

# The School Board of Miami-Dade County, Florida

Auditor's Communication of the 2012 Audit Results

Report to the Chairperson and Members of  
The School Board of Miami-Dade County, Florida and  
the Chairperson and Members of The School Board  
Audit and Budget Advisory Committee

December 2012



November 26, 2012

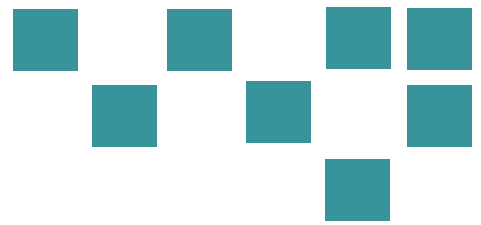
Members of the School Board of Miami-Dade County, Florida  
Members of the School Board Audit and Budget Advisory Committee  
Mr. Alberto M. Carvalho, Superintendent of Schools  
1450 N.E 2nd Avenue  
Miami, Florida 33132

Ladies and Gentlemen:

We are pleased to present this report related to our audit of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Miami-Dade County, Florida (the School Board or the District), as of and for the year ended June 30, 2012. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

This report is intended solely for the information and use of the Chairperson and Members of The School Board of Miami-Dade County, Florida, the Chairperson and Members of the School Board Audit and Budget Advisory Committee, and the Superintendent of Schools, and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

*McGladrey LLP*



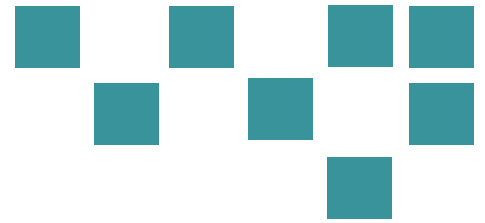
# Contents

<b>Required Communications .....</b>	<b>1</b>
Summary of Accounting Estimates and Areas of Emphasis .....	<b>3</b>

## **Exhibit A - Significant Written Communications between Management and Our Firm**

Representation Letter

Management Letter



# Required Communications

Statement on Auditing Standards No. 114 requires the auditor to communicate certain matters to keep those charged with governance adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. The following summarizes these communications.

Area	Comments
<b>Auditor's Responsibility Under Professional Standards</b>	<p>The financial statements are a responsibility of management. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in <i>Government Auditing Standards</i>, issued by the Comptroller General of the United States, to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatements.</p> <p>An audit of the financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting.</p> <p>We have issued an unqualified opinion on the District's basic financial statements as of and for the year ended June 30, 2012, dated November 16, 2012. Our audit report made reference to the reports of other auditor's with respect to the discretely presented component units.</p>
<b>Accounting Practices</b>	<b>Adoption of, or Change in, Accounting Policies</b> <p>Management has the ultimate responsibility for the appropriateness of the accounting policies used by the School Board. The District did not adopt any new accounting standards or policies nor have there been any changes in existing significant accounting policies during the current period.</p> <b>Significant or Unusual Transactions</b> <p>We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p>
<b>Alternative Treatments Discussed with Management</b>	<p>We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.</p>

<b>Area</b>	<b>Comments</b>
<b>Management’s Judgments and Accounting Estimates</b>	Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached “Summary of Accounting Estimates and Areas of Emphasis.”
<b>Financial Statement Disclosures</b>	We have reviewed the basic financial statements and assessed the related judgments made, in formulating the notes, particularly sensitive financial statement disclosures, and the overall neutrality, and clarity of the disclosures in the financial statements.
<b>Audit Adjustments</b>	There were no audit adjustments made to the original trial balance presented to us to begin our audit.
<b>Uncorrected Misstatements</b>	Uncorrected misstatements are included with the Representation Letter attached as Exhibit A.
<b>Disagreements with Management</b>	We encountered no disagreements with management over the application of significant accounting principles, the basis for management’s judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
<b>Consultations with Other Accountants</b>	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
<b>Significant Issues Discussed with Management</b>	No significant issues arising from the audit were discussed or were the subject of correspondence with management.
<b>Difficulties Encountered in Performing the Audit</b>	We did not encounter any difficulties in dealing with management during the audit.
<b>Certain Written Communications Between Management and Our Firm</b>	Copies of certain written communications between our firm and the management of the District are attached as Exhibit A.

## Summary of Accounting Estimates and Areas of Emphasis

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the District's June 30, 2012 basic financial statements.

