

EAST WINDSOR REGIONAL SCHOOL DISTRICT

Hightstown, New Jersey
County of Mercer

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

JUNE 30, 2016

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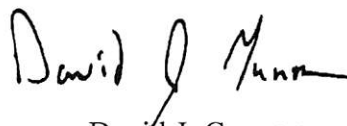
REPORT OF INDEPENDENT AUDITORS

Honorable President and Members
of the Board of Education
East Windsor Regional School District
County of Mercer
Hightstown, New Jersey

We have audited, in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the East Windsor Regional School District, County of Mercer as of and for the year ended June 30, 2016, and have issued our report thereon dated December 2, 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 report is intended for the information of the East Windsor Regional School District's management, Board of Education members, and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



David J. Gannon
Licensed Public School Accountant
No. 2305



WISS & COMPANY, LLP

Livingston, New Jersey
December 2, 2016

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

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

Insurance

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

Official Bonds *N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13*

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Nicholas Puleio	Interim Business Administrator	\$ 375,000
Paul Todd	Business Administrator	375,000
John Calavano	Treasurer	375,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than or less than estimated costs. The District made a proper adjustment to the billings to sending Districts for the increase (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period did not indicate any discrepancies with respect to signatures, certification or supporting documentation. No discrepancies or exceptions were noted.

Payroll Account and Position Control Roster

The net salaries of all employees of the Board were deposited in the payroll account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the payroll agency account.

All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/Business Administrator.

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

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Payrolls were delivered to the Secretary of the Board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

An inquiry and subsequent review of the Position Control Roster did not identify any inconsistencies between the payroll records, employee benefit records, the general ledger accounts to where wages are posted, and the 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. No exceptions were noted.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6A:25A-16.2(f)* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.3*. As a result of the procedures performed, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed the following exception.

Treasurer's Records

Our review of the financial and accounting records maintained by the Treasurer disclosed no exceptions.

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

The ESEA/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 E.S.E.A. /I.A.S.A. /N.C.L.B. of the Elementary and Secondary School Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. /I.A.S.A. /N.C.L.B. indicated no exceptions.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (K-4) located in the CAFR.

Our audit of the federal and state funds, on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

The study of compliance for the special projects indicated no instances of noncompliance that are required to be reported in accordance with 2 CFR 200.516(a) or State Circular 15-08.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursement forms filed with the Department of Education for District employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

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 applicable 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 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Non-Public State Aid

Our review of non-public state aid did not disclose any exceptions.

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 for 2015-16.

The 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.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

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 on a test basis and are maintained in satisfactory condition. 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 on a test basis for timely deposit and no exceptions were noted.

The District utilizes a food service management company (FSMC) and is depositing and expending 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 generate a return of \$100,000. The operating results provision has been met for the year ended June 30, 2016.

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. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served 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. 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. No exceptions were noted.

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

The District does not have any School Food Services employees authorized by the Board of Education.

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.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Finding 2016-001

Finding

The Department of Agriculture requires school districts to limit net cash resources to an amount that does not exceed 3 months average expenditures. The District was not in compliance with this requirement.

Recommendation

We suggest the District utilize available cash resources to purchase equipment that is in need of repair or replacement, improve food quality or take other appropriate actions to reduce the excess cash resources.

USDA Food Donation program commodities were received and a separate 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 USDA mandated Non-Program Food Revenue Tool at least annually.

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

Finding 2016-002

Finding

The U.S. Department of Agriculture (USDA) regulations at 7 CFR 210.14 (e) requires all school food authorities participating in the National School Lunch Program to ensure sufficient funds are provided to the school food service account for meals served to students not eligible for free or reduced price meals. Under these regulations, all school food authorities are required to annually calculate their weighted average price (WAP) for paid lunches. The District performed this calculation which resulted in a required price increase, however, the prices were not increased and therefore not in compliance with the U.S. Department of Agriculture paid lunch equity requirement.

Recommendation

We suggest the District raise school lunch prices through an authorized Board resolution to comply with the paid lunch equity requirement.

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

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Student Body Activities

During our audit of the student activity funds, we noted the following opportunities for improvement:

Finding 2016-003

Finding

During our audit, we noted certain items that were purchased from student activity funds that would be more appropriately purchased through the District's operating budget.

Recommendation

We suggest that the District provide a copy of the District's Student Activity Fund policy, as well as provide additional training, to those with responsibilities over the student activity function to ensure student activity funds are utilized for allowable purposes.

