



**MERCER COUNTY SPECIAL SERVICES  
SCHOOL DISTRICT**

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

**JUNE 30, 2021**

**MERCER COUNTY SPECIAL SERVICES  
SCHOOL DISTRICT**

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

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## REPORT OF INDEPENDENT AUDITORS

Honorable President and Members  
of the Board of Education  
Mercer County Special Services School District  
County of Mercer  
Hamilton, New Jersey 08690

We have audited, in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Mercer County Special Services School District in the County of Mercer as of and for the year ended June 30, 2021, and have issued our report thereon dated February 7, 2022.

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 solely for the information of the Mercer County Special Services 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.

Scott A. Clelland  
Licensed Public School Accountant  
No. 1049

WISS & COMPANY, LLP

February 7, 2022  
Florham Park, New Jersey

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL  
COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

**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**

Insurance coverage was carried in the amounts as detailed on J-20, Insurance Schedule contained in the school district ACFR.

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Deborah Donnelly	School Business Administrator/Board Secretary	\$ 300,000
David Miller	Treasurer of School Moneys	\$ 300,000

**Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than or less than estimated costs. The District made a proper adjustment to the billings to sending Districts for the increase (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

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

**Payroll Account and Position Control Roster**

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.

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

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL  
COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

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 treasurer of school moneys with a warrant made to his order for the full amount of each payroll.

An inquiry and subsequent review of the Position Control Roster did not identify any inconsistencies between the payroll records, employee benefit records (e.g. pension reports and health benefit coverage reports), the general ledger accounts to where wages are posted (administrative versus instruction), and the Position Control Roster.

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 and no exceptions were noted.

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% overall 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 did not identify any exceptions.

Treasurer's Records

No exceptions were noted during our review of the financial and accounting records maintained by the Treasurer.

Elementary and Secondary Education Act (ESEA) as amended by the Every Student Succeeds Act (ESSA)

The District did not receive any funding under the Elementary and Secondary Act as amended by the Every Student Succeeds Act (ESSA).

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL  
COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

Other Special Federal and/or State Projects

The District’s special projects were approved as listed on Schedules A (K-3) and B (K-4) located in the ACFR.

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 ACFR.. This section of the ACFR. documents the financial position pertaining to the aforementioned special projects.

The study of compliance for the special projects indicated no instances of noncompliance.

T.P.A.F. Reimbursement

Our 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.

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

The District does not receive federal funding for any employees whose TPAF/FICA payments are made by the State on-behalf of the school district.

**School Purchasing Programs**

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school transportation contracts under N.J.S.A. 18A:39-3 is \$19,600 for 2020-21.

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 audit, we did not identify 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.

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL  
COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

**School Food Service**

**PUBLIC HEALTH EMERGENCY**

In accordance with the Governor’s Declaration of Emergency pertaining to the COVID-19 Virus, all Public, Charter, and Non-Public schools were ordered to close effective March 18, 2020 for an undetermined period to limit the spread of the virus. As a result, School Food Authorities (SFA) were required to institute alternate procedures to provide meals to Free and Reduced Price eligible students during the period of school closures.

During SY 2020-2021, the public health emergency was still applicable. As a result, School Food Authorities (SFAs) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) option.

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFAs were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all students during the emergency.

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records 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 Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. The FSMC contract includes an operating result provision with guarantees that the food service program will breakeven. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

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.

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements.

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL  
COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

The FSMC did not apply for and receive a loan in accordance with the Payroll Protection Plan and did not use the funds to pay for costs applicable to the Food Service Programs. The PPP loan was not subsequently forgiven and the FSMC did not refund or credit the applicable amounts to the SFA.

Net cash resources exceeded three months average expenditures, which was the result of the COVID-19 pandemic and therefore no formal finding and recommendation was included.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School 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 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 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 not available for review.

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

The Statement of Revenues, Expenses, and Changes in Fund Net Position (ACFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds.

**Student Body Activities**

During our review of the student activity funds, there were no exceptions noted.

