



LONG BRANCH SCHOOL DISTRICT

AUDITORS' MANAGEMENT REPORT ON

ADMINISTRATIVE FINDINGS –

FINANCIAL, COMPLIANCE AND PERFORMANCE

JUNE 30, 2016

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INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Education
Long Branch Board of Education
County of Monmouth, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Long Branch School District, County of Monmouth 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 solely for the information of the Long Branch 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 A. Kaplan
Licensed Public School Accountant
No. 911

WISS & COMPANY, LLP

Livingston, New Jersey
December 2, 2016

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>
Peter E. Genovese III	School Business Administrator/Board Secretary	\$ 100,000
Nancy L. Valenti	Asst. Business Administrator/Asst. Board Secretary	100,000
Ronald J.Mehlorn, Sr.	Treasurer of School Monies (until 2/29/2016)	450,000
Michael Martin	Treasurer of School Monies (3/1/2016 - 6/30/2016)	450,000

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

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 premiums withholding due to the general fund.

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

Employee Position Control Roster

A test of the Position Control Roster found it to be consistent with payroll records, employee benefit records (e.g. pension reports and health benefit coverage reports) and the general ledger accounts to where wages are posted (administrative versus instruction).

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:23A-16.2(f)* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C 6A:23A-8.3*. As a result of the procedures performed, 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 no exceptions.

Treasurer's Records

Our review of the records maintained by the Treasurer of School Monies disclosed the following exception:

Finding 2016-001:

The District's operating account bank reconciliations for the months of March 2016 through June 2016 were not completed until November 2016.

Recommendation:

We recommend that the District take steps to ensure that bank reconciliations for all accounts are completed on a timely basis.

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 Titles I and VI 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.

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 the Uniform Guidance 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 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 exception 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

Effective July 1, 2010 and thereafter, the bid thresholds in accordance with *18A:18A-2 and 18A:18A-3(a)* are \$40,000 (the Business Administrator is 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 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.

Procedures were performed on a test basis, to indicate if any individual payments, contracts, or agreements were 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*, as amended. No exceptions were identified.

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 services fund were reviewed on a test check basis. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis and 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 have a profit of at least \$406,000. The operating results provision has been met.

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.

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 its 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. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The District’s School Food Services employees were 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 did not exceed three months average expenditures.

Food donation program commodities were received and a separate 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 B of the CAFR.

Student Body Activities

During our audit of the student activity funds, there were no exceptions noted.

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 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 minor exceptions noted on the attached schedules. 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 District did not purchase any buses during the 2015-2016 school year. 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 the SDA grant agreement for consistency with recording SDA revenue and the awarding of contracts for eligible facilities construction. No exceptions were identified.

Internal Service Fund

The District implemented a self-insurance program during the 2014-2015 fiscal year. As part of that program, the District opened a health center housed in the District's High School. The District's Self Insurance Internal Service Fund ended the year with a deficit of \$1,904,835, which is a reduction of \$343,758 from the deficit as of June 30, 2015. We suggest the District continue to take measures to ameliorate this deficit.

Follow-up on Prior Year's Findings

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. There were no recommendations in the prior year therefore no corrective action was required.

We have also reviewed any findings contained in the audit report issued by the Office of Fiscal Accountability and Compliance (OFAC). Corrective action had been taken on all findings in the report dated October 8, 2015. In addition, corrective action had been taken on all findings in the report dated May 23, 2016, with the exception of the following:

Finding 2016-002

When making expenditures of funds that are federally funded, the District did not provide evidence of competitively contracting for the provision of goods and services in accordance with 2 CFR 200.317 which sets forth more restrictive procurement standards than the Public School Contracts Law 18A:18A; et seq.

Recommendation:

We suggest the District ensure that it complies with all federal procurement requirements.

