

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
COUNTY OF BERGEN
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
COUNTY OF BERGEN
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
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November 19, 2015

The Honorable President and Members
of the Board of Education
Wood-Ridge Borough School District
County of Bergen, NJ

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Wood-Ridge Borough School District in the County of Bergen for the fiscal year ended June 30, 2015, and have issued our report thereon dated November 19, 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 letter does not affect our report dated November 19, 2015, on the financial statements of the Board.

We will review the status of the comments, and suggestions, during our next audit engagement. We have already discussed these comments and suggestions, if any, with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the suggestions and recommendations.

This report is intended for the information of Wood-Ridge Borough School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

NISIVOCCIA LLP

Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, 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

Multi-peril insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Jenine Murray	School Business Administrator/Board Secretary	\$ 225,000
Thomas Perez	Interim Business Administrator/Board Secretary	225,000
Mark Resnick	Interim Business Administrator/Board Secretary	225,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23A-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review indicated several discrepancies with respect to signatures on vouchers as follows:

Finding:

It was noted during our review that on several vouchers all required signatures were not obtained prior to the release of funds.

Recommendation:

It is recommended that all required signature on vouchers be obtained prior to the release of funds.

Management's Response:

The Business Administrator will ensure that all required signatures are obtained on vouchers prior the release of funds.

Payroll Account and Position Control Roster

The net salaries of 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 tested were approved by the Superintendent and certified by the President of the Board and the School Business Administrator and the Superintendent.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015

Financial Planning, Accounting and Reporting (Cont'd)

Payroll Account and Position Control Roster (Cont'd)

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholdings due to the General Fund.

The required certification (E-Cert1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrator) to the New Jersey Department of Treasury was filed by the March 15th due date.

Finding:

During our review of the employee health benefits withholdings on a test basis, it was noted that the withholdings were not accurately calculated.

Recommendation:

It is recommended that every effort be made to ensure that the employee health benefit withholdings are accurately calculated.

Management's Response:

Every effort will be made to ensure that the employee health benefit withholdings are accurately calculated.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

Classification of Expenditures – General Classifications and Administrative Classifications

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, we reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C 6A:23A-8.2. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

Board Secretary's Report

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted on the next page.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
 (Continued)

Board Secretary's Report (Cont'd)

Finding:

Our review revealed that the District should take greater care in the recording of the revenue and expenditure details for the capital projects. Currently, the District is not separating by individual project revenue and expenditures within the accounting records.

Recommendation:

It is recommended that the District review and modify the current accounting records to properly detail the revenue and expenditures for the capital projects fund by project.

Management's Response:

The District will ensure that all accounting records are properly maintained and detail the revenue and expenditures for the capital projects by project.

No Child Left Behind (N.C.L.B.)

The N.C.L.B. financial exhibits are contained herein within the Special Revenue Section of the District's CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I, Title II, and Title III of the No Child Left Behind Act. The study of compliance for the N.C.L.B. did not indicate any area 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 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 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.

The T.P.A.F. Reimbursement to the State for the Federal Salary Expenditures was not remitted to the State of New Jersey prior to the required deadline of October 1, 2015. The reimbursement form was reviewed and no exceptions were noted.

Finding:

During our review of the T.P.A.F. Reimbursement it was noted that it was not remitted to the State of New Jersey prior to October 1, 2015.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

T.P.A.F. Reimbursement (Cont'd)

Recommendation:

It is recommended that the school submit the T.P.A.F. Reimbursement prior to October 1, 2015.

Management Response:

The Board Secretary will ensure the T.P.A.F. Reimbursement is submitted prior to the October 1st deadline.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 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.A. 18A:18A-2, 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"

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"

Effective July 1, 2010, 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.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$36,000.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

The 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 Attorney'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. General compliance was noted.

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.

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.

School Food Service

The financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts were reviewed on a test basis. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. Food Service accounting records maintained by the District's central administration office were reconciled with the records maintained by the food service contractor.

Cash receipts and bank records were reviewed for timely deposit.

The District contracts with 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 contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will operate at a surplus of \$15,000. The operating results provision has been met. The District has a Type 2 SOC-1 report (Service Organization Controls Report) of the food service management company on file as required by state requirements.

