

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
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October 28, 2016

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
County of Essex, 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 financial statements of the Board of Education of the Bloomfield Township School District in the County of Essex for the fiscal year ended June 30, 2016, and have issued our report thereon dated October 28, 2016.

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 October 28, 2016, on the financial statements of the Board.

We will review the status of the comments, during our next audit engagement. We have already discussed any comments and suggestions 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 recommendations.

This report is intended for the information of the Bloomfield Township 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

William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016

Scope of Audit

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

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Kerry Keane	Treasurer	\$ 500,000
Patricia Wilson	School Business Administrator/Board Secretary	500,000

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:23-3.1(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 a discrepancy with respect to signatures, certification or supporting documentation.

Finding:

During our testing of claims vouchers, the District was unable to locate certain vouchers and the related supporting documentation which had been selected for testing.

Recommendation:

It is recommended that all claims vouchers and the related supporting documentation be on file for audit review.

Management's Response:

Management will ensure that all claims vouchers and the related supporting documentation is on file for audit review.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
 (Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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 were approved by the Superintendent and certified by the President of the Board and the School Business Administrator, and the Superintendent.

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

The required certification (ECERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrators) to the NJ Department of Treasury was filed by the March 15 due date.

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 and Administrative

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 Records

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 below.

Finding:

During our review of Summer Arts Program and Innovation Summer Institute deposits, it was noted that receipts were not always deposited in a timely manner.

Recommendation:

It is recommended that Summer Arts Program and Innovation Summer Institute receipts be deposited in a timely manner to ensure deposit within forty-eight hours of receipt.

Management Response:

Administration will ensure all deposits are made within forty-eight hours of receipt.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer'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 herein.

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, II and 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.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2016. The reimbursement form was reviewed and no exceptions were noted.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
 (Continued)

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, 2015 and thereafter the bid thresholds in accordance with *N.J.S.A.* 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (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 \$18,800.

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 \$40,000.

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.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

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

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, meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

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

The District utilizes a food service management company (FMSC) 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 FMSC contract/addendum were reviewed and audited. The FMSC contract includes an operating results provision which guarantees that the food service program will breakeven/return a profit of at least \$250,026. The operating results provision has been met. No exceptions were noted.

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. No exceptions were noted.

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. No exceptions were noted.

Net cash resources did not exceed three months average expenditures.

Time sheets and payroll records provided to the District from the Food Service contractor were reviewed on a test basis. There were no food service employees authorized by the Board of Education.

The number of meals claimed for reimbursement was compared to sales and meal count records on a test basis. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

School Food Service (Cont'd)

Finding:

The State performed an Administrative Review of the School Food Service Program and found that certain free and reduced price meal applications were incomplete or incorrectly approved or denied, benefits were not properly extended to students living in direct certification eligible households and appropriate documentation was not available for each student receiving free or reduced priced benefits for the State Administrative Review. The District was required to refund \$959 to the State for meal subsidies. As procedures have been put into place to ensure that free and reduced price meal applications are complete and correctly approved or denied, benefits are properly extended to students living in direct certification eligible households and appropriate documentation is available for each student receiving free or reduced priced benefits, no formal recommendation is deemed necessary.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications on file/or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal policy was reviewed for uniform administration throughout the school district. Sites approved to participate in Provisions I and II were 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. There were no exceptions except as noted below.

Finding:

During our review of free and reduced meal applications, it was noted that the verification report for the 2015-2016 school year was filed late.

Recommendation:

It is recommended that the verification report for free and reduced meal applications is filed by the required deadline.

Management's Response:

Management will ensure that the verification report for free and reduced meal applications is filed by the required deadline.

U.S.D.A. Food Distribution Program commodities (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The District maintains the detailed revenue and expenditure information necessary in order to execute the U.S.D.A. mandated Non-program Food Revenue tool at least monthly. No exceptions were noted.

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

The District has a Type II SOC1 report (Service Organization Controls Report) of the food service management company on file as required by state requirements.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

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.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2015 Application for State School Aid (ASSA) for on-roll, private schools for the disabled, low income and bilingual students. We also performed a review of the District procedures related to its completion. The information on the ASSA was compared to the District workpapers with exceptions in the counts for on-roll, low-income and limited English proficient (LEP) students reported as detailed below. The results of our procedures are presented in the Schedule of Audited Enrollments.

