

LOGAN TOWNSHIP BOARD OF EDUCATION

Logan Township, New Jersey
County of Gloucester

**Auditor's Management Report on Administrative Findings -
Financial, Compliance and Performance
FOR THE YEAR ENDED JUNE 30, 2015**

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

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**REPORT OF INDEPENDENT AUDITORS
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS, FINANCIAL COMPLIANCE AND PERFORMANCE**

Honorable President and Members
of the Board of Education
Logan Township School District
County of Gloucester
Swedesboro, New Jersey 08085

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 Logan Township School District in the County of Gloucester for the year ended June 30, 2015, and have issued our report thereon dated December 9, 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 Logan Township 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.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines
Certified Public Accountant
Public School Accountant
No. 2198

Medford, New Jersey
December 9, 2015

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Honorable President and Members
of the Board of Education
Logan Township School District
County of Gloucester
Swedesboro, New Jersey 08085

**ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

Scope of Audit

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

Official Bonds

Name	Position	Amount
Janine Wechter	Business Administrator	\$ 5,000
Robert L. Best, CPA	Treasurer of School Monies	250,000

There is an Employee Dishonesty Policy covering all other employees with multiple coverage of \$100,000 per person.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs did not vary significantly from estimated costs.

**Financial Planning, Accounting and Reporting
Examination of Claims**

An examination of claims paid during the period under review indicated that the vouchers were in satisfactory condition.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employee's 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/School Business Administrator. Salary withholdings were promptly remitted to the proper agencies.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30, 2014.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C.6A:23-1.2* 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. As a result of the procedures performed, no transaction errors were 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 were found to be in fair condition. The prescribed contractual order system was followed.

Treasurer's Records

The Treasurer's records were reviewed and found to be in satisfactory condition.

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

The E.S.E.A./N.C.L.B. 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 Title I, Title II, Title IV, Title V and Title VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. indicated no areas of noncompliance.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B 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 tests of compliance for the major state programs selected did not indicate any areas of noncompliance.

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 semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. 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/njded/pscl/index.html>.

N.J.S.A.18A:18A-3 states:

- a) "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipts of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971, c.198 (C.40A:119) the board of education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b) Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.18A:18A-2 (pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made."

School Purchasing Programs (continued):

N.J.S.A.18A:18A-4 states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to *N.J.S.A.18A:18A-3* except by contract or agreement."

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 \$17,500.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year (contract year for July 1, 2010 and thereafter). 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.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", 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*.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

School Food Service

The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. The number of meals claimed for reimbursements were verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed.

Reimbursement vouchers were timely filed, and meals claimed agreed with meal count records. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review.

School Food Service (continued):

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education.

The cash disbursements records reflected expenditures for program related goods and services. Districts with food service management companies are depositing and expending program monies in accordance with *N.J.S.A.18A:17-34*, and *19-1* through *19-4.1*. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the school food service. Net cash resources did not exceed three months average expenditures.

Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the CAFR, section entitled Enterprise Funds, Section G.

Student Body Activities

The financial transactions of the student body activities were maintained in satisfactory condition.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2014 Application for State School Aid (A.S.S.A.) for On-Roll, private schools for the handicapped and low-income. 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. 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 has adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of On Roll status reported in the 2014-2015 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 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.

Follow-up on Prior Years' Findings

There were no prior year findings.

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.

Should you have any questions concerning our comments or should you desire any assistance, please call me.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines
Certified Public Accountant
Public School Accountant
No. 2198

Medford, New Jersey
December 9, 2015

ADDITIONAL INFORMATION

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LOGAN TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR PASS-THROUGH GRANTOR GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	UNEARNED REVENUE AT JUNE 30, 2015	DUE TO GRANTOR JUNE 30, 2015
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Enterprise Fund:										
Food Distribution Program	10.565	21,126	7/1/14-6/30/15	\$ -	\$ -	\$ 21,126	\$ (21,126)	\$ -	\$ -	\$ -
National School Lunch Program	10.555	85,027	7/1/13-6/30/14	(8,159)	-	8,159	-	-	-	-
National School Lunch Program	10.555	81,044	7/1/14-6/30/15	-	-	65,879	(81,044)	(15,165)	-	-
National School Breakfast Program	10.553	8,570	7/1/13-6/30/14	(687)	-	687	-	-	-	-
National School Breakfast Program	10.553	10,051	7/1/14-6/30/15	-	-	8,628	(10,051)	(1,423)	-	-
Total U.S. Department of Agriculture				(8,846)	-	104,479	(112,221)	(16,588)	-	-