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

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the School Food Service Fund. Net cash resources did not exceed three months average expenditures.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

School Food Service (Cont'd)

Time sheets were reviewed and labor costs verified on a test basis. Payroll records were maintained on all School Food Services employees authorized by the board of education. No exceptions were noted.

The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement vouchers claims were submitted/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 did not exceed the number of valid applications on file, multiplied by the number of operating days, on a school by school basis. The free and reduced price meal policy is uniformly administered throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

Food Distribution Program Commodities were received and a separate inventory was maintained on a first-in, first-out basis. No exceptions noted.

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

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities Fund for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

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, bilingual and low income students. 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 with several exceptions. The information that was included on the workpapers was verified on a test basis with several exceptions. 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 related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
 (Continued)

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreements 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.

Findings:

1. Our review revealed that the School Development Authority ("SDA") grants awarded to the District were not maintained within the accounting records of the District. SDA grants should be detailed in the accounting records to ensure the accuracy of the grant expenditures and provide support for the SDA submissions for reimbursement.
2. During our testing of capital assets, it was noted that the assets are being disposed of and/or moved throughout the District without proper notification to the Board Office.

Recommendations:

1. It is recommended that all SDA grants be included and maintained in the accounting records of the District to ensure support is available for the submission to the SDA for reimbursement.
2. It is recommended that the District evaluate and communicate policies for the capital assets at each school to ensure that the capital assets accounting and reporting system is accurate.

Management's Response

Administration is in the process to ensure detailed accuracy of the grant expenditures by maintaining detailed information on the SDA grants within the accounting records for the 2015-2016 fiscal year, and the administration will provide training to principals and secretaries regarding procedures for disposal and/or relocation of capital assets and will continue to reinforce those procedures.

Suggestions to Management

Single Audit

Effective for the fiscal year ended June 30, 2016, there will be significant changes to the Single Audit. These changes include the following:

- An increase in the single audit threshold
- Low risk auditee criteria
- Type A and B threshold
- Coverage requirements for major programs tested for both low risk and non-low risk auditees.

Additionally, the cost principles and administrative requirements such as A-87 have been consolidated under the *OMB Uniform Guidance: Cost Principles, Audit and Administrative Requirements for Federal Awards*. This guidance was effective December 26, 2014 for all new federal awards and for any additional funding for existing awards made after December 26, 2014.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Governmental Accounting Standards Board Statements:

The next Governmental Accounting Standards Board (“GASB”) statement which will have a significant impact on the District will be GASB#75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, will be effective for the fiscal year ending June 30, 2018. This standard replaces GASB#45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. It is similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* GASB#68 in that successful implementation of this standard will require the provision of certain key financial and non-financial information from the New Jersey Division of Pensions.

Deferred Compensation Plans

The District has a fiduciary responsibility to its employees related to the deferred compensation plans offered by the District. The District should consider a periodic review of the benefits, features, costs, and performance of its deferred compensation plans and make that information available to employees to assist employees in making suitable choices for investing their retirement funds while fulfilling the District’s fiduciary responsibilities.

Independent Contractors vs. Employees

The District should consider reviewing the status of “Independent Contractors” utilized by the District with Internal Revenue Service guidelines for determination of employment status. The IRS has been reviewing employers, including governments, to determine compliance. A proactive approach may help to minimize or eliminate potential penalties related to incorrect employment status determination.

Continuing Disclosure Requirements

In connection with the issuance of bonds by a school district, the District agrees to the continuing disclosure of certain information to the Electronic Municipal Market Access (“EMMA”) website under the auspices of the Municipal Securities Rulemaking Board. The District should ensure that all continuing disclosure requirements with respect to the District’s bond issuances are met. These requirements include filing of certain financial information such as audit reports, budgets and certain operating data.

Status of Prior Year's Findings/Recommendations

The prior year recommendation regarding misclassified and misbudgeted expenditures for required maintenance has been resolved.

