

FRANKLIN TOWNSHIP PUBLIC SCHOOLS

SYNOPSIS OF AUDIT

FOR THE YEAR ENDED

JUNE 30, 2013

FRANKLIN TOWNSHIP PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2013

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 3,106,069		\$ 933,406	\$ 15,000	\$ 4,054,475
Due from Other Funds	1,508,678		7,729		1,516,407
Receivables from Other Governments	380,093	\$ 910,759			1,290,852
Other Receivables	147,692	18,239			165,931
Prepaid Items	98,510	-		-	98,510
Restricted Cash with Fiscal Agents	-	-	1,422,199	-	1,422,199
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 5,241,042</u>	<u>\$ 928,998</u>	<u>\$ 2,363,334</u>	<u>\$ 15,000</u>	<u>\$ 8,548,374</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 642,808	\$ 209,531	\$ 14,587		\$ 866,926
Accrued Salaries & Wages	388,167				388,167
Accrued Liability for Insurance Claims	239,757				239,757
Other Liabilities	501				501
Due to Other Funds	7,729	676,871	47,681		732,281
Payable to State Government		71,982			71,982
Unearned Revenue	-	13,412	-	-	13,412
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>1,278,962</u>	<u>971,796</u>	<u>62,268</u>	<u>-</u>	<u>2,313,026</u>
Fund Balances					
Nonspendable					
Prepaid Item	98,510				98,510
Restricted					
Capital Reserve	1,484,755				1,484,755
Capital Projects			2,301,066		2,301,066
Debt Service				\$ 15,000	15,000
Assigned					
Year End Encumbrances	200,295				200,295
Designated for Subsequent Year's Expenditures	2,000,000				2,000,000
Unassigned					
General Fund	178,520				178,520
Special Revenue Fund	-	(42,798)	-	-	(42,798)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>3,962,080</u>	<u>(42,798)</u>	<u>2,301,066</u>	<u>15,000</u>	<u>6,235,348</u>
Total Liabilities and Fund Balances	<u>\$ 5,241,042</u>	<u>\$ 928,998</u>	<u>\$ 2,363,334</u>	<u>\$ 15,000</u>	<u>\$ 8,548,374</u>

**FRANKLIN TOWNSHIP PUBLIC SCHOOLS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 119,844,543			\$ 4,998,351	\$ 124,842,894
Interest	17,410		\$ 258		17,668
Tuition	197,090				197,090
Transportation Fees	2,210				2,210
Miscellaneous	229,302	\$ 85,467	-	-	314,769
Total - Local Sources	120,290,555	85,467	258	4,998,351	125,374,631
State Sources	25,920,841	1,233,258			27,154,099
Federal Sources	72,474	3,357,264	-	-	3,429,738
Total Revenues	146,283,870	4,675,989	258	4,998,351	155,958,468
EXPENDITURES					
Current					
Regular Instruction	52,979,225	3,164,011			56,143,236
Special Education Instruction	25,939,590	1,388,672			27,328,262
Vocational Education Instruction- Tuition	192,500				192,500
Other Instruction	5,416,071				5,416,071
School-Sponsored Activities and Athletics	1,771,816				1,771,816
Support Services					
Student and Instruction Related Services	19,634,444	144,579			19,779,023
School Administrative Services	6,857,877				6,857,877
General Administrative Services	2,594,094				2,594,094
Plant Operations and Maintenance	13,488,348		183,733		13,672,081
Pupil Transportation	13,274,603				13,274,603
Business Central Services	2,894,371				2,894,371
Debt Service					
Principal	754,267			3,295,000	4,049,267
Interest and Other Charges	44,198			1,698,475	1,742,673
Cost of Issuance on Refunding Bonds				83,821	83,821
Capital Outlay	185,249	21,525	2,589,653	-	2,796,427
Total Expenditures	146,026,653	4,718,787	2,773,386	5,077,296	158,596,122
Excess (Deficiency) of Revenues Over (Under) Expenditures	257,217	(42,798)	(2,773,128)	(78,945)	(2,637,654)
OTHER FINANCING SOURCES (USES)					
Refunding Bond Proceeds				3,220,000	3,220,000
Premium on Issuance of Refunding Bonds				122,446	122,446
Payment to Refunding Escrow Agent				(3,258,625)	(3,258,625)
Transfers In			1,344,066		1,344,066
Transfers Out	(1,344,066)	-	-	-	(1,344,066)
Lease Purchase Proceeds	-	-	3,850,000	-	3,850,000
Total Other Financing Sources and Uses	(1,344,066)	-	5,194,066	83,821	3,933,821
Net Change in Fund Balances	(1,086,849)	(42,798)	2,420,938	4,876	1,296,167
Fund Balance (Deficit), Beginning of Year	5,048,929	-	(119,872)	10,124	4,939,181
Fund Balance (Deficit), End of Year	\$ 3,962,080	\$ (42,798)	\$ 2,301,066	\$ 15,000	\$ 6,235,348

**FRANKLIN TOWNSHIP PUBLIC SCHOOLS
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. All administrative salaries be properly charged to administrative budget functions in accordance with New Jersey Administrative Code.
2. All lease purchase project appropriations and related expenditures be properly reflected in the District's internal financial records, as well as the capital asset inventory.
3. Greater care be exercised over the preparation of the Extraordinary Aid Application.

III. School Purchasing Program

It is recommended that:

1. The District attach documentation to invoiced purchase orders to detail labor and material costs for payments to vendors awarded contracts on hourly per unit basis.
2. Purchases entered into pursuant to a Cooperative Purchasing Program which exceed the bid threshold be submitted for Board approval, specific to actual purchases being made.

IV. School Food Services

There are none.

V. Cultural Arts Recreation Enrichment (C.A.R.E. Program/Adult School)

There are none.

VI. Student Body Activities

With respect to the High School student activity account it is recommended that:

1. Reconciling items be properly reflected on bank reconciliations and agree to cash receipt and cash disbursement ledger.
2. All checks contain two authorized signatures.

VII. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

FRANKLIN TOWNSHIP PUBLIC SCHOOLS
RECOMMENDATIONS
(Continued)

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.