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

LONG BRANCH SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED - 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 (Severe Needs Rate)	Paid	106,683	106,683	106,683	-	\$ 0.31	\$ -
National School Lunch (Severe Needs Rate)	Reduced	72,278	72,278	72,278	-	2.69	-
National School Lunch (Severe Needs Rate)	Free	619,684	619,684	619,684	-	3.09	-
	TOTAL	798,645	798,645	798,645			-
HHFKA - PB Lunch							
National School Lunch	Only	798,645	798,645	798,645	-	\$ 0.06	\$ -
After School Snack	Free	91,180	91,180	91,180	-	\$ 0.84	\$ -
School Breakfast (Regular Rate)							
	Paid	6,297	6,297	6,297	-	\$ 0.29	\$ -
	Reduced	8,439	8,439	8,439	-	1.36	-
	Free	89,443	89,443	89,443	-	1.66	-
	TOTAL	104,179	104,179	104,179			-
School Breakfast (Severe Need Rate)							
	Paid	51,272	51,272	51,272	-	\$ 0.29	\$ -
	Reduced	28,628	28,628	28,628	-	1.69	-
	Free	269,257	269,257	269,257	-	1.99	-
	TOTAL	349,157	349,157	349,157			-
Total Net Underclaim							\$ -

SCHEDULE OF MEAL COUNT ACTIVITY

LONG BRANCH SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED - STATE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>PROGRAM</u>	<u>MEAL</u> <u>CATEGORY</u>	<u>MEALS</u> <u>CLAIMED</u>	<u>MEALS</u> <u>TESTED</u>	<u>MEALS</u> <u>VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER)</u> <u>UNDER</u> <u>CLAIM (b)</u>
State Reimbursement - National School Lunch (Regular Rate)	Paid	106,683	106,683	106,683	-	\$ 0.04	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	72,278	72,278	72,278	-	0.055	-
State Reimbursement - National School Lunch (Regular Rate)	Free	619,684	619,684	619,684	-	0.055	-
	<u>TOTAL</u>	<u>798,645</u>	<u>798,645</u>	<u>798,645</u>			

Total Net Underclaim

\$ -

LONG BRANCH SCHOOL DISTRICT

NET CASH RESOURCE SCHEDULE

Net cash resources did not exceed three months of expenditures
 Proprietary Funds - Food Service
 FYE 2016

<u>Net Cash Resources:</u>			Food Service B - 4/5	
CAFR	*	Current Assets		
B-4		Cash & Cash Equiv.	\$ 86,159	
B-4		Due from Other Gov'ts	929,987	
B-4		Due from Other Funds	43,376	
B-4		Accounts Receivable	6,724	
B-4		Investments	-	
CAFR		Current Liabilities		
B-4		Less Accounts Payable	(560,396)	
B-4		Less Accruals	-	
B-4		Less Due to Other Funds	-	
B-4		Less Unearned Revenue	(11,282)	
		Net Cash Resources	<u><u>\$ 494,568</u></u>	(A)

Net Adj. Total Operating Expense:

B-5		Tot. Operating Exp.	4,138,025	
B-5		Less Depreciation	(72,303)	
		Adj. Tot. Oper. Exp.	<u><u>\$ 4,065,722</u></u>	(B)

Average Monthly Operating Expense:

	B / 10	<u><u>\$ 406,572</u></u>	(C)
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Three times monthly Average:

	3 X C	<u><u>\$ 1,219,717</u></u>	(D)
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TOTAL IN BOX A	\$ 494,568
LESS TOTAL IN BOX D	\$ 1,219,717
NET	<u><u>\$ (725,149)</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