Finding:

Our review of the District's 2016-2017 Application for State School Aid revealed that the District did not accurately report the number of on-roll students (1 error), low-income students (366 errors) or limited English proficient (LEP) students (9 errors), for a total of 376 errors on the application as compared to the District's supporting workpapers. In addition, it was noted that the original ASSA submission appeared to be more accurate, especially with regard to low-income students, than the final submission.

Recommendation:

It is recommended that greater care be taken to ensure the accuracy of the counts for the on-roll, low-income and LEP students in the District's Application for State School Aid (ASSA).

Management's Response:

The District will implement procedures to ensure the accuracy of the counts for on-roll, low-income and LEP students in the District's Application for State School Aid (ASSA).

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2015-2016 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report on a test basis with one minor exception. However, it appears as though regular – public schools transported and regular – special education transported students were all reported in the regular – public schools category. The results of our procedures are presented in the Schedule of Audited Enrollments.

Finding:

Based upon our review of the District's 2015-2016 District Report of Transported Resident Students (DRTRS), it appears as though the District did not provide a breakdown between regular – public schools transported and regular – special education students transported. The District reported zero students in the regular – special education students category but of the 40 students we tested in the regular – public schools students transported category, three were identified as regular – special education students. It appears as though all students that should have been reported as regular – special education transported were reported as regular – public schools transported.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

Pupil Transportation (Cont'd)

Recommendation:

It is recommended that greater care be taken when reporting transported students in the regular – public schools and regular – special education categories in the District Report of Transported Resident Students (DRTRS).

Management's Response:

The District will implement procedures to ensure that greater care is taken when reporting transported students in the regular – public schools and regular – special education categories in the District Report of Transported Resident Students (DRTRS).

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.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred.

Our review of the travel policies and records revealed that the District is in general compliance with the travel regulations.

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. Based on these procedures, we have no comments except as noted herein.

Management Suggestions

Cyber Security

Cyber-crime has become much more prevalent in the last few years. Websites and internal networks, including personally identifiable information (“PII”), have been hacked and resulted in significant losses to organizations, both financial and reputational. We suggest that the District consider options to test and protect the District from cyber-crime.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

Management Suggestions (Cont'd)

Capital Projects

We have noted that certain projects contained within the Capital Projects Fund are near or fully completed, one of which is funded in part with a Schools Development Authority ("SDA") grant. The District should ensure that SDA grant reimbursement is requested and collected and address the balances remaining in the projects that are completed and return the remaining funds to the appropriate fund. The Capital Projects Fund should only contain active projects and all completed projects should be removed from the fund.

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* 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.

Status of Prior Year Findings/Recommendations

The prior year recommendation regarding greater care being taken when filing the Application for School State Aid, was not corrected during the current year and is included in the current year's findings.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) CLAIM
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(MEMORANDUM ONLY)

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/ Underclaim</u>
National School Lunch (Severe Needs Rate)	Paid	184,481	65,851	65,851	0	\$ 0.31	\$ 0
	Reduced	57,875	20,961	20,961	0	2.69	0
	Free	311,167	113,096	113,096	0	3.09	0
	TOTAL	553,523	199,908	199,908	-0-		-0-
National School Lunch	HHFKA: PB Lunch	553,523	199,908	199,908	0	0.06	0
School Breakfast (Severe Needs Rate)	Paid	15,506	5,546	5,546	0	0.29	0
	Reduced	6,274	2,409	2,409	0	1.69	0
	Free	58,829	22,873	22,873	0	1.99	0
	TOTAL	80,609	30,828	30,828	-0-		-0-
NET (OVER)/UNDERCLAIM							\$ -0-

NOTE - State monitoring of subsidy reimbursement claims sampled different months for meals tested and verified which identified an overclaim of \$958.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(MEMORANDUM ONLY)

Current Assets: *	
Cash and Cash Equivalents	\$ 352,680
Intergovernmental Accounts Receivable	98,794
Other Accounts Receivable	<u>-0-</u>
Net Cash Resources	<u>\$ 451,474 (A)</u>
<u>Net Adjusted Total Operating Expense:</u>	
Total Operating Expenses	\$ 2,310,985
Less: Depreciation Expense	<u>(19,519)</u>
Adjusted Total Operating Expenses	<u>\$ 2,291,466 (B)</u>
<u>Average Monthly Operating Expenses:</u>	
(B) / 10	<u>\$ 229,147 (C)</u>
<u>Three Times Monthly Average Operating Expenses:</u>	
3 x (C)	<u>\$ 687,441 (D)</u>
Net Cash Resources	\$ 451,474 (A)
Less: Three Times Monthly Average Operating Expenses	<u>(687,441) (D)</u>
Exceed / (Does not Exceed)	<u>\$ (235,967) **</u>

* Inventories and unearned revenue related to donated commodities are not included in net cash resources.