Application for State School Aid

Our 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. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers without exception. The information that was included on the workpapers was verified with without exception as presented in the Schedule of Audited Enrollments. 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 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 with no exceptions. 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. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

Our procedures included a review of New Jersey Schools Development Authority ("NJSDA") grant agreements for consistency with recording the NJSDA revenue, transfer of local funds from the General Fund or from the capital reserve, and awarding of contracts for eligible facilities construction. No exceptions were noted.

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Follow-up on Prior Year’s Findings

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. All prior year findings have been corrected.

Acknowledgment

We received the complete cooperation of all the officials of the School District and we greatly appreciate the courtesies extended to the members of the audit team.

SCHEDULE OF MEAL COUNT ACTIVITY

EAST WINDSOR REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS - FOOD SERVICE
NUMBER OF MEALS SERVED - FEDERAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE (a)	(OVER) UNDER CLAIM (b)
National School Lunch (Regular Rate)	Paid	168,038	168,038	168,038	-	\$ 0.29	\$ -
National School Lunch (Regular Rate)	Reduced	55,398	55,398	55,398	-	2.67	-
National School Lunch (Regular Rate)	Free	202,695	202,695	202,695	-	3.07	-
	TOTAL	<u>426,131</u>	<u>426,131</u>	<u>426,131</u>			<u>-</u>
National School Lunch	HHFKA	<u>426,131</u>	<u>426,131</u>	<u>426,131</u>	-	\$ 0.06	\$ -
School Breakfast (Severe Needs Rate)	Paid	17,803	17,803	17,803	-	\$ 0.29	\$ -
	Reduced	9,177	9,177	9,177	-	1.69	-
	Free	66,839	66,839	66,839	-	1.99	-
	TOTAL	<u>93,819</u>	<u>93,819</u>	<u>93,819</u>			<u>-</u>
Special Milk Prg. - Free	Free	5,144	5,144	5,144		\$ 0.22	\$ -
Special Milk Prg. - Paid	Paid	<u>13,034</u>	<u>13,034</u>	<u>13,034</u>		\$ 0.20	<u>\$ -</u>
Total Net Underclaim							<u><u>\$ -</u></u>

SCHEDULE OF MEAL COUNT ACTIVITY

EAST WINDSOR REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS - FOOD SERVICE
NUMBER OF MEALS SERVED - STATE
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 Lunch (Regular Rate)	Paid	168,038	168,038	168,038	-	\$ 0.04	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	55,398	55,398	55,398	-	0.055	-
State Reimbursement - National School Lunch (Regular Rate)	Free	202,695	202,695	202,695	-	0.055	-
	<u>TOTAL</u>	<u>426,131</u>	<u>426,131</u>	<u>426,131</u>			
Total Net Underclaim							<u><u>\$ -</u></u>

EAST WINDSOR REGIONAL SCHOOL DISTRICT

NET CASH RESOURCE SCHEDULE

Net cash resources did not exceed three months of expenditures
 Proprietary Funds - Food Service
 Year ended June 30, 2016

<u>Net Cash Resources:</u>		<u>Food Service B - 4/5</u>	
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 401,257
B-4		Accounts Receivable - State	3,813
B-4		Accounts Receivable - Federal	189,069
B-4		Accounts Receivable - Other	
CAFR		Current Liabilities	
B-4		Less Accounts Payable	
B-4		Less Accruals	
B-4		Less Due to Other Funds	
B-4		Less Unearned Revenue	<u>(8,076)</u>
		Net Cash Resources	<u><u>\$ 586,063</u></u> (A)

Net Adj. Total Operating Expense:

B-5		Tot. Operating Exp.	1,778,459	
B-5		Less Depreciation	<u>(38,133)</u>	
		Adj. Tot. Oper. Exp.	<u><u>\$ 1,740,326</u></u>	(B)

Average Monthly Operating Expense:

B / 10	<u><u>\$ 174,033</u></u>	(C)
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Three times monthly Average:

3 X C	<u><u>\$ 522,098</u></u>	(D)
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TOTAL IN BOX A	\$ 586,063
LESS TOTAL IN BOX D	<u>\$ 522,098</u>
NET	<u><u>\$ 63,965</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.