LONG BRANCH SCHOOL DISTRICT
 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 Veri- cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool																	
Full Day Preschool	764	-	764	-	-	-	266	-	266	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	358	-	358	-	-	-	108	-	108	-	-	-	-	-	-	-	-
One	372	-	372	-	-	-	164	-	164	-	-	-	-	-	-	-	-
Two	327	-	327	-	-	-	109	-	109	-	-	-	-	-	-	-	-
Three	406	-	406	-	-	-	125	-	125	-	-	-	-	-	-	-	-
Four	363	-	363	-	-	-	100	-	100	-	-	-	-	-	-	-	-
Five	357	-	357	-	-	-	109	-	109	-	-	-	-	-	-	-	-
Six	318	-	318	-	-	-	318	-	318	-	-	-	-	-	-	-	-
Seven	321	-	321	-	-	-	321	-	321	-	-	-	-	-	-	-	-
Eight	329	-	329	-	-	-	329	-	329	-	-	-	-	-	-	-	-
Nine	359	-	359	-	-	-	359	-	359	-	-	-	-	-	-	-	-
Ten	288	-	288	-	-	-	288	-	288	-	-	-	-	-	-	-	-
Eleven	289	10	289	10	-	-	289	10	289	10	-	-	-	-	-	-	-
Twelve	256	17	256	17	-	-	256	17	256	17	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	5,107	27	5,107	27	-	-	3,141	27	3,141	27	-	-	-	-	-	-	-
Special Ed - Elementary	306	-	306	-	-	-	6	-	6	-	-	-	13	11	11	-	-
Special Ed - Middle School	136	-	136	-	-	-	6	-	6	-	-	-	8	7	7	-	-
Special Ed - High School	145	6	145	6	-	-	11	2	11	2	-	-	23	20	20	-	-
Subtotal	587	6	587	6	-	-	23	2	23	2	-	-	44	38	38	-	-
Co. Voc. - Regular																	
Co. Voc. Ft. Post Sec.																	
Totals	5,694	33	5,694	33	-	-	3,164	29	3,164	29	-	-	44	38	38	-	-
Percentage Error					0.00%	0.00%					0.00%	0.00%					0.00%

SCHEDULE OF AUDITED ENROLLMENTS

LONG BRANCH 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
Half Day Preschool			-			-			-			-
Full Day Preschool			-			-			-			-
Half Day Kindergarten			-			-			-			-
Full Day Kindergarten	308	308	-	23	23	-	136	136	-	45	45	-
One	325	325	-	24	24	-	87	87	-	28	28	-
Two	291	291	-	21	21	-	54	54	-	17	17	-
Three	351	351	-	26	26	-	48	48	-	15	15	-
Four	317	317	-	24	24	-	21	21	-	7	7	-
Five	303	303	-	22	22	-	23	23	-	7	7	-
Six	263	263	-	19	19	-	29	29	-	9	9	-
Seven	271	271	-	20	20	-	23	23	-	7	7	-
Eight	270	270	-	20	20	-	20	20	-	6	6	-
Nine	282	282	-	20	20	-	29	29	-	9	9	-
Ten	221	221	-	17	17	-	24	24	-	9	9	-
Eleven	220	220	-	16	16	-	22	22	-	7	7	-
Twelve	184	184	-	13	13	-	19	19	-	6	6	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	3,606	3,606	-	265	265	-	535	535	-	172	172	-
Special Ed - Elementary	274	274	-	20	20	-	38	38	-	9	9	-
Special Ed - Middle	125	125	-	10	10	-	1	1	-	1	1	-
Special Ed - High	112	112	-	9	9	-	-	-	-	-	-	-
Subtotal	511	511	-	39	39	-	39	39	-	10	10	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	4,117	4,117	-	304	304	-	574	574	-	182	182	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

	Transportation						Reported	Recalculated
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors		
Reg. - Public Schools, col. 1	846	846	-	153	152	1	3.7	3.7
AIL - Non-Public, col. 3	102	102	-	19	17	2	3.8	3.8
Transported - Non-Public, col. 2	284	284	-	52	52	-	4.6	4.6
Reg.- Special Ed, col. 4	124	124	-	23	23	-		
Special Ed Spec. Needs, col. 6	107	107	-	20	20	-		
Totals	1,463	1,463	-	267	264	3		
Percentage Error						1.12%		

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

SCHEDULE OF AUDITED ENROLLMENTS

LONG BRANCH SCHOOL DISTRICT
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 Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindegarten	-	-	-	-	-	-
Full Day Kindergarten	6	6	-	2	2	-
One	2	2	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	1	1	-	-	-	-
Five	2	2	-	-	-	-
Six	2	2	-	1	1	-
Seven	-	-	-	-	-	-
Eight	1	1	-	-	-	-
Nine	11	11	-	4	4	-
Ten	6	6	-	2	2	-
Eleven	5	5	-	2	2	-
Twelve	8	8	-	3	3	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>44</u>	<u>44</u>	<u>-</u>	<u>14</u>	<u>14</u>	<u>-</u>
Special Ed - Elementary	2	2	-	1	1	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>2</u>	<u>2</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>46</u>	<u>46</u>	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

