



Roberts & Greene, PLLC

January 8, 2013

Commissioner Virginia M. Barry
Department of Education
101 Pleasant Street
Concord, New Hampshire 03301

Dear Commissioner Barry:

I have been asked by my client, the Monroe School District, to respond to your letter of December 17, 2012 to Superintendent Thomas McGuire regarding a perceived area of concern with their Food Service Program. There apparently is some misunderstanding in reading the financial statements. You state that expenditures exceeded revenues by \$35,236 and compare that to the \$11,035 negative change in fund balance from the previous year.

First of all, you are not comparing the same figures. The net change in fund balance for fiscal year 2012, was a positive amount of \$2,202 as shown on Exhibit 5 on page 6 of the Financial Report. In the previous year, the report had shown the amount raised by taxes as a revenue source in the Food Service Fund, whereas in FY12, the entire assessment was reported in the General Fund with a transfer of the Food Service's share to that fund, which is the way it is normally reported. Transfers are not considered revenue so it is reported as another financing source under the difference between revenues and expenditures. So the first bullet in your letter to Superintendent McGuire is not correct as there is not an increase over the \$11,035, but rather a decrease.

I am also wondering if you could explain to me why you seem to be fixated on the Food Service Fund, when there are no apparent problems with it. This is the second year in a row that you have sent the School District comments regarding the Food Service Fund, and for neither year have there been any problems or concerns noted with it. As part of the audit, if there were any concerns with this fund, I would have included management letter comments to that effect. Can you tell me if I am missing something, or if you think I am missing something, as I have been doing these audits for many years, and feel that the food service is an area in which I am quite knowledgeable? I would appreciate knowing if you have some concern with Monroe's food service program that you feel I am not addressing.

I thank you for your anticipated response.

Sincerely yours,

A handwritten signature in black ink that reads 'Tamar M. J. M. Roberts'.

Tamar M. J. M. Roberts, CPA

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