

Keansburg School District

Auditors' Management Report on Administrative
Findings – Financial, Compliance, and Performance

June 30, 2015

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

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COWAN, GUNTESKI & Co., P.A.

Certified Public Accountants and Consultants

Report of Independent Auditors

Honorable President and
Members of the Board of Education
Keansburg School District
County of Monmouth, Keansburg, New Jersey 07734

We have audited, in accordance with generally accepted audit standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Keansburg School District in the County of Monmouth for the year ended June 30, 2015, and have issued our report thereon dated December 18, 2015.

As part of our audit, we performed procedures required by 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 intended for the information of the Keansburg School District Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

William C. McNamara, CPA
Licensed Public School Accountant
No. CS02023
Cowan, Guteski & Co., P.A.

December 18, 2015

Administrative Findings – Financial, Compliance and Performance

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, the activities of the Board of Education (the "Board"), 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 amount as detailed on Exhibit J-20, the Insurance Schedule contained in the District's CAFR.

Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Corey Lowell	Board Secretary/School Business Administrator	\$257,000

There is a Public Employees' Faithful Performance Blanket Position Bond with the Company covering all other employees with multiple coverage of \$250,000.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account

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

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

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

Payrolls were delivered to the secretary of the Board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

Financial Planning, Accounting and Reporting (cont'd)

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2015 for proper classification of orders as reserve for encumbrances and accounts payable.

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 our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.3*. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed the following items:

***Finding 2015-01:** The Board Secretary's Report was approved with an imbalance in actual fund balances. Appropriate decisions cannot be made with inaccurate reports.

Recommendation: The Business Office should review the Board Secretary's Report prior to submission to the Board to ensure that the accounting treatment and roll forward of fund balance is correct.

Treasurer's Records

The Treasurer's Reports are approved at the monthly Board Meetings, and copies of the reports are included in the minute's book.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2014-15 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 our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (IASA) as reauthorized by the No Child Left Behind Act of 2001

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 Titles I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

Financial Planning, Accounting and Reporting (cont'd)

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibit K-3 and Exhibit K-4 located in the CAFR.

Our 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.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements (electronic, but districts can print out the DOENET screen for an auditor) filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Report for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 60 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general is available on the website:
<http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>.

Effective July 1, 2010 and thereafter the bid thresholds in accordance with *N.J.S.A. 18A:18A-2* and *18A:18A-3(a)* are \$36,000 (with a Qualified Purchasing Agent) and \$26,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under *N.J.S.A 18A:39-3* is currently \$18,300.

The District Board of Education 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.

Based on the results of our examination, we 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 provisions of *N.J.S.A. 18A:18A-4*. 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 services were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The District utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with *N.J.S.A.* 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has not been met.

Expenditures should be 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 disbursement 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 did not exceed three months average expenditures.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services 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.

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. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. 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 District maintains checking accounts for the Elementary Schools, Middle School and High School activities. Uniformed cash receipt and disbursement records are kept. During our review of the student activity funds, the following items were noted.

***Finding 2015-02:** Several of the schools made deposits after five days of receiving the funds.

Recommendation: The District should enforce the policy of student activities' deposits being made within five days of receipt of the funds.

Application for State School Aid (ASSA)

Our audit procedures included a test of information reported in the October 15, 2014 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low-income, and bilingual. We 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 except for any errors noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent. The District's written procedures appear to be adequate for the recording of student enrollment data.

Follow-up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action had been taken on all prior year findings except for those denoted above.

* - denotes a prior year audit finding that was found in the current year.

We have also reviewed any findings contained in the audit reports issued by State of New Jersey agencies. Corrective action plans have been created for all findings and corrective actions are in the process of being implemented. There were no findings noted that had a material impact to the financial statements; therefore, no adjustments related to findings were made to the financial statements as of June 30, 2015.

Acknowledgment

We received the complete cooperation of all the officials of the District and we greatly appreciate the courtesies extended to the members of the audit team.