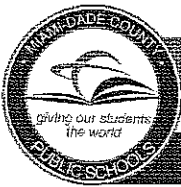
Estimate	Accounting Policy	Estimation Process	Comments
<b>Accounting for Other Post Employment Benefits</b>	The annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of Government Accounting Standards Board ("GASB") Statement 45.	Management with input from its OPEB actuary developed the actuarial assumptions based on relevant criteria. Management reviewed and approved the financial statement estimates derived from the OPEB actuarial report.	We have audited the underlying data supporting the estimate and reviewed management's methodology which appears reasonable and was consistently applied, and have deemed the resulting estimate to be reasonable.
<b>Accounting for Supplemental Early Retirement Program</b>	The annual contribution for the supplemental early retirement program is calculated based on the annual required contribution of the employer (ARC) which is an actuarially determined amount.	Management with input from its actuary developed the actuarial assumptions based on relevant criteria. Management reviewed and approved the financial statement estimates derived from the supplemental early retirement program actuarial report.	We have audited the underlying data supporting the estimate and reviewed management's methodology which appears reasonable and was consistently applied, and have deemed the resulting estimate to be reasonable.
<b>Actuarial Assumptions Used for the Self-Insurance Program (Risk Management)</b>	The District is self-insured for general and auto liability, property, workers' compensation, and employees' health and dental. The accrued liability for estimated claims represents an estimate of the eventual loss on claims including claims incurred but not yet reported.	Management with input from its Risk actuary developed the actuarial assumptions based on relevant criteria. Management reviewed and approved the financial statement estimates derived from the Risk actuarial report.	We have audited the underlying data supporting the estimate and reviewed management's methodology which appears properly and consistently applied, and have deemed the resulting estimate to be reasonable.

Estimate	Accounting Policy	Estimation Process	Comments
<b>Derivative Instruments</b>	All derivative instruments are recorded at fair value.	Management obtained an analysis of the derivative instruments fair value from a financial expert. The financial expert's fair values were derived from proprietary models based upon well recognized financial principles and reasonable estimates about relevant future market conditions.	We obtained an independent fair value analysis of the derivative instruments from our own financial experts and concluded that the balances reported by management are reasonable.
<b>Allowance for Doubtful Accounts</b>	All receivables (i.e. taxes receivable) are reported at net realizable value.	Receivables are analyzed for their collectability based on the creditors' ability to pay (i.e. financial condition, credit history, and current economic conditions).	We have audited the underlying data supporting the estimate and reviewed management's methodology which appears properly applied and have deemed the resulting allowance for doubtful accounts estimate to be reasonable.
<b>Depreciation of Capital Asset</b>	Depreciation on capital assets is provided using the straight-line method. Leasehold improvements are amortized on a straight-line basis over the shorter of the lease term or estimated useful life of the assets.	Capital assets are recorded at historical cost or estimated historical cost and depreciated using the straight-line method over the estimated useful lives of the related assets.	We have audited the underlying data supporting the estimate and reviewed management's methodology which appears properly and consistently applied and have deemed the resulting estimate to be reasonable.

Area of Emphasis	Procedures Performed
<b>Internal Controls</b>	<ul style="list-style-type: none"> <li>▪ Obtained and documented our understanding of controls over the key processes (cash receipts and disbursements, payroll, self-insurance, etc.).</li> <li>▪ Documented and determined testing procedures of information technology general controls.</li> </ul>
<b>Nonroutine Processes/ Transactions</b>	<ul style="list-style-type: none"> <li>▪ We reviewed the accounting and reporting for new debt issuance and the District's procedures for monitoring compliance with significant debt covenants.</li> <li>▪ Reviewed the District's investment policies for compliance with Section 218.415, Florida Statutes and performed testing of investment valuation.</li> <li>▪ We reviewed the accounting and reporting of the interlocal agreement entered into with the City of Sunny Isles Beach, Florida to finance and cost share in the design and construction of a classroom addition at the Norman S. Edelcup/Sunny Isles Beach K-8 facility.</li> </ul>



# Exhibit A - Significant Written Communications between Management and Our Firm



# Miami-Dade County Public Schools

*giving our students the world*

*Superintendent of Schools*  
Alberto M. Carvalho

*Miami-Dade County School Board*  
Perla Tabares Hantman, Chair  
Dr. Lawrence S. Feldman, Vice Chair  
Dr. Dorothy Bendross-Mindingall  
Carlos L. Curbelo  
Renier Diaz de la Portilla  
Dr. Wilbert "Tee" Holloway  
Dr. Martin Karp  
Dr. Marta Pérez  
Raquel A. Regalado

November 16, 2012

McGladrey, LLP  
801 Brickell Avenue, Suite 1050  
Miami, FL 33131

Ladies and Gentlemen:

In connection with your audit of the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, of The School Board of Miami-Dade County, Florida (the School Board) as of and for the year ended June 30, 2012, we confirm that we are responsible for the fair presentation in the financial statements of financial position, changes in financial position, and cash flows where applicable, in conformity with accounting principles generally accepted in the United States of America.

