obligated." In the case of credit card purchases, the Request Purchase Utilizing Purchasing Card approval form should be used.

See our recommendation in the Recommendations section below.

Request for Purchase forms

Our testing indicated Request for Purchase forms were not properly completed.

The Internal Funds Policy Manual, Section VIII, D.1, states, "No disbursement shall be made without the prior written approval of the Principal.... 'Prior approval' may consist of a **properly completed** Purchase Requisition/Request for Purchase Order form (RFP)." A properly completed RFP includes fields such as the account name and/or number to be charged and the teacher/sponsor signature.

See our recommendation in the Recommendations section below.

One finding related to the documentation of the purchasing card sign-in/out log.

Credit Card Sign-in/out Log

Our testing indicated the documentation of the signing-in/out of credit cards (purchase cards) was not properly completed.

The Internal Funds Policy Manual gives specific guidelines for the documentation of signing-in/out credit cards (purchase cards). Section VIII, E.2(d) of the Manual states, "Cardholders cannot check out the credit card until all approvals have been given in writing. Once all paperwork has been approved and signed then the cardholder must sign out the P-Card from the Card Manager." Section VIII, E.2(j) states, "Procurement Cards must be locked up by the card manager. When a purchasing request has been approved, the card will be signed out to the cardholder and must be signed back in within 2 days after the purchase date, unless prior approval has been given by the Principal to keep the card for an extended period of time due to a particular purpose. An example would be a P-Card is needed for out of county travel or in county travel that extends past the school hours of Friday and into the weekend or until Cardholder returns from the trip or for a sport season. **(The card should not be checked out for the entire school year, but rather for each purchase.)**"

This is a repeat audit finding from 2023-2024 and 2022-2023.

See our recommendation in the Recommendations section below.

Conclusion

The majority of the school's transactions were processed in accordance with all applicable policies and procedures

The financial information reconciled with bank statements and independent confirmations.

As part of this engagement, our responsibility is to form a conclusion regarding whether transactions recorded in the school's internal accounts complied with applicable Florida Statutes, State Board of Education rules, and School Board policies and procedures, and whether the school's financial records reconciled with corresponding bank statements and independent bank confirmations. In conducting this evaluation, we also assessed the adequacy and effectiveness of internal controls relevant to the administration of internal funds.

Based on the procedures performed, we conclude that, for schools where a full audit was conducted, the majority of transactions were consistent with applicable Florida Statutes, State Board of Education rules, and policies and procedures of the School Board. Additionally, the financial records reconciled appropriately with independent bank confirmations and bank statements. In our evaluation, we determined the internal controls established by the District appear comprehensive, adequate, and effective in supporting the proper management of internal funds.

While we identified some areas that present opportunities for strengthening internal controls, increasing operating efficiencies, and/or assuring compliance with applicable laws, rules, regulations, policies and/or procedures, these matters were not significant enough to affect the overall reliability of the school's reported financial information.

These observations, along with related recommendations for improvement, are detailed in the Detailed Results section of this report.

Recommendations

Review and instruct staff on policies and procedures related to proper processing of the yellow receipt copy for MCFs.

Monies Collected Forms-Yellow Receipt Copy

In an effort to address the yellow receipt copy of the MCFs not being returned to the teacher or sponsor, **we recommend the principal and bookkeeper review the Internal Funds Policy Manual and instruct staff on the proper handling of MCFs.**

Risk Prioritization: 5 of 5

Risk Significance: Moderate

Review and instruct staff on policies and procedures related to proper completion of MCFs.

Monies Collected Forms

In an effort to address the improper completion MCFs, **we recommend the principal and bookkeeper review the Internal Funds Policy Manual and instruct staff on the proper completion of MCFs.**

Risk Prioritization: 3 of 5

Risk Significance: Moderate

Review and instruct staff on policies and procedures related to prior written approval for expenditures.

Prior Written Approval

In an effort to address purchases made prior to receiving written approval from the principal/designee, **we recommend the principal and the bookkeeper review the Internal Funds Policy Manual and instruct staff on the proper procedures of obtaining prior written approval for expenditures.**

Risk Prioritization: 2 of 5

Risk Significance: Moderate

Review policies and procedures related to the proper completion of RFPs.

