

**BOARD OF EDUCATION**  
**TOWNSHIP OF STOW CREEK SCHOOL DISTRICT**  
**COUNTY OF CUMBERLAND**  
**AUDITOR'S MANAGEMENT REPORT ON**  
**ADMINISTRATIVE FINDINGS-**  
**FINANCIAL, COMPLIANCE AND PERFORMANCE**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2015**

# TOWNSHIP OF STOW CREEK SCHOOL DISTRICT

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# NIGHTLINGER, COLAVITA & VOLPA

*A Professional Association  
Certified Public Accountants*

991 S. Black Horse Pike  
P.O. Box 799  
Williamstown, NJ 08094

(856) 629-3111  
Fax (856) 728-2245

November 23, 2015

## REPORT OF INDEPENDENT AUDITORS

Honorable President and  
Members of the Board of Education  
Township of Stow Creek School District  
11 Gum Tree Corner Road  
County of Cumberland  
Bridgeton, New Jersey 08302


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 Township of Stow Creek School District in the County of Cumberland for the year ended June 30, 2015, and have issued our report thereon dated November 23, 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 Stow Creek 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,

**NIGHTLINGER, COLAVITA & VOLPA, P.A.**



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant  
No. 915

**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 Student Activity Fund, Food Service Fund, After School Child Care Program and Special Revenue Fund 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's Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Gary R. Moore	Business Administrator/Board Secretary	\$2,000
Tracey Beattie	Treasurer of School Monies	\$130,000

There is a Blanket Public Employee's faithful performance position Bond with New Jersey School Boards covering all other employees with multiple coverage of \$25,000.

**Tuition Charges**

These charges represent payments from parents of students not residing in the school district. Tuition appeared to be charged and received at the approved rate for the year under audit. In addition, there were no tuition students from billings to sending districts for the year under audit per N.J.A.C. 6A:23-3.1(f).

**District Internal Control Policies**

District boards of education and administration are responsible for developing internal controls policies and procedures and maintaining a strong internal control environment. NJAC 6A:23A-6.4 requires that the district's internal control policies include specific requirements at NJAC 6A:23A-6.5 through 6.13.

All Internal Control Policies were found in accordance with NJAC 6A:23A-6.5 through 6.13.

**Examination of Claims**

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

## **Financial Planning, Accounting and Reporting**

### **Certification of Income Tax Compliance**

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (Superintendent and Business Administrator) to the N.J. Department of Treasury appeared to be filed by the March 15 due date.

### **Payroll Account**

The net salaries of all employees of the Board 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 School Business Administrator/Board Secretary, and the Chief School Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund.

Payrolls were delivered to the treasurer of school monies with a warrant made to her order for the full amount of each payroll.

### **Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, 2015 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, 2015.

### **Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures Against Those Federal Grants Awards**

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, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

**Financial Planning, Accounting and Reporting (Continued)**

**Classification of Expenditures (Continued)**

**A. General Classification Findings**

None

**B. Administrative Classification Findings**

None

**Board Secretary's Records**

The financial records, books of accounts maintained by the Secretary were in satisfactory condition.

Acknowledgment of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes.

Monthly financial certificates of the Board Secretary and Board of Education for positive line item account status certifications (N.J.A.C. 6:2-2.13) were performed. Budgetary line item account transfers were approved monthly to cover any anticipated deficits.

Purchase orders were charged to the appropriate line item accounts in accordance with the State prescribed **Uniform Minimum Chart of Accounts (2R2) for New Jersey Public School.**

An analysis of cumulative budget transfers was examined to determine that transfers appear to be approved and recorded in accordance with Department of Education requirements regarding the ten percent rule on advertised budget line items.

**Treasurer's Records**

The Treasurer prepared cash reconciliations for the general operating account, payroll account and payroll agency account per N.J.S.A.18A:17-9. There were a few immaterial old outstanding checks that should be cleared by proper disposition.

All cash receipts were promptly deposited. (N.J.S.A.18A:17-34, 18A:17-9.1)

The Treasurer's records were in agreement with the records of the Board Secretary.

The Treasurer filed her reports in a timely manner.

**Financial Planning, Accounting and Reporting (Continued)**

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

The E.S.E.A./NCLB 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 Titles I 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 and/or questionable costs.

**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 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.

The study of compliance for special projects indicated no areas of noncompliance.

**T.P.A.F. Reimbursement**

Our audit procedures included a test of the biweekly 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.

**TPAF Reimbursement to the State for Federal Salary Expenditures**

The amount of the expenditure charged to the current year's Final Report(s) for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 60 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and 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 are available on the website: [http://www.state.nj.us/dca/divisions/dlgs/programs/ps\\_contracts.html](http://www.state.nj.us/dca/divisions/dlgs/programs/ps_contracts.html).

