

**BOARD OF EDUCATION  
TOWNSHIP OF DELRAN  
COUNTY OF BURLINGTON**

**AUDITORS MANAGEMENT REPORT  
ON ADMINISTRATIVE FINDINGS  
- FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2014**

***INVERSO & STEWART***  
**Marlton, New Jersey**

**AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS  
- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

The Honorable President and  
Members of the Board of Education  
Delran Township School District  
Delran, New Jersey

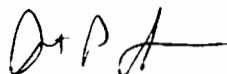
I have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Delran Township School District, in the County of Burlington, for the year ended June 30, 2014, and have issued my report thereon dated September 5, 2014.

As part of my audit, I performed procedures required by the Office of School Finance of the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is issued in conjunction with the Comprehensive Annual Financial Report of the Delran Township School District, for the fiscal year ended June 30, 2014 and is intended for the use and information of the District's management and the New Jersey Department of Education and should not be used by anyone other than these specified parties.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Public School Accountant

September 5, 2014

**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the Treasurer of School Moneys, the activities of the Board of Education, and the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's CAFR.

**Officials Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Christopher Russo	Board Secretary/School Business Administrator	\$ 300,000
Dorothea Jones	Treasurer	275,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Republic Franklin Insurance Company covering all other employees with multiple coverage of \$400,000.

**Tuition Charges**

The district was not required to make any tuition adjustments.

**Unemployment Compensation Insurance Fund**

The Board of Education has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Fund (Exhibit H-2) in the fiduciary trust fund.

The Unemployment Compensation Insurance Fund was maintained in satisfactory condition.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under audit did not indicate any material noncompliance with respect to signatures, certifications or supporting documentation.

**Payroll Account**

The net salaries of all employees of the District were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

### **Financial Planning, Accounting and Reporting (Continued)**

All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/Business Administrator and the Chief School Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund.

Payrolls were delivered to the Treasurer of School Moneys with a warrant made to his order for the full amount of each payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators to the NJ Department of Treasury was filed by the March 15 due date.

The Payroll Account records were maintained in satisfactory condition.

### **Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. My review did not indicate any material discrepancies to the classification of orders.

### **Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards**

No exceptions were noted during my examination of obligations of federal grant awards and requests for reimbursement of expenditures against those federal grant awards made during the period under audit.

### **Travel**

No exceptions were noted in my study of compliance for travel expenses.

### **Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6A:23A-16.2(f)* as part of my test of transactions of randomly selected expenditure items. I also reviewed the coding of all expenditures included in my compliance and single audit testing procedures. In addition to randomly selecting a test sample, my sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.2*. My review did not indicate any material discrepancies with respect to classification of expenditures.

### **Board Secretary/Business Administrator's Record**

The financial and accounting records of the Board Secretary/Business Administrator's office were maintained in good condition.

### **Treasurer's Records**

The financial and accounting records of the Treasurer were maintained in good condition.

**Financial Planning, Accounting and Reporting (Continued)**

**Elementary and Secondary Education Act of 1965 (E.S.E.A.)/ Improving America's Schools Act (I.A.S.A.) as reauthorized by the No Child Left Behind Act of 2001 (N.C.L.B.)**

The E.S.E.A./NCLB financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Title I, Title II, and Title III of the Elementary and Secondary Education Act, as amended by the No Child Left Behind Act.

No exceptions were noted in my study of compliance for the E.S.E.A. projects.

**Other Special Federal and/or State Projects**

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

My audit of the Federal and State funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

The study of compliance for special projects indicated no areas of noncompliance and/or questionable costs.

**T.P.A.F. Reimbursement**

My audit procedures included a test of the biweekly reimbursements filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

**Nonpublic State Aid**

The study of compliance for nonpublic state aid indicated no areas of noncompliance and/or questionable costs.

**School Purchasing Programs**

N.J.S.A. 18A:18A-3 states:

- a. When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$26,000, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations.

If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971,c 198 (C.40A:11-9) the board of education may establish that the bid threshold may be up to \$36,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$17,500.

**School Purchasing Programs (Continued)**

- b. Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of the Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A. 18A:18A-3(b) provides that any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection (a) of N.J.S.A. 18A:18A-5 may be awarded for a period not exceeding 12 consecutive months.

N.J.S.A. 18A:18A-4 states:

- a. Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law.