We confirm to the best of our knowledge and belief, as of the date of this letter the following representations made to you during your audit.

1. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America.
2. We have identified for you all organizations that are a part of this reporting entity or with which we have a relationship, as these organizations are defined in Section 2100 of the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards that are component units. The School Board's blended component unit and discretely presented component units are properly presented in the financial statements.
3. We are not a component unit of any other government as this term is defined in Section 2100 of the GASB's Codification of Governmental Accounting and Financial Reporting Standards.
4. We do not meet the definition of other types of organizations, as defined in Section 2100 of the GASB's Codification of Governmental Accounting and Financial Reporting Standards.
5. We do not have a joint venture relationship with any other organization, as defined in Section 2100 of the GASB's Codification of Governmental Accounting and Financial Reporting Standards.
6. We are not a jointly governed organization, as this term is defined in Section 2100 of the GASB's Codification of Governmental Accounting and Financial Reporting Standards.
7. We have identified for you all of our governmental functions.

8. We have properly classified all funds and activities.
9. We have properly determined and reported the major governmental funds based on the required quantitative criteria, and all other funds that are presented as major funds that are particularly important to financial statement users.
10. We are responsible for compliance with laws and regulations applicable to the School Board including adopting, approving, and amending budgets.
11. We have identified and disclosed to you all laws and regulations that have a direct and material effect on the determination of financial statement amounts including legal and contractual provisions for reporting specific activities in separate funds.
12. We have made available to you:
  - a. All financial records and related data of all funds and activities, including those of all special funds, programs, departments, projects, activities, etc., in existence at any time during the period covered by your audit.
  - b. All minutes of the meetings of the governing board and committees of board members or summaries of actions of recent meetings for which minutes have not yet been prepared.
  - c. All communications from grantors, lenders, other funding sources, or regulatory agencies concerning noncompliance with:
    - (1) Statutory, regulatory, or contractual provisions or requirements.
    - (2) Financial reporting practices that could have a material effect on the financial statements.
13. We have no knowledge of fraud or suspected fraud affecting the entity involving:
  - a. Management.
  - b. Employees who have significant roles in the internal control, or
  - c. Others where the fraud could have a material effect on the financial statements.
14. We acknowledge our responsibility for the design and implementation of programs and controls to provide reasonable assurance that fraud is prevented and detected.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the School Board received in communications from employees, former employees, analysts, regulators or others.
16. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the entity's ability to record, process, summarize, and report financial data.
17. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
18. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

19. The following have been properly recorded and/or disclosed in the financial statements:
  - a. Related party transactions, including those as defined in Section 2100 of the Governmental Accounting Standards Board's Codification of Governmental Accounting and Financial Reporting Standards, and interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements and guarantees, all of which have been recorded in accordance with the economic substance of the transaction and appropriately classified and reported. Guarantees, whether written or oral, under which the Government is contingently liable.
  - b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
  - c. Line of credit or similar arrangements.
  - d. Security agreements in effect under the Uniform Commercial Code.
  - e. Any other liens or encumbrances on assets or revenues or any assets or revenues which were pledged as collateral for any liability or which were subordinated in any way.
  - f. The fair value of investments.
  - g. Any liabilities which are subordinated in any way to any other actual or possible liabilities.
  - h. Debt issues repurchase options or agreements, or sinking fund debt repurchase ordinance requirements.
  - i. Debt issue provisions.
  - i. All leases and material amounts of rental obligations under long-term leases.
  - j. All inter-local agreements between municipalities and the School Board.
  - k. All significant estimates known to management which are required to be disclosed in accordance with the AICPA's Statement of Position No. 94-6, *Disclosure of Certain Significant Risks and Uncertainties*. Significant estimates are estimates at the balance sheet date which could change materially within the next year.
  - l. Material concentrations of revenues, for which events could occur which would significantly disrupt normal finances within the next year.
  - m. Risk financing activities.
  - n. Authorized but unissued bonds and/or notes.
  - o. Derivative financial instruments.
  - p. Deposits and investments categories of risk.
  - q. Arbitrage rebate liabilities.
  - r. The effect on the financial statements which has not been determined of GASB pronouncements which have been issued, but which we have not yet adopted.
20. The School Board's policy regarding which resources, that is restricted, committed, assigned, or unassigned, are considered to be spent first for expenditures for which more than one resource classification is available.