**KEANSBURG SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

SCHEDULE OF AUDITED ENROLLMENTS

	2014-2015 Application for State School Aid (10/15/14 data)						Sample for Verification						On Roll - Related Services			Private Schools for Disabled			Private Schools - Related Services				
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Sample for Verification	Sample Verified	Sample Errors	Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Sample for Verification	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared											
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 3 year	83	-	83	-	-	-	83	-	83	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 year	109	-	109	-	-	-	109	-	109	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	95	-	95	-	-	-	95	-	95	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	105	-	105	-	-	-	105	-	105	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Two	78	-	78	-	-	-	78	-	78	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Three	102	-	102	-	-	-	102	-	102	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Four	80	-	80	-	-	-	80	-	80	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Five	67	-	67	-	-	-	67	-	67	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Six	70	-	70	-	-	-	70	-	70	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seven	85	-	85	-	-	-	85	-	85	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	71	-	71	-	-	-	71	-	71	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	59	-	59	-	-	-	59	-	59	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	99	-	99	-	-	-	99	-	97	-	2	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	59	2	59	2	-	-	59	2	59	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	63	2	63	2	-	-	63	2	64	2	(1)	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,225	4	1,225	4	-	-	1,225	4	1,224	4	1	-	-	-	-	-	-	-	-	-	-	-	-
Sp. Ed - Elementary	122	-	122	-	-	-	122	-	122	-	-	-	-	-	4.0	3.0	3.0	-	-	-	-	-	-
Sp. Ed - Middle Schools	77	-	77	-	-	-	77	-	77	-	-	-	-	-	5.0	5.0	5.0	-	-	-	-	-	-
Sp. Ed - High School	75	13	75	13	-	-	75	13	77	13	(2)	-	-	-	22.0	19.0	19.0	-	-	-	-	-	-
Subtotal	274	13	274	13	-	-	274	13	276	13	(2)	-	-	-	31.0	27.0	27.0	-	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	1,499	17	1,499	17	-	-	1,499	17	1,500	17	(1)	-	-	-	31.0	27.0	27.0	-	-	-	-	-	-
Percentage Error					0.00%	0.00%					-0.07%	0.00%		0.00%				0.00%				0.00%	0.00%

**KEANSBURG SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

SCHEDULE OF AUDITED ENROLLMENTS

	Low Income			Sample for Verification			Bilingual Education			Sample for Verification			
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as Bilingual Education	Reported on Workpapers as Bilingual Education	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors	
	Half Day Preschool	-	-	-	-	-	-	Bilingual Students	39	39	-	34	32
Full Day Preschool 3 year	* 64.0	64.0	-	14.0	14.0	-	Percentage Error			0.00%			5.88%
Full Day Preschool 4 year	* 71.0	71.0	-	14.0	14.0	-							
Full Day Kindergarten	71.0	72.0	(1.0)	26.0	26.0	-							
One	75.0	75.0	-	18.0	18.0	-							
Two	56.0	56.0	-	19.0	19.0	-							
Three	78.0	78.0	-	27.0	27.0	-							
Four	56.0	56.0	-	16.0	16.0	-							
Five	48.0	48.0	-	6.0	6.0	-							
Six	51.0	51.0	-	15.0	15.0	-							
Seven	58.0	58.0	-	18.0	18.0	-							
Eight	49.0	49.0	-	15.0	15.0	-							
Nine	39.0	39.0	-	8.0	8.0	-							
Ten	71.0	71.0	-	19.0	19.0	-							
Eleven	38.0	38.0	-	10.0	8.0	2.0							
Twelve	35.0	35.0	-	9.0	9.0	-							
Post-Graduate	-	-	-	-	-	-							
Adult H.S. (15+CR.)	-	-	-	-	-	-							
Adult H.S. (1-14 CR.)	-	-	-	-	-	-							
Subtotal	860.0	861.0	(1.0)	234.0	232.0	2.0							
Sp. Ed - Elementary	91.0	91.0	-	12.0	12.0	-							
Sp. Ed - Middle School	65.0	65.0	-	19.0	19.0	-							
Sp. Ed - High School	52.5	52.5	-	14.0	14.0	-							
Subtotal	208.5	208.5	-	45.0	45.0	-							
Co. Other	2.0	2.0	-	-	-	-							
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-							
Totals	1,070.5	1,071.5	(1.0)	279.0	277.0	2.0							
Percentage Error			-0.09%			0.72%							

