

**BOARD OF EDUCATION
TOWNSHIP OF DELRAN
COUNTY OF BURLINGTON**

**AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED
JUNE 30, 2016**

INVERSO & STEWART
Marlton, New Jersey

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

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**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

The Honorable President and
Members of the Board of Education
Delran Township School District
Delran, New Jersey

I 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 Delran Township School District, in the County of Burlington, for the year ended June 30, 2016, and have issued my report thereon dated September 30, 2016.

As part of my audit, I performed procedures required by the Office of School Finance of 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 Delran Township School District and the New Jersey Department of Education for the fiscal year ended June 30, 2016. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Public School Accountant

September 30, 2016

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

Scope of Audit

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

Insurance

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

Officials Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Christopher Russo	Board Secretary/School Business Administrator	\$ 300,000
Dorothea Jones	Treasurer	275,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Republic Franklin Insurance Company covering all other employees with multiple coverage of \$400,000.

Tuition Charges

The district was not required to make any tuition adjustments.

Unemployment Compensation Insurance Fund

The Board of Education has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Fund (Exhibit H-2) in the fiduciary trust fund.

The Unemployment Compensation Insurance Fund was maintained in satisfactory condition.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under audit did not indicate any material noncompliance with respect to signatures, certifications or supporting documentation.

Payroll Account

The net salaries of all employees of the District were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/Business Administrator 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 Moneys with a warrant made to his order for the full amount of each payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators to the NJ Department of Treasury was filed by the March 15 due date.

The following was noted in the review of the Payroll Agency Account:

Finding No. 2016-001:

The District did not maintain a payroll agency analysis as part of the reconciliation process.

Recommendation:

That the District's payroll agency cash reconciliation process includes an analysis of the balance.

Employee Position Control Roster

No exceptions were noted during my examination of the Employee Position Control Roster.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. My review did not indicate any material discrepancies to the classification of orders.

Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards

No exceptions were noted during my examination of obligations of federal grant awards and requests for reimbursement of expenditures against those federal grant awards made during the period under audit.

Travel

No exceptions were noted in my study of compliance for travel expenses.

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 my test of transactions of randomly selected expenditure items. I also reviewed the coding of all expenditures included in my compliance and single audit testing procedures. In addition to randomly selecting a test sample, my sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.2*. My review did not indicate any material discrepancies with respect to classification of expenditures.

Financial Planning, Accounting and Reporting (Continued)

Board Secretary/Business Administrator's Record

The financial and accounting records of the Board Secretary/Business Administrator's office were maintained in good condition.

Treasurer's Records

The financial and accounting records of the Treasurer were maintained in good condition.

Elementary and Secondary Education Act of 1965 (E.S.E.A.)/ Improving America's Schools Act (I.A.S.A.) as reauthorized by the No Child Left Behind Act of 2001 (N.C.L.B.)

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 Title I, Title II, and Title III of the Elementary and Secondary Education Act, as amended by the No Child Left Behind Act.

No exceptions were noted in my study of compliance for the E.S.E.A. projects.

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.

My 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 and/or questionable costs.

T.P.A.F. Reimbursement

My 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 amount of the expenditure charged to the current year's Final Reports 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.

Nonpublic State Aid

The study of compliance for nonpublic state aid indicated no areas of noncompliance and/or questionable costs.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 \$18,800.

The School District 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 Solicitor's opinion should be sought before a commitment is made.

Based on the results of my examination, I 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 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.

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 and is depositing and expending program monies in accordance with NJSA 18A:17-34 and 19-1 through 19-4.1

The FSMC contract includes an operating provision which guarantees that the food service program will break even. The operating results provision has been met.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food and 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 non-profit status of the school food service. Net cash resources exceeded three months average expenditures. The District is planning to purchase food service equipment with the excess cash resources.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all District food service employees authorized by the Board of Education. No exceptions were noted.

The number of meals 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. No exceptions were noted.

School Food Service (Continued)

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 and/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 and free milk policy was reviewed for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

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

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

Student Body Activities

The financial records for the Student Activity Funds were reviewed and the following was noted:

Finding No. 2016-002:

Receipts supporting documentation was not maintained for the High School, Intermediate, Middle, and Millbridge School Student Activity Funds. Also, disbursement supporting documentation was not maintained for the Intermediate School Student Activity Fund.