21. The School Board's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purchases for which both restricted and unrestricted net assets are available.
22. We are responsible for making the accounting estimates included in the financial statements.

Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take. In that regard, adequate provisions have been made where applicable:

- a. To reduce receivables to their estimated net collectable amounts.
  - b. To reduce investments, intangibles, and other assets which have permanently declined in value to their realizable values.
  - c. For risk retention, including uninsured losses or loss retentions (deductibles) attributable to events occurring through June 30, 2012, and/or for expected retroactive insurance premium adjustments applicable to periods through the date of this letter.
  - d. For pension obligations, post-retirement benefits other than pensions, and deferred compensation agreements attributable to employee services rendered through June 30, 2012.
  - e. No provision is required to reduce obsolete, damaged, or excess inventories to their estimated net realizable values.
23. There are no:
    - a. Material transactions that have not been properly recorded in the accounting records underlying the financial statements. For purposes of this representation, we consider items to be material, regardless of their size if they involve the misstatement or omission of accounting information that in light of surrounding circumstances makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.
    - b. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Federal Environmental Protection Agency or any equivalent state agencies in connection with any environmental contamination.
    - c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by Statement of Financial Accounting Standards No. 5 and/or GASB Statement No. 10 beyond those accounted for in the School Board's estimated risk retention reserves.
    - d. Guarantees, whether written or oral, under which the Government is contingently liable.
    - e. Agreements to repurchase assets previously sold.
    - f. Debt issue repurchase options or agreements, or sinking fund debt repurchase ordinance requirements.

- g. Special and extraordinary items.
  - h. Amounts of contractual obligations for construction and purchase of real property or equipment not included in the liabilities or encumbrances recorded on the books.
  - i. Pollution remediation obligations as required under GASB Statement No. 49.
  - j. Impairment of capital assets.
  - k. Material losses to be sustained in the fulfillment of, or from the inability to fulfill, any service commitments.
  - l. Material losses to be sustained as a result of purchase commitments.
  - m. Material environmental clean-up obligations.
24. There are no unasserted claims or assessments that our lawyers have advised us are probable of assertion and must be disclosed in accordance with Statement of Financial Accounting Standards No. 5 and/or GASB Statement No. 10 beyond those accounted for in the School Board's risk retention reserves.
  25. We have no direct or indirect, legal or moral, obligation for any debt of any organization, public or private or to special assessment bond holders that is not disclosed in the financial statement.
  26. We have satisfactory title to all owned assets.
  27. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
  28. Net asset components invested in capital assets, net of related debt; restricted; and unrestricted and non spendable, restricted, assigned, and unassigned fund balances are properly classified and, when applicable, approved.
  29. Expenses or expenditures have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
  30. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
  31. Title I, Special Education, Child Nutrition, and other similar multipurpose grant revenues are appropriately classified in the statement of activities as general revenues because it is a multi-purpose grant that is not restricted to a specific program or function.
  32. Capital assets, including infrastructure assets, are properly capitalized, reported, and depreciated.
  33. Management has determined that a one-year availability period is appropriate for revenue recognition for all governmental fund revenues except property taxes which uses 60 days.
  34. We have reviewed, approved, and are responsible for overseeing the preparation and completion of the basic financial statements and related notes.

35. With respect to supplementary information presented in relation to the financial statements as a whole:
  - a. We acknowledge our responsibility for the presentation of such information.
  - b. We believe such information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
36. With respect to management's discussion and analysis and the nonmajor governmental fund financial statements and schedules presented as required by Governmental Accounting Standards Board to supplement the basic financial statements:
  - a. We acknowledge our responsibility for the presentation of such required supplementary information.
  - b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by accounting principles generally accepted in the United States of America.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
37. The School Board has complied with the provisions of Section 218.415, Florida Statutes regarding the investment of public funds.
38. The School Board is not in a state of emergency based upon the conditions described in Section 218.503(1), Florida Statutes.
39. Management has assessed the financial condition of the School Board and noted no deteriorating financial condition.
40. In connection with your audit, conducted in accordance with *Government Auditing Standards*, we confirm:
  - a) We are responsible for:
    - i. Compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the School Board.
    - ii. Establishing and maintaining effective internal control over financial reporting.
  - b) We have identified and disclosed to you when applicable:
    - i. All laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determinations of financial statement amounts or other financial data significant to audit objectives.
    - ii. Violations (and possible violations) of laws, regulations, and provisions of contracts and grant agreements whose effects should be considered for disclosure in the auditor's report on noncompliance.
  - c) We have taken timely and appropriate steps to remedy violations of provisions of contracts or grant agreements that have been reported.
  - d) We have a process to track the status of audit findings and recommendations.