** Net cash resources do not exceed three times monthly average operating expenses.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2015

	2016-2017 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	ASSA		Workpapers				Selected from		Registers		Registers	
	On Roll		On Roll		Workpapers		On Roll		on Roll			
Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	
Preschool:												
4 Year Old Half Day	2		2				2		2			
4 Year Old Full Day	1		1				1		1			
Kindergarten Full Day	462		462				462		462			
Grade One	421		421				421		421			
Grade Two	469		469				469		469			
Grade Three	463		463				463		463			
Grade Four	405		405				405		405			
Grade Five	411		411				411		411			
Grade Six	407		407				407		407			
Grade Seven	369		368		1		368		368			
Grade Eight	370		371		(1)		371		371			
Grade Nine	463		463				463		463			
Grade Ten	404		404				404		404			
Grade Eleven	387		388		(1)		388		388			
Grade Twelve	397		397				397		397			
Subtotal	5,431		5,432		(1)		5,432		5,432			
Special Education:												
Elementary School	330		330				15		15			
Middle School	223		223				10		10			
High School	338		338				15		15			
Subtotal	891		891				40		40			
Totals	6,322	-0-	6,323	-0-	(1)	-0-	5,472	-0-	5,472	-0-	-0-	-0-
Percentage Error					0.02%	0.00%				0.00%	0.00%	

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF AUDITED ENROLLMENT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2015

	Private Schools for Disabled					Resident Low Income						
	Reported on ASSA as Private Schools	Reported on Workpapers as Private Schools	Errors	Sample for Verification	Sample Verified	Sample Errors	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten							186	189	(3)	4	4	
Grade One							196	196		4	4	
Grade Two							240	235	5	4	4	
Grade Three							228	227	1	4	3	1
Grade Four							214	211	3	4	4	
Grade Five							231	230	1	4	4	
Grade Six							212	217	(5)	4	4	
Grade Seven							225	225		4	4	
Grade Eight							222	222		4	4	
Grade Nine							314	313	1	6	5	1
Grade Ten							237	236	1	4	4	
Grade Eleven							243	243		4	4	
Grade Twelve							231	241	(10)	4	4	
Subtotal							2,979	2,985	(6)	54	52	2
Special Education:												
Elementary School	6	6		1	1		45	125	(80)	3	3	
Middle School	8	8		1	1		5	115	(110)	1	1	
High School	29	29		2	2		10	180	(170)	2	2	
Subtotal	43	43		4	4		60	420	(360)	6	6	
Totals	43	43	-0-	4	4	-0-	3,039	3,405	(366)	60	58	2
Percentage Error			0.00%			0.00%			12.04%			3.33%

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2015

Resident LEP Not Low Income						
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Kindergarten:						
Full Day	7	7		1	1	
Grade One	8	9	(1)	2	2	
Grade Two	7	7		1	1	
Grade Three	3	7	(4)			
Grade Four	4	5	(1)	1	1	
Grade Five	3	3				
Grade Six	4	4		1	1	
Grade Eight	3	5	(2)			
Grade Nine	4	5	(1)	1	1	
Grade Ten	8	8		2	2	
Grade Eleven	3	3				
Grade Twelve	6	6		1	1	
Totals	<u>60</u>	<u>69</u>	<u>(9)</u>	<u>10</u>	<u>10</u>	<u>-0-</u>
Percentage Error			<u>15.00%</u>			<u>0.00%</u>