Recommendation:

That supporting documentation is maintained for all student activity fund receipts and disbursements.

Application for State School Aid

My audit procedures included a test of information reported in the October 15, 2015 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and bilingual. I 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 my 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

My 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 without exception. The results of my procedures are presented in the Schedule of Audited Enrollments.

My procedures also included a review of transportation related contracts and purchases. Based on my review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in my review of transportation related purchases of goods and services.

Facilities and Capital Assets

My procedures included a review of the SDA grant agreement for consistency with recording SDA revenue and awarding of contracts for eligible facilities construction.

Follow-up on Prior Years' Findings

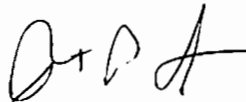
In accordance with government auditing standards, my procedures included a review of all prior year findings. There were no prior year findings.

Acknowledgment

I received the complete cooperation of all the officials of the Delran Township School District and I greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant

September 30, 2016

SCHEDULE OF MEAL COUNT ACTIVITY

**DELTRAN TOWNSHIP SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Lunch (Regular Rate)	Paid	160,187	160,187	160,187	0	0.29	0.00
National School Lunch (Regular Rate)	Reduced	16,673	16,673	16,673	0	2.67	0.00
National School Lunch (Regular Rate)	Free	79,373	79,373	79,373	0	3.07	0.00
	TOTAL	<u>256,233</u>	<u>256,233</u>	<u>256,233</u>			<u>0.00</u>
National School Lunch	HHFKA - PB Lunch Only	<u>256,233</u>	<u>256,233</u>	<u>256,233</u>	0	0.06	<u>0.00</u>
Total Net Overclaim							<u><u>0.00</u></u>

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Breakfast (Regular Rate)	Paid	14,448	14,448	14,448	0	0.29	0.00
National School Breakfast (Regular Rate)	Reduced	4,036	4,036	4,036	0	1.36	0.00
National School Breakfast (Regular Rate)	Free	35,418	35,418	35,418	0	1.66	0.00
	TOTAL	<u>53,902</u>	<u>53,902</u>	<u>53,902</u>			<u>0.00</u>
Total Net Overclaim							<u><u>0.00</u></u>

DELRAN TOWNSHIP SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - STATE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>	
State Reimbursement - National School	Paid	160,187	160,187	160,187	0	0.040	0.00	
State Reimbursement - National School	Reduced	16,673	16,673	16,673	0	0.055	0.00	
State Reimbursement - National School	Free	79,373	79,373	79,373	0	0.055	0.00	
	TOTAL	<u>256,233</u>	<u>256,233</u>	<u>256,233</u>				
Total Net Overclaim								<u>0.00</u>

**DELRAN TOWNSHIP SCHOOL DISTRICT
NET CASH RESOURCE SCHEDULE**

**Net cash resources did not exceed three months of expenditures
Proprietary Funds - Food Service
For the fiscal year ended June 30, 2016**

<u>Net Cash Resources:</u>	Food Service B - 4/5	
CAFR * Current Assets		
B-4 Cash & Cash Equivalents	\$ 477,644	
B-4 Intergovernmental Accounts Receivable	21,988	
B-4 Other Accounts Receivable	6,351	
B-4 Interfund Accounts Receivable		
CAFR Current Liabilities		
B-4 Less: Accounts Payable	(82,835)	
B-4 Less: Compensated Absences Payable		
B-4 Less: Interfund Accounts Payable		
B-4 Less: Unearned revenue	<u>(16,286)</u>	
Net Cash Resources	<u><u>\$ 406,862</u></u>	(A)
 <u>Net Adjustment To Total Operating Expense:</u>		
B-5 Total Operating Expense	1,275,494	
B-5 Less: Depreciation	<u>(30,624)</u>	
Adjusted Total Operating Expense	<u><u>\$ 1,244,870</u></u>	(B)
 <u>Average Monthly Operating Expense:</u>		
B / 10	<u><u>\$ 124,487</u></u>	(C)
 <u>Three times monthly Average:</u>		
3 X C	<u><u>\$ 373,461</u></u>	(D)

TOTAL IN BOX A	\$ 406,862
LESS TOTAL IN BOX D	<u>(373,461)</u>
NET	<u><u>33,401</u></u>
 From above:	
A is greater than D, cash exceeds 3 X average monthly operating expenses.	
D is greater than A, cash does not exceed 3 X average monthly operating expenses.	

*Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form.

SCHEDULE OF AUDITED ENROLLMENTS

Delran Township School District

Application for State School Aid Summary

Enrollment as of October 15, 2015

	<u>2016-2017 Application for State School Aid</u>						<u>Sample for Verification</u>						<u>Private Schools for Disabled</u>			
	<u>Reported on ASSA On Roll</u>		<u>Reported on Workpapers On Roll</u>		<u>Errors</u>		<u>Sample Selected From Workpapers</u>		<u>Verified per Registers On Roll</u>		<u>Errors per Registers On Roll</u>		<u>Reported on ASSA as Private Schools</u>	<u>Sample for Veri- cation</u>	<u>Sample Varified</u>	<u>Sample Errors</u>
	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>				
Half Day Pre K 3	6		6				1		1							
Half Day Pre K 4	14		14				3		3							
Full Day K	224		224				45		45							
One	213		213				43		43							
Two	221		221				44		44							
Three	166		166				33		33							
Four	205		205				41		41							
Five	186		186				37		37							
Six	209		209				42		42							
Seven	191		191				38		38							
Eight	182		182				36		36							
Nine	199		199				40		40							
Ten	188		188				38		38							
Eleven	206		206				41		41							
Twelve	191		191				38		38							
Subtotal	<u>2,601</u>	<u>0</u>	<u>2,601</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>520</u>	<u>0</u>	<u>520</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
SpEd Elementary	178		178				36		36			4	4	4		
SpEd Middle School	136		136				27		27			4	4	4		
SpEd High School	103		103				21		21			8	8	8		
Subtotal	<u>417</u>	<u>0</u>	<u>417</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>84</u>	<u>0</u>	<u>84</u>	<u>0</u>	<u>0</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>0</u>	<u>0</u>
Totals	<u>3,018</u>	<u>0</u>	<u>3,018</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>604</u>	<u>0</u>	<u>604</u>	<u>0</u>	<u>0</u>	<u>16</u>	<u>16</u>	<u>16</u>	<u>0</u>	<u>0</u>
Percentage Error					<u>-0-</u>	<u>-0-</u>				<u>-0-</u>	<u>-0-</u>			<u>-0-</u>	<u>-0-</u>	

Schedule of Audited Enrollments

Delran Township School District

Application for State School Aid Summary

Enrollment as of October 15, 2015

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	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as NOT Low Income</u>	<u>Reported 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>
Half Day Pre K 3						
Half Day Pre K 4						
Full Day K	16	16		16	16	
One	7	7		7	7	
Two	2	2		2	2	
Three	2	2		2	2	
Four	5	5		5	5	
Five	4	4		4	4	
Six	0	0		0	0	
Seven	1	1		1	1	
Eight	3	3		3	3	
Nine	0	0		0	0	
Ten	1	1		1	1	
Eleven	1	1		1	1	
Twelve	0	0		0	0	
Subtotal	<u>42</u>	<u>42</u>	<u>0</u>	<u>42</u>	<u>42</u>	<u>0</u>
SpEd Elementary	3	3		3	3	
SpEd Middle School	1	1		1	1	
SpEd High School	0	0		0	0	
Subtotal	<u>4</u>	<u>4</u>	<u>0</u>	<u>4</u>	<u>4</u>	<u>0</u>
Totals	<u>46</u>	<u>46</u>	<u>0</u>	<u>46</u>	<u>46</u>	<u>0</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