EAST WINDSOR REGIONAL SCHOOL DISTRICT

SCHEDULE OF AUDITED ENROLLMENTS

APPLICATION FOR STATE SCHOOL AID SUMMARY

ENROLLMENT AS OF OCTOBER 15, 2015

	2016-2017 Application for State School Aid						Sample for Verification						Private Schools for Disabled				
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi-cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
3 Preschool	5	-	5	-	-	-	5	-	5	-	-	-	-	-	-	-	-
4 Preschool	13	-	13	-	-	-	13	-	13	-	-	-	-	-	-	-	-
Half Day Kindergarten	325	-	325	-	-	-	54	-	54	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	339	-	339	-	-	-	121	-	121	-	-	-	-	-	-	-	-
Two	389	-	389	-	-	-	131	-	131	-	-	-	-	-	-	-	-
Three	379	-	379	-	-	-	119	-	119	-	-	-	-	-	-	-	-
Four	363	-	363	-	-	-	91	-	91	-	-	-	-	-	-	-	-
Five	366	-	366	-	-	-	68	-	68	-	-	-	-	-	-	-	-
Six	367	-	367	-	-	-	367	-	367	-	-	-	-	-	-	-	-
Seven	403	-	403	-	-	-	403	-	403	-	-	-	-	-	-	-	-
Eight	364	-	364	-	-	-	364	-	364	-	-	-	-	-	-	-	-
Nine	333	-	333	-	-	-	333	-	333	-	-	-	-	-	-	-	-
Ten	307	-	307	-	-	-	307	-	307	-	-	-	-	-	-	-	-
Eleven	303	45	303	45	-	-	303	45	303	45	-	-	-	-	-	-	-
Twelve	291	44	291	44	-	-	291	44	291	44	-	-	-	-	-	-	-
Post-Graduate																	
Adult H.S. (15+CR.)																	
Adult H.S. (1-14 CR.)																	
Subtotal	4,547	89	4,547	89	-	-	2,970	89	2,970	89	-	-	-	-	-	-	-
Special Ed - Elementary	225	-	225	-	-	-	225	-	225	-	-	-	4	3	3	-	-
Special Ed - Middle School	111	-	111	-	-	-	111	-	111	-	-	-	2	2	2	-	-
Special Ed - High School	144	58	144	58	-	-	144	58	144	58	-	-	10	9	9	-	-
Subtotal	480	58	480	58	-	-	480	58	480	58	-	-	16	14	14	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	5,027	147	5,027	147	-	-	3,450	147	3,450	147	-	-	16	14	14	-	-
Percentage Error					0.00%	0.00%					0.00%	0.00%					0.00%

SCHEDULE OF AUDITED ENROLLMENTS

**EAST WINDSOR REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2015**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
3 Preschool	-	-	-	-	-	-	-	-	-	-	-	-
4 Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	126.0	126.0	-	18.0	18.0	-	62.0	62.0	-	28.0	28.0	-
One	119.0	119.0	-	22.0	22.0	-	33.0	33.0	-	15.0	15.0	-
Two	170.0	170.0	-	28.0	28.0	-	47.0	47.0	-	22.0	22.0	-
Three	158.0	158.0	-	25.0	25.0	-	44.0	44.0	-	21.0	21.0	-
Four	151.0	151.0	-	25.0	25.0	-	23.0	23.0	-	15.0	15.0	-
Five	152.0	152.0	-	23.0	23.0	-	19.0	19.0	-	11.0	11.0	-
Six	135.0	135.0	-	16.0	16.0	-	10.0	10.0	-	4.0	4.0	-
Seven	125.0	125.0	-	16.0	16.0	-	11.0	11.0	-	5.0	5.0	-
Eight	128.0	128.0	-	17.0	17.0	-	10.0	10.0	-	5.0	5.0	-
Nine	105.0	105.0	-	16.0	16.0	-	13.0	13.0	-	6.0	6.0	-
Ten	107.0	107.0	-	16.0	16.0	-	15.0	15.0	-	8.0	8.0	-
Eleven	90.5	90.5	-	17.0	17.0	-	12.0	12.0	-	7.0	7.0	-
Twelve	81.5	81.5	-	12.0	12.0	-	14.0	14.0	-	7.0	7.0	-
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	1,648	1,648	-	251	251	-	313	313	-	154	154	-
Special Ed - Elementary	127.0	127.0	-	15.0	15.0	-	-	-	-	-	-	-
Special Ed - Middle	52.0	52.0	-	6.0	6.0	-	-	-	-	-	-	-
Special Ed - High	93.0	93.0	-	7.0	7.0	-	-	-	-	-	-	-
Subtotal	272	272	-	28	28	-	-	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	1,920	1,920	-	279	279	-	313	313	-	154	154	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