**Application for State School Aid (A.S.S.A.)**

Because the General State Aid cluster was not tested as a major program in the 2021 fiscal year, our audit procedures did not include a test of information reported in the October 15, 2020 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low-income and bilingual. We did agree the ASSA summary report to the underlying District working papers without exception. We also performed a review of the District procedures related to its completion.

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.



**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL  
COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

**Facilities and Capital Assets**

Our procedures included a review of the New Jersey Schools Development Authority (“NJSDA”) grant agreement for consistency with recording NJSDA revenue, transfer of local funds from the general fund or from the capital reserve account and awarding of contracts for eligible facilities construction. No exceptions were noted.

**Testing for Lead of All Drinking Water in Educational Facilities**

The school district adhered to all the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The school district submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

**Follow-up on Prior Year’s Findings**

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year findings and recommendations. Corrective action was not needed as there were no prior year findings.

There were no Office of Accountability and Fiscal Compliance (“OFAC”) audit reports issued during the 2020-21 fiscal year.

**Acknowledgment**

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

**SCHEDULE OF AUDITED ENROLLMENTS**  
**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2020**

Note: Detailed testing over ASSA was not performed for the fiscal year ending June 30, 2021 as the General State Aid Cluster was not tested as a major program in the current year for single audit purposes.

	2021-2022 Application for State School Aid				Sample for Verification				Private Schools for Disabled					
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	150	104	234	488	13	13	488	488	13	13	488	488	13	13
Special Ed - Elementary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - Middle School	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	488	13	488	488	13	13	488	488	13	13	488	488	13	13
Percentage Error	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**SCHEDULE OF AUDITED ENROLLMENTS**  
**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2020**

Note: Detailed testing over ASSA was not performed for the fiscal year ending June 30, 2021 as the General State Aid Cluster was not tested as a major program in the current year for single audit purposes.

	Resident Low Income		Sample for Verification		Resident LEP Low Income		Sample for Verification	
	Reported on A.S.S.A. as Low Income	Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Reported on A.S.S.A. as LEP low Income	Workpapers as LEP low Income	Sample Selected from Workpapers	Verified to Test Score and Register
Half Day Preschool	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-
Subtotal	85.0	85.0	-	-	-	-	-	-
Special Ed - Elementary	62.0	62.0	-	-	-	-	-	-
Special Ed - Middle	123.0	123.0	-	-	-	-	-	-
Special Ed - High	270.0	270.0	-	-	-	-	-	-
Totals	270.0	270.0	-	-	-	-	-	-
Percentage Error							0.00%	

Transportation				
Reported on DRTRS by DOE/county	Reported on DRTRS by District	Tested	Verified	Errors
-	-	-	-	-
NOT APPLICABLE				
-	-	-	-	-
0.00%				

Reg - Public Schools, col. 1  
 Reg - SpEd, col. 4  
 Transported - Non-Public, col. 3  
 Special Ed Spec, col. 6  
 Percentage Error

Reg Avg.(Mileage) = Regular Including Grade PK students (Part A)  
 Reg Avg.(Mileage) = Regular Excluding Grade PK students (Part B)  
 Spec Avg. = Special Ed with Special Needs

Reported Recalculated  
**NOT APPLICABLE**

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2020**

Note: Detailed testing over ASSA was not performed for the fiscal year ending June 30, 2021 as the General State Aid Cluster was not tested as a major program in the current year for single audit purposes.

**SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP NOT Low Income		Sample for Verification		
	Reported on A.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool	-	-	-	-	-
Full Day Preschool	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-
One					
Two					
Three					
Four					
Five					
Six					
Seven					
Eight					
Nine					
Ten					
Eleven					
Twelve					
Post-Graduate					
Adult H.S. (15+CR.)					
Adult H.S. (1-14 CR.)					
Subtotal	-	-	-	-	-
Special Ed - Elementary					
Special Ed - Middle					
Special Ed - High					
Subtotal	-	-	-	-	-
Co. Voc. - Regular					
Co. Voc. Ft. Post Sec.					
Totals	-	-	-	-	-
Percentage Error		0.00%			0.00%

NOT APPLICABLE

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SCHEDULE OF MEAL COUNT ACTIVITY**