The Board of Education may, by resolution approved by a majority of the board of education and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the board of education finds that any board or, in the case of a contract for school facilities project, the New Jersey Economic Development Authority, has had prior negative experience with the bidder within the past 10 years, as reported in a contractor evaluation submitted pursuant to N.J.S.A. 18A:18A-15 or in a school facilities project performance evaluation submitted pursuant to regulations of the Department of the Treasury or section 62 of P.L. 2000, c. 72 (C.18A:7G-36), as appropriate.

The School District has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Based on the results of my examination, I did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, as amended.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

**School Food Service**

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

### **School Food Service (Continued)**

The District utilizes a food service management company and is depositing and expending program monies in accordance with NJSA 18A:17-34 and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed and audited.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources exceeded three months average expenditures. The District is planning to purchase food service equipment with the excess cash resources.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all District food service employees authorized by the Board of Education. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications and/or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

USDA Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the CAFR.

### **Student Body Activities**

The financial records for the Student Activity Fund were reviewed and the following was noted:

#### **Finding #2014-1:**

The Middle School Athletics account did not have supporting documentation for receipts from fund raisers.

#### **Recommendation:**

The Middle School Athletics Account should maintain supporting documentation for all receipts.

### **Application for State School Aid**

My audit procedures included a test of information reported in the October 15, 2013 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and bilingual. I also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers without exception. The information that was included on the workpapers was verified without exception. The results of my procedures are presented in the Schedule of Audited Enrollments.



**Application for State School Aid (Continued)**

The District maintained workpapers on the prescribed state forms or their equivalent.

The District has adequate written procedures for the recording of student enrollment data.

**Pupil Transportation**

My procedures included a test of on roll status reported in the 2013-2014 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of my procedures are presented in the Schedule of Audited Enrollments.

My procedures also included a review of transportation related contracts and purchases. Based on my review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in my review of transportation related purchases of goods and services.

**Facilities and Capital Assets**

Not Applicable.

**Follow-up on Prior Years' Findings**

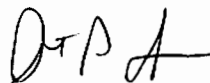
In accordance with government auditing standards, my procedures included a review of all prior year recommendations. There were no prior year findings.

**Acknowledgment**

I received the complete cooperation of all the officials of the Delran Township School District and I greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant

September 5, 2014

**SCHEDULE OF MEAL COUNT ACTIVITY**

**DELRAN TOWNSHIP SCHOOL DISTRICT**  
**FOOD SERVICE FUND**  
**NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL**  
**ENTERPRISE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Lunch (Regular Rate)	Paid	162,018	162,018	162,018	0	0.28	0.00
National School Lunch (Regular Rate)	Reduced	19,005	19,005	19,005	0	2.53	0.00
National School Lunch (Regular Rate)	Free	71,161	71,161	71,161	0	2.93	0.00
	<b>TOTAL</b>	<u>252,184</u>	<u>252,184</u>	<u>252,184</u>			<u>0.00</u>
<b>Total Net Overclaim</b>							<u>0.00</u>

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Breakfast (Regular Rate)	Paid	13,442	13,442	13,442	0	0.28	0.00
National School Breakfast (Regular Rate)	Reduced	5,118	5,118	5,118	0	1.28	0.00
National School Breakfast (Regular Rate)	Free	37,969	37,969	37,969	0	1.58	0.00
	<b>TOTAL</b>	<u>56,529</u>	<u>56,529</u>	<u>56,529</u>			<u>0.00</u>
<b>Total Net Overclaim</b>							<u>0.00</u>

**DELTRAN TOWNSHIP SCHOOL DISTRICT**  
**FOOD SERVICE FUND**  
**NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - STATE**  
**ENTERPRISE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

<b><u>PROGRAM</u></b>	<b><u>MEAL CATEGORY</u></b>	<b><u>MEALS CLAIMED</u></b>	<b><u>MEALS TESTED</u></b>	<b><u>MEALS VERIFIED</u></b>	<b><u>DIFFERENCE</u></b>	<b><u>RATE (a)</u></b>	<b><u>(OVER) UNDER CLAIM (b)</u></b>
State Reimbursement - National School	Paid	162,018	162,018	162,018	0	0.040	0.00
State Reimbursement - National School	Reduced	19,005	19,005	19,005	0	0.055	0.00
State Reimbursement - National School	Free	71,161	71,161	71,161	0	0.055	0.00
	<b>TOTAL</b>	<b><u>252,184</u></b>	<b><u>252,184</u></b>	<b><u>252,184</u></b>			
<b>Total Net Overclaim</b>							<b><u>0.00</u></b>