U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH

FEDERAL GRANTOR PASS-THROUGH GRANTOR GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	UNEARNED REVENUE AT JUNE 30, 2015	DUE TO GRANTOR JUNE 30, 2015
Special Revenue Fund:										
N.C.L.B.										
Title I	84.010	90,540	7/1/14-6/30/15	-	-	63,045	(89,790)	(26,745)	-	-
Title I	84.010	88,277	7/1/13-6/30/14	(48,160)	-	48,160	-	-	-	-
Title II - Part A	84.367	17,655	7/1/14-6/30/15	-	-	11,320	(17,655)	(6,335)	-	-
Title II - Part A	84.367	16,837	7/1/13-6/30/14	-	-	-	-	-	-	-
Title III	84.365	1,725	7/1/14-6/30/15	-	-	493	(1,725)	(1,232)	-	-
Title III	84.365	1,567	7/1/12-6-30-13	(724)	-	724	-	-	-	-
Title III	84.365	514	7/1/13-6/30/14	(514)	-	514	-	-	-	-
I.D.E.A. B -Basic	84.027	210,384	7/1/14-6/30/15	-	-	189,346	(210,384)	(21,038)	-	-
I.D.E.A. B -Basic	84.027	231,485	7/1/13-6/30/14	(82,292)	-	82,292	-	-	-	-
I.D.E.A. - Preschool	84.173	8,002	7/1/14-6/30/15	-	-	6,460	(8,002)	(1,542)	-	-
I.D.E.A. - Preschool	84.173	8,977	7/1/13-6/30/14	(4,988)	-	4,988	-	-	-	-
Total Special Revenue Fund				(136,678)	-	407,342	(327,556)	(56,892)	-	-

Total Federal Financial Assistance \$ (145,524) \$ 511,821 \$ (439,777) \$ (73,480) \$

SCHEDULE OF AUDITED ENROLLMENTS (1)

LOGAN TOWNSHIP BOARD OF EDUCATION
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2014

	2015-2016 Application for State School Aid				Sample for Verification				Private Schools for Disabled							
	Reported on A.S.S.A. On Roll		Workpapers		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools		Sample for Verification	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool	35	-	35	-	-	-	20	-	20	-	-	-	-	-	-	-
Full Day Kindergarten	85	-	85	-	-	-	22	-	22	-	-	-	-	-	-	-
One	98	-	98	-	-	-	22	-	22	-	-	-	-	-	-	-
Two	67	-	67	-	-	-	21	-	21	-	-	-	-	-	-	-
Three	89	-	89	-	-	-	22	-	22	-	-	-	-	-	-	-
Four	71	-	71	-	-	-	21	-	21	-	-	-	-	-	-	-
Five	74	-	74	-	-	-	21	-	21	-	-	-	-	-	-	-
Six	82	-	82	-	-	-	21	-	21	-	-	-	-	-	-	-
Seven	84	-	84	-	-	-	21	-	21	-	-	-	-	-	-	-
Eight	76	-	76	-	-	-	21	-	21	-	-	-	-	-	-	-
Subtotal	761	-	761	-	-	-	212	-	212	-	-	-	-	-	-	-
Special Ed - Elementary	49	-	49	-	-	-	10	-	10	-	-	-	-	1	1	1
Special Ed - Middle School	20	-	20	-	-	-	10	-	10	-	-	-	-	1	1	1
Special Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-	-	3	3	3
Subtotal	69	-	69	-	-	-	20	-	20	-	-	-	-	5	5	5
Totals	830	-	830	-	-	-	232	-	232	-	-	-	-	5	5	5
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SCHEDULE OF AUDITED ENROLLMENTS (2)

LOGAN TOWNSHIP BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	Resident Low Income			Sample for Verification			Resident LEP Low Income			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 LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Kindergarten	10	10	-	9	9	-	-	-	-	-	-	-
One	21	21	-	8	8	-	2	2	-	2	2	-
Two	9	9	-	9	9	-	-	-	-	-	-	-
Three	17	17	-	8	8	-	-	-	-	-	-	-
Four	17	17	-	9	9	-	-	-	-	-	-	-
Five	16	16	-	9	9	-	-	-	-	-	-	-
Six	11	11	-	9	9	-	-	-	-	-	-	-
Seven	18	18	-	8	8	-	-	-	-	-	-	-
Eight	14	14	-	8	8	-	-	-	-	-	-	-
Nine	8	8	-	8	8	-	1	1	-	1	1	-
Ten	11	11	-	9	9	-	-	-	-	-	-	-
Eleven	13	13	-	8	8	-	-	-	-	-	-	-
Twelve	8	8	-	7	7	-	-	-	-	-	-	-
Subtotal	173	173	-	109	109	-	3	3	-	3	3	-
Special Ed - Elementary	12	12	-	10	10	-	1	1	-	1	1	-
Special Ed - Middle	7	7	-	7	7	-	-	-	-	-	-	-
Special Ed - High School	16	16	-	8	8	-	-	-	-	-	-	-
Subtotal	35	35	-	25	25	-	1	1	-	1	1	-
Totals	208	208	-	134	134	-	4	4	-	4	4	-