**FOOD SERVICE FUND**  
**NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL**  
**ENTERPRISE FUND**  
**YEAR ENDED JUNE 30, 2021**

<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 (Severe Needs Rate)	Paid	-	-	-	-	\$ 0.35	\$ -
National School Lunch (Severe Needs Rate)	Reduced	-	-	-	-	3.13	-
National School Lunch (Severe Needs Rate)	Free	45,858	45,858	45,858	-	3.53	-
	<b>TOTAL</b>	<b>45,858</b>	<b>45,858</b>	<b>45,858</b>	<b>-</b>		<b>\$ -</b>
National School Lunch	HHFKA - PB Lunch Only	45,858	45,858	45,858	-	\$ 0.07	\$ -
School Breakfast (Severe Rate)	Paid	-	-	-	-	\$ 0.32	\$ -
	Reduced	1,492	1,492	1,492	-	1.96	-
	Free	44,336	44,336	44,336	-	2.26	-
	<b>TOTAL</b>	<b>45,828</b>	<b>45,828</b>	<b>45,828</b>	<b>-</b>		<b>\$ -</b>
<b>Total (Over) Underclaim</b>							<b>\$ -</b>

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT**  
**SCHEDULE OF MEAL COUNT ACTIVITY**

**FOOD SERVICE FUND**  
**NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -STATE**  
**ENTERPRISE FUND**  
**YEAR ENDED JUNE 30, 2021**

<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>
State Reimbursement - National School Lunch (Regular Rate)	Paid	-	-	-	-	\$ 0.05	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	-	-	-	-	0.055	-
State Reimbursement - National School Lunch (Regular Rate)	Free	45,858	45,858	45,858	-	0.055	-
	<b>TOTAL</b>	<u>45,858</u>	<u>45,858</u>	<u>45,858</u>	<u>-</u>		<u>\$ -</u>

**Total (Over) Underclaim**

\$ -

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
FOOD SERVICE FUND**

**NET CASH RESOURCE SCHEDULE**

**Enterprise Fund - Food Service  
Year ended June 30, 2021**

<u>Net Cash Resources:</u>	<u>Food Service B - 4/5</u>	
<b>CAFR</b> *	<b>Current Assets</b>	
B-4	Cash & Cash Equiv.	\$ -
B-4	Due from Other Gov'ts	126,871
B-4	Accounts Receivable	-
B-4	Investments	-
<b>CAFR</b>	<b>Current Liabilities</b>	
B-4	Less Accounts Payable	(3,653)
B-4	Less Accruals	-
B-4	Less Due to Other Funds	-
B-4	Less Unearned Revenue **	-
	<b>Net Cash Resources</b>	<u><u>\$ 123,218</u></u> (A)

**Net Adj. Total Operating Expense:**

B-5	Tot. Operating Exp.	254,974	
B-5	Less Depreciation	(587)	
	<b>Adj. Tot. Oper. Exp.</b>	<u><u>\$ 254,387</u></u>	(B)

**Average Monthly Operating Expense:**

B / 10	<u><u>\$ 25,439</u></u>	(C)
--------	-------------------------	-----

**Three times monthly Average:**

3 X C	<u><u>\$ 76,316</u></u>	(D)
-------	-------------------------	-----

TOTAL IN BOX A	<u>\$ 123,218</u>
LESS TOTAL IN BOX D	<u>\$ 76,316</u>
NET	<u><u>\$ 46,902</u></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.

\*\* The USDA commodity component of deferred revenues, if any, should be excluded from the current liability calculation.

SOURCE - USDA resource management comprehensive review form

**MERCER COUNTY SPECIAL SERVICES SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL  
COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

**Audit Recommendations Summary**

We suggest the following:

1. **Administrative Practices and Procedures**  
None
2. **Financial Planning, Accounting and Reporting**  
None
3. **School Purchasing Programs**  
None
4. **School Food Service**  
None
5. **Student Body Activities**  
None
6. **Application for State School Aid**  
None
7. **Pupil Transportation**  
None
8. **Facilities and Capital Assets**  
None
9. **Miscellaneous**  
None
10. **Status of Prior Year Findings**  
None