The current statute is posted on the New Jersey Legislature website at: [http://lis.njleg.state.nj.us/cgi-bin/om\\_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC\\_Frame\\_pg42](http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_pg42)

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 \$18,300 for 2014-15.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal 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.

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.

Based on the results of our examination, we did not note 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 provisions of N.J.S.A. 18A:18A-4, amended.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

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. Our examination did not reveal any purchases by state contract.

The review of contracts and agreements did not disclose any areas of statutory noncompliance.

Although a particular contract is exempt from the formal requirements of public advertising and competitive bidding, N.J.S.A. 18A:18A-37 requires that quotations be obtained, whenever practical, for any contract less than the bid threshold but 15% or more of that amount, except for contracts for professional services. All contracts and agreements, which are subject to quotations, shall be awarded on the basis of the lowest responsible quotation received, which is most advantageous to the Board of Education, price and other factors considered.



## School Food Service

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal and milk count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

The number of meals and milks 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 submitted/certified in a timely manner. There were no instances where the numbers of various meals were not reported correctly on the reimbursement claim forms.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs were verified on a test basis. Inventory records on food and supply items are maintained by Sodexo, Inc. as part of the vended meal service agreement with the District and appeared to be currently maintained and properly applied in determining the cost of food and supply items.

Food Distribution Program commodities were received and allocated to the Township of Stow Creek School District are received and stored by Sodexo, Inc. as part of its vended meal agreement and used in the meal preparation for Stow Creek School. It is the responsibility of Sodexo, Inc. to maintain a single inventory on a first-in, first-out basis.

Applications for free and reduced price meals and free milks were reviewed for completeness and accuracy. The number of free and reduced price meals and free milks claimed as served for the entire school year 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. There is only one Site approved to participate in Provisions, which was examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review.

Time records and labor costs were considered verified. Payroll records were maintained on all school food service employees authorized by the Board of Education.

The cash disbursements records reflected expenditures for program related goods and services. The District, which has a vended meal service contract with Nutri-Serve, is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.I. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources did not exceed three months average expenditures. Provisions in the FSMC contract/addendum were reviewed, audited and did not include an operating results provision, guaranteeing operating results in the food service fund.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

In accordance with AICPA Statement on Auditing Standards (SAS) #70, as amended by SAS #88 and SSAE 16, a report on the Food Service Management Company's control structure, policies and procedures was received. This audit was performed by an independent audit firm.

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

### **Student Body Activities**

The Board has a policy, which clearly established the regulation of student activity funds.

All receipts appeared to be deposited promptly in the bank.

A monthly report of student activity funds is being submitted to the Board. Vouchers and supporting invoices were maintained for the student activity fund purchases. All disbursements appeared to be supported by appropriate documentation.

### **After School Child Care Program**

The financial transactions and records of the After School Child Care Program were reviewed and improvement was noted over the prior year. The fund will continue to be monitored to insure that actual cash receipts are traceable to a subsidiary ledger of fees charged per child and deposit entries on the bank statements.

### **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 without exception. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollment

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.

A waiver was received in lieu of participation in the SEMI program.

### **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 included a review of transportation related 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.

### **Unemployment Compensation Insurance Trust Fund**

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund.

**Facilities and Capital Assets**

The general fixed asset records were updated through the implementation of in-house software.

Our procedures included a review of the SDA grant agreement, if any, for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account and awarding of contracts for eligible facilities construction. There were no existing NJSDA grants during 2014-15.

**Follow-up on Prior Years' Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all 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.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, P.A.**



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant  
No. 915

**SCHEDULE OF AUDITED ENROLLMENTS**

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
APPLICATION OR 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		Reported On Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported On A.S.S.A. as			
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Private Schools	Sample for Verification	Sample Verified	Sample Errors
Full Day Kindergarten	13		13				9		9							
One	10		10				7		7							
Two	9		9				6		6							
Three	7		7				5		5							
Four	14		14				10		10							
Five	10		10				7		7							
Six	16		16				11		11							
Seven	11		11				7		7							
Eight	12		12				8		8							
<b>Subtotal</b>	<b>102</b>	<b>0</b>	<b>102</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70</b>	<b>0</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Special Ed - Elementary	5		5				3		3							
Special Ed - Middle	5		5				3		3							
Special Ed - High																
<b>Subtotal</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>112</b>	<b>0</b>	<b>112</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>76</b>	<b>0</b>	<b>76</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>