Percentage Error

Transportation					
Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
428	428	-	174	174	-
7	7	-	4	4	-
21	21	-	9	9	-
44	44	-	10	10	-
500	500	-	197	197	-

Reg. - Public Schools, col. 1
Reg -SpEd, col. 4
Aid-in-Lieu, col. 3
Special Ed Spec, col. 6

Totals

Percentage Error

SCHEDULE OF AUDITED ENROLLMENTS (3)

**LOGAN TOWNSHIP BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	1	1	-	1	1	-
Four	1	1	-	1	1	-
Five	1	1	-	1	1	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Subtotal	<u>3</u>	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Special Ed - Elementary	1	1	-	1	1	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Totals	<u><u>4</u></u>	<u><u>4</u></u>	<u><u>-</u></u>	<u><u>4</u></u>	<u><u>4</u></u>	<u><u>-</u></u>
Percentage Error		<u><u>-</u></u>			<u><u>-</u></u>	

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2014-2015 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>18,169,980</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ <u>626,310</u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ <u>-</u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ <u>-</u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ <u>-</u>	(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>1,280,703</u>	(B2a)
Assets Acquired Under Capital Leases	\$ <u>-</u>	(B2b)
Adjusted 2014-2015 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ <u><u>17,515,587</u></u>	(B3)
2% of adjusted 2014-2015 General Fund Expenditures [(B3) times .02]	\$ <u>350,312</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>350,312</u>	(B5)
Increased by: Allowable Adjustment *	\$ <u>45,085</u>	(K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]	\$ <u><u>395,397</u></u>	(M)

SECTION 2

Total General Fund - Fund Balances @ 06-30-2015 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>3,728,160</u>	(C)
Decreased by:		
Year-End Encumbrances	\$ <u>16,578</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ <u>-</u>	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>1,318,713</u>	(C3)
Other Restricted Fund Balances ****	\$ <u>691,037</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>-</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u><u>1,701,832</u></u>	(U)

REGULAR DISTRICT (continued):

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U)-(M)] IF NEGATIVE ENTER -0 \$ 1,306,435 (E)

Recapitulation of excess surplus as of June 30, 2015

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures ** \$ 1,318,713 (C3)

Reserved Excess Surplus *** [(E)] \$ 1,306,435 (E)

Total [(C3)+(E)] \$ 2,625,148 (D)

Footnotes:

*Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for: (H) Federal Impact Aid. The passage of P.L.2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year ending June 30, 2015 the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4); (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10); (J1) Extraordinary Aid; (J2) Additional Nonpublic School Transportation Aid; (J3) Recognized current year School Bus Advertising Revenue; and (J4) Family Crisis Transportation Aid

Detail of Allowable Adjustments

Impact Aid	\$ <u>-</u> (H)
Sale & Lease-back	\$ <u>-</u> (I)
Extraordinary Aid	\$ <u>32,129</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>12,956</u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ <u>-</u> (J3)
Family Crisis Transportation Aid	\$ <u>-</u> (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u><u>45,085</u></u> (K)

** This amount represents the June 30, 2015 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031

*** Amounts must agree to the June 30, 2015 CAFR and must agree to Audit Summary Worksheet Line 90030

**** Amount for Other Restricted Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government such as the judicial branch of government must have Departmental approval. District requests should be submitted to the Division of Finance and Regulatory Compliance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory Restrictions:

Approved Unspent Separate Proposal	\$ <u>-</u>
Sale/Lease-Back Reserve	\$ <u>-</u>
Capital Reserve	\$ <u>291,054</u>
Maintenance Reserve	\$ <u>399,983</u>
Emergency Reserve	\$ <u>-</u>
Waiver Offset Reserve	\$ <u>-</u>
Tuition Reserve	\$ <u>-</u>
School Bus Advertising 50% Fuel Offset Revenue - current year	\$ <u>-</u>
School Bus Advertising 50% Fuel Offset Revenue - prior year	\$ <u>-</u>
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ <u>-</u>
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$ <u>-</u>
Other State/Government Mandated Reserve	\$ <u>-</u>
[Other Restricted Fund Balance Not Noted Above] ****	\$ <u>-</u>
Total Other Restricted Fund Balance	\$ <u><u>691,037</u></u> (C4)