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED
ENTERPRISE FUND
FISCAL YEAR ENDED JUNE 30, 2015
(MEMORANDUM ONLY)

NOT APPLICABLE

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
SCHEDULE OF NET CASH RESOURCES
FOOD SERVICE FUND
ENTERPRISE FUND
FISCAL YEAR ENDED JUNE 30, 2015

NOT APPLICABLE

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	2015-2016 Application for State School Aid						Sample for Verification					
	Reported on Revised ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool 3 Years Old	10		10				10		10			
Half Day Preschool 4 Years Old	16		16				16		16			
Full Day Preschool 4 Years Old	7		7				7		7			
Full Day Preschool 4 Years Old	11		11				11		11			
Full Day Kindergarten	70		70				70		70			
Grade One	74		74				74		74			
Grade Two	75		75				75		75			
Grade Three	67		67				67		67			
Grade Four	82		82				82		82			
Grade Five	88		88				88		88			
Grade Six	77		77				77		77			
Grade Seven	83		83				83		83			
Grade Eight	91		91				91		91			
Grade Nine	83		83				83		83			
Grade Ten	72		72				72		72			
Grade Eleven	79		79				79		79			
Grade Twelve	82		82				82		82			
Subtotal	<u>1,067</u>		<u>1,067</u>				<u>1,067</u>		<u>1,067</u>			
Special Education:												
Elementary	33		33				3		3			
Middle	37		37				3		3			
High	55	3	55	3			5		5			
Subtotal	<u>125</u>	<u>3</u>	<u>125</u>	<u>3</u>			<u>11</u>		<u>11</u>			
Totals	<u>1,192</u>	<u>3</u>	<u>1,192</u>	<u>3</u>	<u>-0-</u>	<u>-0-</u>	<u>1,078</u>	<u>0</u>	<u>1,078</u>	<u>0</u>	<u>-0-</u>	<u>-0-</u>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	<u>Private Schools for Disabled</u>				<u>Resident Low Income</u>					
	<u>Reported on ASSA as Private Schools</u>	<u>Sample for Verficiation</u>	<u>Sample Verified</u>	<u>Sample Errors</u>	<u>Reported on ASSA as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool 4 Years Old										
Full Day Kindergarten					5	5		1	1	
Grade One					8	8		1	1	
Grade Two					12	12		1	1	
Grade Three					13	13		1	1	
Grade Four					8	8		1	1	
Grade Five					9	9		1	1	
Grade Six					14	14		1	1	
Grade Seven					7	7		1	1	
Grade Eight					24	24		2	2	
Grade Nine					22	22		2	2	
Grade Ten					19	19		2	2	
Grade Eleven					19	19		2	2	
Grade Twelve					19	19		2	2	
Subtotal					<u>179</u>	<u>179.0</u>		<u>18</u>	<u>18</u>	
Special Education:										
Elementary School	5	1	1		11	11		2	2	
Middle School	5	1	1		11	11		2	2	
High School	8	2	1	-1	17.5	17.5		2	2	
Subtotal	<u>18</u>	<u>4</u>	<u>3</u>	<u>-1</u>	<u>39.5</u>	<u>39.5</u>		<u>6</u>	<u>6</u>	
Totals	<u>18</u>	<u>4</u>	<u>3</u>	<u>(1)</u>	<u>218.5</u>	<u>218.5</u>	<u>-0-</u>	<u>24</u>	<u>24</u>	<u>-0-</u>
Percentage Error				<u>-25.00%</u>			<u>0.00%</u>			<u>0.00%</u>

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	Resident LEP Low Income					
	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Grade Five		1	-1			
Grade Ten	2.0	2.0		1	1	
Grade Twelve	3	3		2	2	
Subtotal	<u>5.0</u>	<u>6</u>	<u>-1</u>	<u>3</u>	<u>3</u>	
Totals	<u>5.0</u>	<u>6</u>	<u>(1)</u>	<u>3</u>	<u>3</u>	<u>-0-</u>
Percentage Error			<u>-20.00%</u>			<u>0.00%</u>