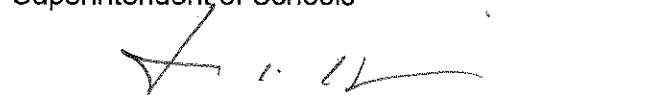
- e) We have identified for you previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of the audit being undertaken and the corrective action taken to address significant findings and recommendations.
  - f) We have provided you with our views on your reported findings, conclusions, and recommendations, as well as our planned corrective actions for the report.
41. Except for the issuance of Tax Anticipation Notes on July 24, 2012 for \$290,000,000, the issuance of Certificates of Participation Series 2012A for \$149,365,000, Series 2012B for \$13,765,000, and Series 2012B-2 for \$15,655,000 on July 5, 2012; there are no other significant events or transactions that have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
42. During the course of your audit, you may have accumulated records containing data which should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.
43. We believe that the effects of the uncorrected misstatements aggregated by you and summarized in Appendix A are immaterial, both individually and in the aggregate to the financial statements taken as a whole. For purposes of this representation, we consider items to be material, regardless of their size, if they involve the misstatement or omission of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

The School Board of Miami-Dade County, Florida




---

Alberto M. Carvalho  
Superintendent of Schools



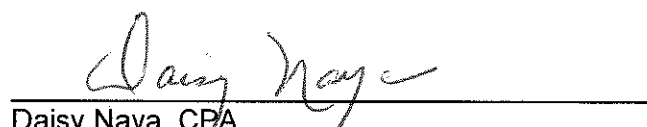
---

Richard H. Hinds, Ed.D.  
Associate Superintendent/Chief Financial Officer,  
Financial Services



---

Connie Pou, CPA  
Controller



---

Daisy Naya, CPA  
Assistant Controller

AMC/RHH/CP/DN:as  
AMC L491

Attachment



Appendix A

<u>Government-Wide</u>		<u>Effect Debit (Credit)</u>			
<u>DESCRIPTION</u>	<u>ASSETS</u>	<u>LIABILITIES</u>	<u>NET ASSETS</u>	<u>REVENUE</u>	<u>EXPENSES</u>
Current year's passed adjustments:					
To recognize additional revenues on a SL basis for broadband lease in 2012.	\$ -	\$ 1,379,000		\$ (1,379,000)	\$ -
To adjust beginning net asset balances for annual SAP ERP Module Maintenance Fees improperly capitalized in July 2010.	(3,023,381)		3,023,381		
To adjust net asset balances for annual SAP ERP Module Maintenance Fees which should have been expensed in prior periods.	3,023,381				(3,023,381)
Total	<u>\$ -</u>	<u>\$ 1,379,000</u>	<u>\$ 3,023,381</u>	<u>\$ (1,379,000)</u>	<u>\$ (3,023,381)</u>
Current year effect on net assets			<u>(4,402,381)</u>		
Cumulative passed adjustments			<u>\$ (1,379,000)</u>		

<u>General Fund</u>		<u>Effect Debit (Credit)</u>			
<u>DESCRIPTION</u>	<u>ASSETS</u>	<u>LIABILITIES</u>	<u>NET ASSETS</u>	<u>REVENUE</u>	<u>EXPENSES</u>
Current year's passed adjustments:					
To reduce revenues for broadband lease in 2012, in order to properly record lease on a SL basis.	\$ -	\$ (1,379,000)		\$ 1,379,000	\$ -
Total	<u>\$ -</u>	<u>\$ (1,379,000)</u>	<u>\$ -</u>	<u>\$ 1,379,000</u>	<u>\$ -</u>
Current year effect on net assets			<u>1,379,000</u>		
Cumulative passed adjustments			<u>\$ 1,379,000</u>		

<u>Aggregate Remaining</u>		<u>Effect Debit (Credit)</u>			
<u>DESCRIPTION</u>	<u>ASSETS</u>	<u>LIABILITIES</u>	<u>NET ASSETS</u>	<u>REVENUE</u>	<u>EXPENSES</u>
Current year's passed adjustments:					
To properly accrue expenditures incurred prior to 6/30/12	\$ -	\$ (2,495,541)	\$ -	\$ -	\$ 2,495,541
Total	<u>\$ -</u>	<u>\$ (2,495,541)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,495,541</u>
Current year effect on net assets			<u>2,495,541</u>		
Cumulative passed adjustments			<u>\$ 2,495,541</u>		