	Transportation					
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	2,698	2,698	-	247	247	-
Reg -SpEd, col. 4	3	3	-	1	1	-
Transported - ALL, col.2 & Non-Public, col. 3	315	315	-	29	29	-
Special Ed Spec, col. 6	202	202	-	18	18	-
Totals	3,218	3,218	-	295	295	-
Percentage Error						0.00%

Reg Avg.(Mileage) = Regular Including Grade PK students
 Reg Avg.(Mileage) = Regular Excluding Grade PK students
 Spec Avg. = Special Ed with Special Needs

	Reported	Recalculated
	4.2	4.2
	4.2	4.2
	5.9	5.9

EAST WINDSOR REGIONAL SCHOOL DISTRICT

SCHEDULE OF AUDITED ENROLLMENTS

APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2015

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. 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 Test Score and Register</u>	<u>Sample Errors</u>
3 Preschool	-	-	-	-	-	-
4 Preschool	-	-	-	-	-	-
Full Day Kindergarten	18	18	0	10	10	0
One	19	19	0	11	11	0
Two	11	11	0	4	4	0
Three	10	10	0	4	4	0
Four	2	2	0	1	1	0
Five	5	5	0	2	2	0
Six	8	8	0	4	4	0
Seven	8	8	0	3	3	0
Eight	3	3	0	1	1	0
Nine	3	3	0	1	1	0
Ten	2	2	0	0	0	0
Eleven	2	2	0	0	0	0
Twelve	3	3	0	2	2	0
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>94</u>	<u>94</u>	<u>-</u>	<u>43</u>	<u>43</u>	<u>-</u>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>94</u>	<u>94</u>	<u>-</u>	<u>43</u>	<u>43</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

EAST WINDSOR REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

SECTION 1 - Regular District

B. 2% Calculation of Excess Surplus

2015-16 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ 89,030,246 (B)
Increased by Applicable Operating Transfers:	
Transfer from Capital Outlay to Capital Projects Fund	\$ - (B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ 2,547,276 (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	\$ 8,963,546 (B2a)
Assets Acquired Under Capital Leases	(B2b)
Adjusted 2015-16 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ 82,613,976 (B3)
2% of Adjusted 2015-16 General Fund Expenditures [(B3) times .02]	\$ 1,652,280 (B4)
Enter Greater of (B4) or \$250,000	\$ 1,652,280 (B5)
Increased by: Allowable Adjustment*	\$ 137,588 (K)
Maximum Unassigned/Undesignated - Unreserved Fund Balance [(B5) + (K)]	\$ 1,789,868 (M)

SECTION 2

Total General Fund - Fund Balances at 6-30-16 (Per CAFR Budgetary Comparison Schedule C-1)	\$ 14,354,373 (C)
Decreased by:	
Year-end Encumbrances	\$ 3,677,302 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ 845,076 (C3)
Other Restricted Fund Balances****	\$ 7,186,444 (C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ 55,683 (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ 2,589,868 (U1)

EAST WINDSOR REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

SECTION 3

Restricted Fund Balance - Excess Surplus ***
 [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 800,000 (E)

Recapitulation of Excess Surplus as of June 30, 2016

Reserved Excess Surplus - Designated for Subsequent Year's
 Expenditures ** \$ 845,076 (C3)
 Reserved Excess Surplus *** [(E)] \$ 800,000 (E)

 Total [(C3)+(E)] \$ 1,645,076 (D)

Allowable adjustment to expenditures on line K must be detailed as follows. This * adjustment line (as detailed below) is to be utilized when applicable for:
 (H) Federal Impact Aid. The passage of P.L.2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year ending June 30, 2016 the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve – General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);
 (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);
 (J1) Extraordinary Aid;
 (J2) Additional Nonpublic School Transportation Aid;
 (J3) Recognized current year School Bus Advertising Revenue; and
 (J4) Family Crisis Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ <u> </u> - (H)
Sales & Lease-back	\$ <u> </u> - (I)
Extraordinary Aid	\$ <u>116,288</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>21,300</u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ <u> </u> - (J3)
Family Crisis Transportation Aid	\$ <u> </u> - (J4)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	 \$ <u>137,588</u> (K)

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

*** Amount must agree to the June 30, 2016 CAFR and must agree to Audit Summary Worksheet Line 90030.

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

EAST WINDSOR REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 2,790,645
Maintenance reserve	\$ 4,395,799
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	\$ -
Impact Aid Capital Fund Reserve	\$ -
Other state/government mandated reserves	\$ -
Other Restricted Fund Balance not noted above****	\$ -
Total Other Restricted Fund Balance	\$ 7,186,444 (C4)