Resident LEP Low Income						
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Kindergarten:						
Full Day	12	12		1	1	
Grade One	22	22		4	4	
Grade Two	17	17		2	2	
Grade Three	13	13		2	2	
Grade Four	4	4		1	1	
Grade Five	12	12		1	1	
Grade Six	14	14		1	1	
Grade Seven	7	7		1		1
Grade Eight	10	10		2	1	1
Grade Nine	29	29		5	4	1
Grade Ten	15	15		2	2	
Grade Eleven	17	17		2	2	
Grade Twelve	11	11		1	1	
Totals	<u>183</u>	<u>183</u>	<u>-0-</u>	<u>25</u>	<u>22</u>	<u>3</u>
Percentage Error			<u>0.00%</u>			<u>12.00%</u>

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2015

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	689	689		40	39	1
Regular - Special Ed	0	0	*	0	0	*
Transported - Non Public	0	0		0	0	
AIL - Non Public	334	334		40	40	
Special Needs - Public	98	98		15	15	
Special Needs - Private	33	33		10	10	
Totals	<u>1,154</u>	<u>1,154</u>		<u>105</u>	<u>104</u>	<u>1</u>
Percentage Error			<u>0.00%</u>			<u>0.95%</u>

* - See finding in Pupil Transportation section of Management Report.

	Reported	Re- calculated
Average Mileage:		
Regular Including Grade PK Students	4.3	4.3
Regular Excluding Grade PK Students	4.3	4.3
Special Education with Special Needs	11.3	11.3

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2016

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2015-2016 Total General Fund Expenditures per the CAFR, Ex. C-1	<u>\$ 94,983,637</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>\$ 1,612,000</u> (B1b)
Transfer from General Fund to SRF for PreK - Regular	<u>\$ -0-</u> (B1c)
Transfer from General Fund to SRF for PreK - Inclusion	<u>\$ -0-</u> (B1d)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 9,124,570</u> (B2a)
Assets Acquired Under Capital Leases	<u>\$ 666,230</u> (B2b)
Adjusted 14-15 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 86,804,837</u> (B3)
2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	<u>\$ 1,736,097</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 1,736,097</u> (B5)
Increased by: Allowable Adjustments	<u>\$ 522,538</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u>\$ 2,258,635</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2016 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 16,921,769</u> (C)
Decreased by:	
Year-End Encumbrances	<u>\$ 908,261</u> (C1)
Legally Restricted:	
Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 2,207,910</u> (C3)
Other Restricted Fund Balances	<u>\$ 9,036,520</u> (C4)
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 4,769,078</u> (U1)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 2,510,443 (E)

Recapitulation of Excess Surplus as of June 30, 2016

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ 2,207,910 (C3)

Restricted Excess Surplus [(E)] \$ 2,510,443 (E)

Total [(C3)+(E)] \$ 4,718,353 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale & Lease-back \$ -0- (I)

Extraordinary Aid \$ 464,422 (J1)

Additional Nonpublic School Transportation Aid \$ 58,116 (J2)

Current Year School Bus Advertising Revenue Realized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)] \$ 522,538 (K)

Detail of Other Restricted Fund Balances

Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$ 9,036,520

Maintenance Reserve \$ -0-

Tuition Reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Current Year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Prior Year \$ -0-

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-

Impact Aid General Fund Reserve (Sections 8007 and 8008) \$ -0-

Other State/Government Mandated Reserve \$ -0-

Other Restricted Fund Balances Not Noted Above \$ -0-

Total Other Restricted Fund Balances \$ 9,036,520 (C4)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY
JULY 1, 2015 THROUGH JUNE 30, 2016
 (Continued)

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
 - a) All claims vouchers and the related supporting documentation be on file for audit review.
 - b) Summer Arts Program and Innovation Summer Institute receipts be deposited in a timely manner to ensure deposit within forty-eight hours of receipt.
3. Other Special Federal and/or State Projects
None
4. School Purchasing Program
None
5. School Food Service
The verification report for free and reduced meal applications is filed by the required deadline.
6. Student Body Activities
None
7. Application for State School Aid
Greater care be taken to ensure the accuracy of the counts for the on-roll, low-income and LEP students in the District's Application for State School Aid (ASSA) and when reporting transported students in the regular – public schools and regular – special education categories in the District Report of Transported Resident Students (DRTRS).
8. Pupil Transportation
None
9. Travel Expense and Reimbursement Policy
None
10. Long-Term Debt
None

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

It is recommended that:

11. Facilities and Capital Assets

None

12. Status of Prior Year's Findings/Recommendations

The prior year recommendation regarding greater care being taken when filing the Application for School State Aid, was not corrected during the current year and is included in the current year's findings.