Transportation

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	25.0	25.0	-	15.0	12.0	3.0
Reg -SpEd, col. 4	22.0	21.5	0.5	20.0	20.0	-
Transported - Non-Public, col. 3	-	-	-	-	-	-
Special Ed Spec, col. 6	77.0	77.5	(0.5)	36.0	36.0	-
Courtesy Students, col. 8+9	41.0	41.0	-	31.0	29.0	2.0
Totals	165.0	165.0	-	102.0	97.0	5.0
Percentage Error						4.90%

* Totals for Low Income Full Day PK 3-year and 4-year not reflected on ASSA due to updated format and submission program implementation. These amounts are included on the above Enrollment Summary for Testing purposes

EXCESS SURPLUS CALCULATION FOR KEANSBURG SCHOOL DISTRICT

Section 1

Calculation A: 2% Excess Surplus

2014-15 Total General Fund Expenditures per the CAFR (Exhibit C-1a)* (Fund 11) \$20,323,194 + (Fund 15) \$17,880,659	<u>\$ 38,203,853</u>	(A)
Increased by Applicable Operating Transfers Transfer from G/F to SRF for Preschool - Regular	<u>\$ 63,511</u>	(A1a)
Less: Expenditures Allocated to Restricted Federal Resources as Reported on Exhibit D-2	<u>\$ 696,791</u>	(A1b)
2014-15 Adjusted General Fund & Other State Expenditures [(A) + (A1a) - (A1b)]	<u>\$ 37,570,573</u>	(A2)
Decreased by:		
On-Behalf T.P.A.F. Pension & Social Security (\$908,884+\$1,442,854+\$1,137,055)	<u>\$ 3,488,793</u>	(A3)
Assets Acquired Under Capital Leases:		
General Fund 10 Assets Acquired Under Capital Leases reported on Exhibit C-1a	<u>\$ 514,932</u>	(A4)
Add: General Fund & State Resources Portion of Fund 15 Assets Acquired Under Capital Leases:		
Assets Acquired Under Capital Leases in Fund 15 reported on Exhibit C-1a	<u>\$ -</u>	(A5)
Combined General Fund Contribution & State Resources % of Fund 15 Resources Reported on Exhibit D-2	<u>96.06%</u>	(A6)
General Fund & State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5)-(A6)]	<u>\$ -</u>	(A7)
Total Assets Acquired Under Capital Leases [(A4)+(A7)]	<u>\$ 514,932</u>	(A8)
2014-2015 General Fund Expenditures [(A2)-(A3)-(A8)]	<u>\$ 33,566,848</u>	(A9)
2% of Adjusted 2014-2015 General Fund Expenditures [(A9) times .02]	<u>\$ 671,337</u>	(A10)
Enter Greater of (A10) or \$250,000	<u>\$ 671,337</u>	(A11)
Increased by: Allowable Adjustment	<u>\$ 120,567</u>	(K)
Maximum Unassigned Fund Balance [(A11)+(K)]	<u>\$ 791,904</u>	(M)

Section 2

Total General Fund - Fund Balances at 6/30/15 (Per CAFR Budgetary Comparison Schedule, Exhibit C-1)	<u>\$ 6,029,816</u> (C)
Decreased by:	
Year-end Encumbrances	<u>\$ 404,413</u> (C1) GF T/B
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 1,147,309</u> (C3) (rollforward)
Maintenance Reserve	<u>\$ 500,000</u> (C4)
Emergency Reserve	<u>\$ 130,000</u> (C4)
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ 921,761</u> (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 <u>\$ 2,926,333</u> (U1)

Section 3

Restricted Fund Balances - Excess Surplus [(U1)-(M)] if negative enter 0	<u>\$ 2,134,429</u> (E)
Recognition of Excess Surplus as of June 30, 2015	
Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 1,147,309 (C3)
Restricted Excess Surplus (E)	<u>\$ 2,134,429</u> (E)
Total [(C3)+(E)]	<u>\$ 3,281,738</u> (D)

*These expenditures were taken from Funds 10, 11, 12, 19 and 15.