Request for Purchase Forms

In an effort to address the improper completion or lack of RFPs, **we recommend the principal and bookkeeper review the Internal Funds Policy Manual and instruct staff on the proper completion of the forms.**

Risk Prioritization: 1 of 5

Risk Significance: Moderate

Review and instruct staff on the policies and procedures related to the documentation of the credit card sign-in/out log.

Credit Card Sign-in/out Log

In an effort to address the documentation of credit cards being signed-in/out, **we recommend the principal and bookkeeper review the Internal Funds Policy Manual and instruct staff on the proper procedures related to the use of the credit cards.**

Risk Prioritization: 4 of 5

Risk Significance: Moderate

We will follow-up on these recommendations approximately 90 days after the school's exit conference.

Management Response



Success Academy

Dawn Gibbs
Principal

7045 Wymart Rd.
Pensacola, FL 32526
(850) 941-6100 (fax) (850) 941-6104

David Joiner
Assistant Principal

Nov 20, 2025

To Whom It May Concern;

We had five findings during our internal audit process that we would like to address at our Exit Conference.

- The request for purchase forms was not properly completed
- Prior written approval was not obtained
- Monies Collected Forms not completely filled out.
- Credit card sign-in/out was not utilized
- Yellow receipts were still on Monies Collected forms

The Request for Purchase form was a misunderstanding on our part. Since the only person authorized to spend internal funds is the principal, we didn't realize that I still needed to approve the expenditures. This will be corrected. There were several Monies Collected Forms that were not filled out, and I believe this was due to a lack of experience, as it was our secretary's first year in the position. The yellow receipts finding was again due to a lack of experience, because since I was the only person spending the funds, we didn't realize that I also needed to still be given a copy of the MCF. After our audit review, I have a better understanding of what is being reviewed, and we will work to make sure it complies in the future. We have had four secretaries in the last four years, so it is very difficult to have any type of consistency with this process. I understand the importance of maintaining accurate and timely records within the internal budget, and I am confident the new procedures will result in improved audit reports for Success Academy. If I can be of further assistance, please don't hesitate to contact me at 850-941-6100.

Sincerely,

Dawn Gibbs
Principal

Success Academy 7045 Wymart Road Pensacola, FL 32526

Appendix

Risk Rating	Criteria
High	Significant internal control or risk management concern that if not corrected or mitigated could lead to serious consequences. Immediate attention from Escambia County School District personnel required.
Moderate	Minor procedural lapses, internal control gaps, and/or failure of defined controls which could lead adverse impacts. Timely attention from Escambia County School District personnel is warranted.
Low	Recommendation may lead to improvement in the quality and/or efficiency of the process or area audited, or conformance to best practices. Routine attention from Escambia County School District personnel is warranted.

The IIA's 2024 Global Internal Audit Standards requires internal auditors to "prioritize each engagement finding based on its significance, using methodologies established by the chief audit executive."

**Agenda Item Details**

Meeting	Dec 16, 2025 - REGULAR MEETING AGENDA (5:30 PM)
Category	45. Internal Auditing
Subject	A. 2024-2025 School Internal Accounts Audit Reports
Type	Action, Reports
Fiscal Impact	No
Budgeted	No
Recommended Action	Acceptance of the 2024-2025 school internal accounts audit reports.

Each year, we audit the internal accounts of the schools. As part of this process, a sample of schools receive audits with full procedures (financial and compliance), with the remaining schools receiving audits with limited procedures. Audits receiving full procedures are presented to the Board individually. These reports have been presented to and accepted by the Audit Committee, a standing committee of the Board. The reports are being presented to the Board for their review and entry into the minutes.

 [2024-2025 School Internal Accounts Audits - Elementary.pdf \(2,948 KB\)](#)

 [2024-2025 School Internal Accounts Audits - Secondary and Centers.pdf \(6,226 KB\)](#)

Motion & Voting

Acceptance of the 2024-2025 school internal accounts audit reports.

Motion by Paul Fetsko, second by David Williams.

Final Resolution: Motion Carries

Yes: Kevin Adams, Paul Fetsko, David Williams, Carissa Bergosh, Tom Harrell

Workflow

Workflow

Dec 3, 2025 11:52 AM :: Submitted by McKenzie Lane. Routed to McKenzie Lane for approval.

Dec 3, 2025 11:53 AM :: Final approval by McKenzie Lane

Last Modified by Holley DeWees on December 16, 2025