Schedule of Audited Enrollments

Delran Township School District

Application for State School Aid Summary

Enrollment as of October 15, 2015

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	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</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>	<u>Reported on ASSA as LEP Low Income</u>	<u>Reported on Workpapers as LEP Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Pre K 3												
Half Day Pre K 4												
Full Day K	54	54		54	54		21	21		21	21	
One	71	71		71	71		18	18		18	18	
Two	65	65		65	65		12	12		12	12	
Three	40	40		40	40		6	6		6	6	
Four	63	63		63	63		9	9		9	9	
Five	54	54		54	54		7	7		7	7	
Six	45	45		45	45		1	1		1	1	
Seven	48	48		48	48		3	3		3	3	
Eight	47	47		47	47		1	1		1	1	
Nine	38	38		38	38		5	5		5	5	
Ten	43	43		43	43		1	1		1	1	
Eleven	40	40		40	40		2	2		2	2	
Twelve	44	44		44	44							
	<u>652</u>	<u>652</u>	<u>0</u>	<u>652</u>	<u>652</u>	<u>0</u>	<u>86</u>	<u>86</u>	<u>0</u>	<u>86</u>	<u>86</u>	<u>0</u>
SpEd Elementary	76	76		76	76		7	7		7	7	
SpEd Middle School	51	51		51	51							
SpEd High School	39	39		39	39							
Subtotal	<u>166</u>	<u>166</u>	<u>0</u>	<u>166</u>	<u>166</u>	<u>0</u>	<u>7</u>	<u>7</u>	<u>0</u>	<u>7</u>	<u>7</u>	<u>0</u>
Totals	<u>818</u>	<u>818</u>	<u>0</u>	<u>818</u>	<u>818</u>	<u>0</u>	<u>93</u>	<u>93</u>	<u>0</u>	<u>93</u>	<u>93</u>	<u>0</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>						<u>Reported</u>	<u>Recalculated</u>
	<u>Reported on DRTRS by DOE</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>		
Reg. Public School, col. 1	657	657		219	219			
Reg. Special Education, col. 4	107	107		36	36		3.3	3.3
Transported-Non-Public, col. 3	69	69		23	23		3.3	3.3
Special Needs, Col. 6	121	121		40	40		4.3	4.3
	<u>954</u>	<u>954</u>	<u>0</u>	<u>318</u>	<u>318</u>	<u>0</u>		
Percentage Error			<u>0.00%</u>			<u>0.00%</u>		

DELRAN TOWNSHIP SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 1 - Regular Districts

A. 2% Calculation of Excess Surplus

2015-16 Total General Fund Expenditures per the CAFR, Ex C-1	\$ <u>46,224,925</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ <u>1,039,294</u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ _____	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ _____	(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>(4,374,105)</u>	(B2a)
Assets Acquired Under Capital Leases	\$ <u>(360,886)</u>	(B2b)
Adjusted 2015-16 General Fund Expenditures [(B)+(B1s)+(B2s)]	\$ <u>42,529,228</u>	(B3)
2% of Adjusted 2015-16 General Fund Expenditures [(B3) times .02]	\$ <u>850,585</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>850,585</u>	(B5)
Increased by: Allowable Adjustment	\$ <u>349,151</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$ <u>1,199,736</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-16 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>3,891,513</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>53,169</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ <u>540,921</u>	(C3)
Other Restricted Fund Balances	\$ <u>674,919</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>675,000</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u>1,947,504</u> (U1)

DELRAN TOWNSHIP SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 3 - All Districts

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 747,768 (E)

Recapitulation of Excess Surplus as of June 30, 2016

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures \$ 540,921 (C3)

Reserved Excess Surplus [(E)] \$ 747,768 (E)

Total [(C3) + (E)] \$ 1,288,689 (D)

Detail of Allowable Adjustments

Impact Aid \$ _____ (H)

Sale & Lease-back \$ _____ (I)

Extraordinary Aid \$ 330,740 (J1)

Additional Nonpupic School Transportation Aid \$ 18,411 (J2)

Current Year School Bus Advertising Revenue \$ _____ (J3)

Family Crisis Transportation Aid \$ _____ (J4)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)] \$ 349,151 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal \$ _____

Sale/lease-back reserve \$ _____

Capital reserve \$ 518,594

Maintenance reserve \$ 156,325

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 8002 and 8003) \$ _____

Impact Aid Capital Fund Reserve (Sections 8007 and 8008) \$ _____

Other state/government mandated reserves \$ _____

Other Restricted Fund Balance not noted above \$ _____

Total Other Restricted Fund Balance \$ 674,919 (C4)