Detail of Allowable Adjustments

Impact Aid	<u>\$ -</u> (H)
Sale and Lease-back	<u>\$ -</u> (I)
Extraordinary Aid	<u>\$ 120,567</u> (J1)
Additional NonPublic School Transportation Aid	<u>\$ -</u> (J2)
Unbudgeted FICA Wage Freeze Grant Revenue	<u>\$ -</u> (J3)
 Total Adjustments [(H)+(I)+(J1)+(J2)]	 <u>\$ 120,567</u> (K)

SCHEDULE OF MEAL COUNT ACTIVITY

**KEANSBURG SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND OVER (UNDER) CLAIM - Federal
ENTERPRISE FUND
For the Fiscal Year Ended June 30, 2015**

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE</u>	<u>OVER (UNDER) CLAIM</u>
National School Lunch (High Rate)	Paid	35,518	35,518	35,518	-	0.30	\$ -
	Reduced	18,551	18,551	18,551	-	2.60	-
	Free	126,391	126,391	126,391	-	3.00	-
		<u>180,460</u>	<u>180,460</u>	<u>180,460</u>			<u>-</u>
National School Lunch (Oct-June)	HHFKA - PB Lunch Only	180,460	180,460	180,460	-	0.06	\$ -
School Breakfast (Regular Rate)	Paid	11,754	11,754	11,754	-	0.28	\$ -
	Reduced	4,661	4,661	4,661	-	1.32	-
	Free	36,119	36,119	36,119	-	1.62	-
		<u>52,534</u>	<u>52,534</u>	<u>52,534</u>			<u>-</u>
School Breakfast (High Rate)	Paid	21,444	21,444	21,444	-	0.28	\$ -
	Reduced	7,829	7,829	7,829	-	1.63	-
	Free	58,503	58,503	58,503	-	1.93	-
		<u>87,776</u>	<u>87,776</u>	<u>87,776</u>			<u>-</u>
After School Snack	Free	13,940	13,940	13,940	-	0.82	\$ -
Summer Food Breakfast Lunch		1,954	1,954	1,954	-	1.985	\$ -
		3,117	3,117	3,117	-	3.4875	-
		<u>5,071</u>	<u>5,071</u>	<u>5,071</u>			<u>-</u>
TOTAL NET CLAIM							<u>\$ -</u>

NET CASH RESOURCE SCHEDULE

KEASBURG SCHOOL DISTRICT

Proprietary Funds - Food Service

**Net cash resources did not exceed three months of expenditures
For the Fiscal Year Ended June 30, 2015**

		Food Service B - 4/5		
<u>Net Cash Resources:</u>				
CAFR	*	Current Assets		
B-4		Cash & Cash Equiv.	\$ 176,288	
B-4		Due from Other Gov'ts	55,929	
B-4		Accounts Receivable	126,349	
CAFR		Current Liabilities		
B-4		Less: Accounts Payable	(86,642)	
B-4		Less: Due to Other Funds	<u>(577,999)</u>	
		Net Cash Resources	<u>\$ (306,075)</u>	(A)
 <u>Net Adj. Total Operating Expense:</u>				
B-5		Tot. Operating Exp.	\$ 1,080,022	
B-5		Less: Depreciation	<u>35,783</u>	
		Adj. Tot. Oper. Exp.	<u>\$ 1,044,239</u>	(B)
 <u>Average Monthly Operating Expense:</u>				
		B / 10	<u>\$ 104,424</u>	(C)
 <u>Three times monthly Average:</u>				
		3 X C	<u>\$ 313,272</u>	(D)

TOTAL IN BOX A	\$ (306,075)
LESS TOTAL IN BOX D	\$ 313,272
NET	<u>\$ (619,347)</u>
From above:	
A is greater than D, cash exceeds 3 X average monthly operating expenses.	
D is greater than A, cash does not exceed 3 X average monthly operating expenses.	

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

SOURCE - USDA resource management comprehensive review form