**SCHEDULE OF AUDITED ENROLLMENTS**

**Delran Township School District**

**Application for State School Aid Summary**

**Enrollment as of October 15, 2013**

	2014-2015 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on ASSA as Private Schools	Sample for Verifi- cation	Sample Varified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
10 Half Day Pre K 3	11		11					1		1						
Half Day Pre K 4	11		11					1		1						
Full Day K	251		251					25		25						
One	177		177					18		18						
Two	194		194					19		19						
Three	175		175					18		18						
Four	219		219					22		22						
Five	190		190					19		19						
Six	174		174					17		17						
Seven	203		203					20		20						
Eight	202		202					20		20						
Nine	207		207					21		21						
Ten	183		183					18		18						
Eleven	176		176					18		18						
Twelve	186		186					19		19						
Subtotal	<u>2,559</u>	<u>0</u>	<u>2,559</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>256</u>	<u>0</u>	<u>256</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SpEd Elementary	191		191					19		19			5	5		
SpEd Middle School	110		110					11		11			2	2		
SpEd High School	90		90					9		9			12	12		
Subtotal	<u>391</u>	<u>0</u>	<u>391</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>39</u>	<u>0</u>	<u>39</u>	<u>0</u>	<u>0</u>	<u>19</u>	<u>19</u>	<u>0</u>	<u>0</u>
Totals	<u>2,950</u>	<u>0</u>	<u>2,950</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>295</u>	<u>0</u>	<u>295</u>	<u>0</u>	<u>0</u>	<u>19</u>	<u>19</u>	<u>0</u>	<u>0</u>
Percentage Error					<u>-0-</u>	<u>-0-</u>					<u>-0-</u>	<u>-0-</u>			<u>-0-</u>	<u>-0-</u>

Schedule of Audited Enrollments

Delran Township School District

Application for State School Aid Summary

Enrollment as of October 15, 2013

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Pre K 3						
Half Day Pre K 4						
Full Day K	5	5		5	5	
One	3	3		3	3	
Two	3	3		3	3	
Three	4	4		4	4	
Four	1	1		1	1	
Five	0	0		0	0	
Six	0	0		0	0	
Seven	0	0		0	0	
Eight	1	1		1	1	
Nine	0	0		0	0	
Ten	2	2		2	2	
Eleven	4	4		4	4	
Twelve	0	0		0	0	
Subtotal	<u>23</u>	<u>23</u>	<u>0</u>	<u>23</u>	<u>23</u>	<u>0</u>
SpEd Elementary	2	2		2	2	
SpEd Middle School	0	0		0	0	
SpEd High School	1	1		1	1	
Subtotal	<u>3</u>	<u>3</u>	<u>0</u>	<u>3</u>	<u>3</u>	<u>0</u>
Totals	<u>26</u>	<u>26</u>	<u>0</u>	<u>26</u>	<u>26</u>	<u>0</u>
Percentage Error			<u>-0-</u>			<u>-0-</u>

Schedule of Audited Enrollments

Delran Township School District

Application for State School Aid Summary

Enrollment as of October 15, 2013

12

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>	<u>Reported on ASSA as LEP Low Income</u>	<u>Reported on Workpapers as LEP Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Pre K 3												
Half Day Pre K 4												
Full Day K												
One	85	85		28	28		20	20		20	20	
Two	45	45		15	15		10	10		10	10	
Three	55	55		18	18		7	7		7	7	
Four	47	47		16	16		4	4		4	4	
Five	57	57		18	18		2	2		2	2	
Six	40	40		16	16		0	0		0	0	
Seven	46	46		15	15		1	1		1	1	
Eight	50	50		16	16		3	3		3	3	
Nine	46	46		15	15		1	1		1	1	
Ten	37	37		12	12		1	1		1	1	
Eleven	40	40		12	12		3	3		3	3	
Twelve	31	31		10	10		2	2		2	2	
	42	42		14	14		1	1		1	1	
	<u>630</u>	<u>630</u>	<u>0</u>	<u>206</u>	<u>206</u>	<u>0</u>	<u>55</u>	<u>55</u>	<u>0</u>	<u>55</u>	<u>55</u>	<u>0</u>
SpEd Elementary	63	63		55	55		3	3		3	3	
SpEd Middle School	40	40		35	35		1	1		1	1	
SpEd High School	38	38		34	34							
Subtotal	<u>141</u>	<u>141</u>	<u>0</u>	<u>124</u>	<u>124</u>	<u>0</u>	<u>4</u>	<u>4</u>	<u>0</u>	<u>4</u>	<u>4</u>	<u>0</u>
Totals	<u>771</u>	<u>771</u>	<u>0</u>	<u>329</u>	<u>329</u>	<u>0</u>	<u>59</u>	<u>59</u>	<u>0</u>	<u>59</u>	<u>59</u>	<u>0</u>
Percentage Error			<u>-0-</u>			<u>-0-</u>			<u>-0-</u>			<u>-0-</u>