**SCHEDULE OF AUDITED ENROLLMENTS**

**STOW CREEK TOWNSHIP SCHOOL DISTRICT  
APPLICATION OR 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	5	5		4	4							
One	7	7		6	6							
Two	3	3		3	3							
Three	2	2		2	2							
Four	4	4		3	3							
Five	3	3		3	3							
Six	6	6		5	5							
Seven	4	4		3	3							
Eight	3	3		3	3							
Subtotal	37	37	0	32	32	0	0	0	0	0	0	0
Special Ed - Elementary	4	4		3	3							
Special Ed - Middle	2	2		2	2							
Special Ed - High												
Subtotal	6	6	0	5	5	0	0	0	0	0	0	0
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	43	43	0	37	37	0	0	0	0	0	0	0
Percentage Error			0.00%			0.00%						

**TRANSPORTATION**

	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	83	83		63	63	
Reg. - Special Ed.	2	2		2	2	
Transported - Non-Public						
Aid in Lieu - Non-Public	9	9		7	7	
Special Needs - Public	6	6		5	5	
Totals	100	100	0	77	77	0
Percentage Error						0.00%

	Reported	Re-Calculated
Avg. Mileage - Regular Including Grade PK students	4.9	
Avg. Mileage - Regular Excluding Grade PK students	4.9	
Avg. Mileage - Special Ed with Special Needs	6.5	

**SCHEDULE OF AUDITED ENROLLMENTS**

**STOW CREEK TOWNSHIP SCHOOL DISTRICT**  
**APPLICATION OR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2014**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Report On A.S.S.A. as NOT Low Income</u>	<u>Report On Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected From Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Full Day Kindergarten						
One						
Two						
Three						
Four						
Five						
Six						
Seven						
Eight						
Subtotal	0	0	0	0	0	0
Special Ed - Elementary						
Special Ed - Middle						
Special Ed - High						
Subtotal	0	0	0	0	0	0
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	0	0	0	0	0	0
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**TOWNSHIP OF STOW CREEK SCHOOL DISTRICT**  
**EXCESS SURPLUS CALCULATION**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2014-15 Total General Fund Expenditures per the CAFR	\$ <u>2,070,331</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>                    </u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>                    </u> (B1b)
Transfer from General Fund to SRF for Pre-K-Regular	<u>                    </u> (B1c)
Transfer from General Fund to SRF for Pre-K-Inclusion	<u>                    </u> (B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>141,087</u> (B2a)
Assets Acquired Under Capital Leases	<u>                    </u> (B2b)
 Adjusted 14-15 General Fund Expenditures [(B)+(B1s)-(B2s)]	 <u>1,929,244</u> (B3)
 2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	 <u>38,585</u> (B4)
Enter Greater of (B4) or \$250,000	<u>250,000</u> (B5)
Increased by: Allowable Adjustment*	<u>1,566</u> (K)
 Maximum Unassigned/Undesignated-Unreserved Fund Balance[(B5)+(K)]	 \$ <u>251,566</u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6-30-15 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>431,601</u> (C)
Decreased by:	
Year-end Encumbrances	<u>17,152</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>                    </u> (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	<u>46,383</u> (C3)
Other Restricted Fund Balances****	<u>73,608</u> (C4)
Assigned Fund balance Unreserved - Designated for Subsequent Year's Expenditures	<u>845</u> (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 \$ <u>293,613</u> (U1)

**SECTION 3**

Restricted Fund Balance- Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$ <u>42,047</u> (E)
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**Recapitulation of Excess Surplus as of June 30, 2015**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures**	46,383 (C3)
Reserved Excess Surplus ***[(E)]	42,047 (E)
	<u>                    </u>
Total Excess Surplus [(C3) + (E)]	\$ <u>88,430</u> (D)

**TOWNSHIP OF STOW CREEK SCHOOL DISTRICT**  
**EXCESS SURPLUS CALCULATION**

**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 & 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.

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

**Detail of Allowable Adjustments**

Impact Aid	\$	_____	(H)
Sale & Lease-Back		_____	(I)
Extraordinary Aid		_____	(J1)
Additional Nonpublic School Transportation Aid		1,566	(J2)
Current Year School Bus Advertising Revenue Recognized		_____	(J3)
Family Crisis Transportation Aid		_____	(J4)
Total Adjustments [(H) + (I) + (J1) + (J2) + (J3) + (J4)]	\$	1,566	(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 Reserved 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 an other 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	\$	_____	
Sale/lease-back reserve		_____	
Capital reserve		73,608	
Maintenance reserve		-	
Emergency Reserve		_____	
Tuition reserve		-	
School Bus Advertising 50% Fuel Offset Reserve - Current Year		_____	
School Bus Advertising 50% Fuel Offset Reserve - Prior Year		_____	
Impact Aid General Fund Reserve (Sections 8007 and 8008)		_____	
Impact Aid General Fund Reserve (Sections 8002 and 8003)		_____	
Other state/government mandated reserve		_____	
[Other Restricted Fund Balance not noted above]		_____	
Total Other Restricted Fund Balance	\$	73,608	(C4)