LONG BRANCH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

SECTION I

A. 2% Calculation of Excess Surplus

2015-16 Total General Fund Expenditures Reported on Exhibit C-1	\$ 93,889,532	(A)
Increased by Applicable Transfers:		
Transfer from Capital Outlay to Capital Projects	\$ _____	(A1a)
Transfer from Capital Reserve to Capital Projects	\$ _____	(A1a)
Transfer from G/F to SRF for Preschool - Regular	\$ 309,856	(A1a)
Transfer from G/F to SRF for Preschool - Inclusion	\$ _____	(A1a)
Less: Expenditures Allocated to Restricted Federal Resources		
as Reported on Exhibit D-2	\$ 1,501,194	(A1b)
2015-16 Adjusted General Fund and Other State Expenditures [(A)+(A1)-(A1b)]	\$ 92,698,194	(A2)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ 9,582,508	(A3)
Assets Acquired Under Capital Leases:		
General Fund 10 Assets Acquired Under Capital Leases reported on Exhibit C-1a	\$ _____	(A4)
Add: General Fund & State Resources Portion of Fund 15 Assets Acquired under Capital Leases:		
Assets Acquired Under Capital Leases in Fund 15 reported on Exhibit C-1a	\$ _____	(A5)
Combined General Fund Contribution & State Resources % of Fund 15 Resources Reported on Exhibit D-2		
	96.94%	(A6)
General Fund & State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5)*(A6)]		
	\$ _____	(A7)
Total Assets Acquired Under Capital Leases [(A4)+(A7)]	\$ _____	(A8)
2015-16 General Fund Expenditures [(A2)-(A3)-(A8)]	\$ 83,115,686	(A9)
2% of Adjusted 2015-16 General Fund Expenditures [(A9) times .02]	\$ 1,662,314	(A10)
Enter Greater of (A10) or \$250,000	\$ 1,662,314	(A11)
Increased by: Allowable Adjustment*	\$ 205,657	(K)
Maximum Unassigned Fund Balance [(A11) + (K)]	\$ 1,867,971	(M)

This adjustment line (line (K) as detailed below) is to be utilized for Impact Aid, Sale, Lease-back, Extraordinary Aid, Additional Nonpublic School Transportation Aid, and recognized current year School Bus Advertising Revenue, if applicable. Extraordinary Aid and Additional Nonpublic School Transportation Aid for 2015-16 received after June 30 is limited to the amount of revenue recognized in the audit year that was not appropriated.

Detail of Allowable Adjustments

Impact Aid	\$ 14,099	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ 171,493	(J1)
Additional Nonpublic School Transportation Aid	\$ 20,065	(J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____	(J3)
Family Crisis Transportation Aid	\$ _____	(J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ 205,657	(K)

LONG BRANCH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

SECTION 2

Total General Fund - Fund Balances at June 30, 2016	\$ 4,120,072 (C)
Decreased by:	
Year-end Encumbrances	\$ 95,586 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ - (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ - (C3)
Other Restricted/Reserved Fund Balances****	\$ 1 (C4)
Assigned - Designated for Subsequent Year's Expenditures	\$ 2,401,352 (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 1,623,133 (U)</u>

Detail of Other Reserved Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 1
Maintenance reserve	\$ -
Emergency reserve	\$ -
Tuition reserve	\$ -
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ -
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$ -
Impact Aid General Fund Reserve (Sections 8002 and 8003) (N-7)	\$ -
Impact Aid Capital Fund Reserve (Sections 8007 and 8008) (N-8)	\$ -
Other state/government mandated reserves	\$ -
Other Restricted/Reserved Fund Balance not noted above****	\$ -
Total Other Restricted Fund Balance	<u>\$ 1 (C4)</u>

SECTION 3

Restricted Fund Balance - Excess Surplus ***	
[(U)-(M)] IF NEGATIVE ENTER -0-	\$ - (E)
Restricted Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ - (C3)
Restricted Excess Surplus *** [(E)]	\$ - (E)
Total [(C3)+(E)]	<u>\$ - (D)</u>

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 Audit Summary Worksheet Line 90030.

Amount for Other Restricted/Reserved Fund Balance must be detailed for each source and request for approval to use amounts other than state imposed legal restrictions in the excess surplus calculation must be submitted to the Assistant

**** Commissioner - Field Services prior to September 30.