	<u>Transportation</u>					
	<u>Reported on DRTRS by DOE</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Reg. Public School, col. 1	677	677		135	135	
Reg. Special Education, col. 4	144	144		29	29	
Transported-Non-Public, col. 3	55	55		11	11	
Special Needs, Col. 6	225	225		45	45	
	<u>1,101</u>	<u>1,101</u>	<u>0</u>	<u>220</u>	<u>220</u>	<u>0</u>
Percentage Error			<u>-0-</u>			<u>-0-</u>

	<u>Reported</u>	<u>Recalculated</u>
Avg. Mileage - Regular Including Grade PK students	3.2	3.2
Avg. Mileage - Regular Excluding Grade PK students	3.2	3.2
Avg. Mileage - Special Ed. with Special Needs	3.0	3.0

DELRAN TOWNSHIP SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

**SECTION 1 - Regular Districts**

**A. 2% Calculation of Excess Surplus**

2013-14 Total General Fund Expenditures per the CAFR, Ex C-1	\$ <u>43,785,163</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ _____	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ _____	(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>(3,149,894)</u>	(B2a)
Assets Acquired Under Capital Leases	\$ <u>(339,982)</u>	(B2b)
Adjusted 2013-14 General Fund Expenditures [(B)+(B1s)+(B2s)]	\$ <u>40,295,287</u>	(B3)
2% of Adjusted 2013-14 General Fund Expenditures [(B3) times .02]	\$ <u>805,906</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>805,906</u>	(B5)
Increased by: Allowable Adjustment	\$ <u>436,882</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$ <u><u>1,242,788</u></u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6-30-14 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>5,174,728</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>72,938</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ <u>1,044,525</u>	(C3)
Other Restricted Fund Balances	\$ <u>1,208,544</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>621,248</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u><u>2,227,473</u></u> (U1)





**DELRAN TOWNSHIP SCHOOL DISTRICT  
NET CASH RESOURCE SCHEDULE**

Net cash resources did not exceed three months of expenditures  
Proprietary Funds - Food Service  
For the fiscal year ended June 30, 2014

<u>Net Cash Resources:</u>		Food Service B - 4/5	
<b>CAFR</b>	<b>* Current Assets</b>		
B-4	Cash & Cash Equivalents	\$ 454,404	
B-4	Intergovernmental Accounts Receivable	27,107	
B-4	Interfund Accounts Receivable		
<b>CAFR</b>	<b>Current Liabilities</b>		
B-4	Less: Accounts Payable		
B-4	Less: Compensated Absences Payable		
B-4	Less: Interfund Accounts Payable		
B-4	Less: Unearned revenue	<u>(12,764)</u>	
	<b>Net Cash Resources</b>	<u><u>\$ 468,747</u></u>	<b>( A )</b>
 <u>Net Adjustment To Total Operating Expense:</u>			
B-5	Total Operating Expense	1,094,819	
B-5	Less: Depreciation	<u>(33,330)</u>	
	Adjusted Total Operating Expense	<u><u>\$ 1,061,489</u></u>	<b>( B )</b>
 <u>Average Monthly Operating Expense:</u>			
	B / 10	<u><u>\$ 106,149</u></u>	<b>( C )</b>
 <u>Three times monthly Average:</u>			
	3 X C	<u><u>\$ 318,447</u></u>	<b>( D )</b>

TOTAL IN BOX A	\$ 468,747	
LESS TOTAL IN BOX D	<u>(318,447)</u>	
NET	<u><u>150,300</u></u>	
From above:		
<b>A is greater than D, cash exceeds 3 X average monthly operating expenses.</b>		
<b>D is greater than A, cash does not exceed 3 X average monthly operating expenses.</b>		

\*Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form.