	Resident LEP Not Low Income					
	Reported on ASSA as LEP Not Low Income	Reported on Workpapers as LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Grade One	1	1		1	1	
Grade Seven	1	1		1	1	
Grade Eight	2	2		1	1	
Grade Eleven		1	-1			
Subtotal	<u>4</u>	<u>5</u>	<u>-1</u>	<u>3</u>	<u>3</u>	
Totals	<u>4</u>	<u>5</u>	<u>(1)</u>	<u>3</u>	<u>3</u>	<u>-0-</u>
Percentage Error			<u>-25.00%</u>			<u>0.00%</u>

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	44	44		5	5	
Regular - Special Education	1	1				
Special Needs - Public	30	30		3	3	
Special Needs - Private	17	17		1	1	
Totals	<u>92</u>	<u>92</u>	<u>-0-</u>	<u>9</u>	<u>9</u>	<u>-0-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	5.4	5.4
Average Mileage - Regular Excluding Grade PK Students	5.4	5.4
Average Mileage - Special Education with Special Needs	8.1	8.1

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2015

EXCESS SURPLUS CALCULATION

Section 1 - REGULAR DISTRICT

2014-15 Total General Fund Expenditures per the CAFR	<u>\$ 19,664,139</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ 2,500,000</u> (B1b)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 1,391,569</u> (B2a)
Assets Acquired Under Capital Leases	<u>\$ -0-</u> (B2b)
Adjusted 14-15 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u><u>\$ 20,772,570</u></u> (B3)
2% of Adjusted 2014-15 General Fund Expenditures [(B5) times .02]	<u>\$ 415,451</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 415,451</u> (B5)
Increased by: Allowable Adjustment	<u>\$ 33,153</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u><u>\$ 448,604</u></u> (M)

Section 2

Total General Fund - Fund Balances @ 6/30/15 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 1,460,486</u> (C)
Decreased by:	
Year End Encumbrances	<u>\$ 495,463</u> (C1)
Legally Restricted:	
Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)
Excess Surplus - Subsequent Year's Expenditures	<u>\$ 118,577</u> (C3)
Other Restricted Fund Balances	<u>\$ 288,234</u> (C4)
Assigned Fund Balance:	
Subsequent Year's Expenditures	<u>\$ 7,468</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u><u>\$ 550,744</u></u> (U1)

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Section 3

Restricted Fund Balance-Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 102,140 (E)

Recapitulation of Excess Surplus as of June 30, 2015

Restricted Excess Surplus - Subsequent Year's Expenditures \$ 118,577 (C3)
Restricted Excess Surplus [(E)] \$ 102,140 (E)

Total [(C3)+(E)+(F)] \$ 220,717 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)
Sale and Lease Back \$ -0- (I)
Extraordinary Aid \$ 33,153 (J1)
Additional Nonpublic School Transportation Aid \$ -0- (J2)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)] \$ 33,153 (K)

Detail of Other Restricted Fund Balance

Statutory Restrictions \$ -0-
Approved Unspent Separate Proposal \$ -0-
Sale/Lease-Back Reserve \$ -0-
Capital Reserve \$ 188,234
Maintenance Reserve \$ 100,000
Emergency Reserve \$ -0-
Tuition Reserve \$ -0-
Other State/Governmental Mandated Reserve \$ -0-
Other Restricted Fund Balance not Noted Above \$ -0-

Total Other Restricted Fund Balance \$ 288,234

WOOD-RIDGE BOROUGH SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2015

It is recommended that:

1. Administrative Practices and Procedures
 All required signatures on vouchers be obtained prior to the release of funds.
2. Financial Planning, Accounting and Reporting
 - a.) The District review and modify the current accounting records to properly detail the revenue and expenditures for the capital projects by project.
 - b.) Every effort be made to ensure that the employee health benefit withholdings are accurately calculated.
 - c.) The school submit the T.P.A.F. Reimbursement prior to October 1, 2015 deadline.
3. School Purchasing Program
 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
 - a.) That all SDA grants be included and maintained in the accounting records of the District to ensure support is available for the submission to the SDA for reimbursement.
 - b.) The District evaluate and communicate policies for the capital assets at each school to ensure that the capital assets accounting and reporting system is accurate.
9. Status of Prior Year's Findings/Recommendations
 The prior year recommendation regarding misclassified and misbudgeted expenditures for required maintenance has been resolved.