

BOARD OF EDUCATION

MANSFIELD TOWNSHIP

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

For the Year Ended June 30, 2016

MANSFIELD TOWNSHIP SCHOOL DISTRICT

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
School Purchasing Program	
Contracts and Agreements Requiring Advertisement for Bids	2 - 4
Administrative Practices and Procedures	
Insurance	4
Official Bonds	4
Financial Planning, Accounting and Reporting	
Examination of Claims	4
Special Federal and/or State Projects	5
Payroll Account	5
Reserve for Encumbrances, Liability (Current) for Accounts Payable	5
Classification of Expenditures	5
Board Secretary's Records	5
Treasurer's Records	5
Unemployment Compensation Insurance Trust Fund	6
TPAF (Social Security) Reimbursement	6
School Food Service	
Food Service Fund	6 - 7
Schedule of Meal Count Activity	7
Application for State School Aid	7
Pupil Transportation	7
Schedule of Findings of Noncompliance	8
TPAF Reimbursement to the State	8
Suggestion to Management	8
Schedule of Audited Enrollments	9 - 11
Excess Surplus Calculation	12 - 13
Suggestions	14
Recommendations	14
Status of Prior Year's Audit Findings and Recommendations	14
Acknowledgment	14
Federal Identification Number 22-6014198	



Bedard, Kurowicki & Co.
Certified Public Accountants, PC
www.bkc-cpa.com

November 10, 2016

Honorable President and Members
of the Board of Education
Mansfield Township
County of Warren, 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 Board of Education of the Mansfield Township School District in the County of Warren for the year ended June 30, 2016, and have issued our report thereon dated November 10, 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 Mansfield Township Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Sincerely,
BEDARD, KUROWICKI & CO., CPA'S, PC

A handwritten signature in black ink, appearing to read "William Colantano", with a horizontal line extending to the right.

William M. Colantano, Jr.
Public School Accountant
No. CS 0128

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Money, the activities of the Board of Education, and the records of the various funds under the auspices of the Board of Education.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

NJSA 18A:18A-3 States:

- “A. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any other sums expended or foreseeably to be expended for the performance of any work or services in connection with the same project or the furnishing of similar materials or supplies during the same fiscal year paid with or out of school funds, does not exceed the total sum of \$7,500 or the amount determined pursuant to subsection B. of this section, in the fiscal year or, in the case of purchases that are not annually recurring, in a period of one year may be made, negotiated and awarded by a contracting agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore.”

- “B. Commencing January 1, 1983 and every two years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount set forth in Subsection A., of this section in direct proportion to the rise or fall of the consumer price index for all urban consumers in the New York City and the Philadelphia area as reported by the United States Department of Labor. The Governor shall notify all Local school districts of the adjustment. The adjustment shall become effective on July 1, of the year in which it is reported.”

NJSA 18A:18A:-4 States:

“Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of school funds, not included within the terms of NJSA 18A:18A-3, shall be made and awarded only by the board of education after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to NJSA 18A:18A-3 except by contract or agreement.”

Effective April 17, 2000, NJSA 18A:18A (Public School Contracts Law) was revised by PL 1999 Ch. 440. The associated rules were drafted by the Department of Local Government Services of the State of New Jersey, with consultation from the Commissioner of Education of New Jersey.

Effective July 1, 2015 and thereafter, the bid thresholds in accordance with NJSA 18A:18A-3 (as amended) and 18A:39-3 is \$29,000 and \$18,800, respectively.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

School Purchasing Programs (continued)

Contracts and Agreements Requiring Advertisement for Bids (continued)

In accordance with 18A:18A-3a and NJAC 5:34-5 et seq. the Board of Education has appointed a "Qualified Purchasing Agent" which allows the Board of Education to increase the bid threshold and to grant the authorization to negotiate contracts below the bid threshold.

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

Our examination of the minutes indicated that contracts were awarded for the following:

- Asbestos monitoring and removal services
- Food services management
- Attorney
- Architect
- Auditor
- School physician
- Continuing bond reporting disclosure agent
- Transportation route consulting services
- Nursing services
- Fixed asset appraisal services
- Building and site renovations
- Garbage disposal
- Multi-purpose room improvements
- Cafeteria equipment
- Security equipment
- Transportation routes

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. Expenditures were reviewed, however, to determine whether any clear cut violations existed.

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 threshold where there had been no advertising for bids in accordance with the provision of NJSA 18A:18A-4.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per NJSA 18A:18A-5.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

School Purchasing Programs (continued)

Contracts and Agreements Requiring Advertisement for Bids (continued)

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 Chapter 114, PL 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal, however, that the following purchases were made through the use of state contracts:

Classroom supplies	Photocopiers and copy charges
Technology equipment and supplies	

Purchases were also made through cooperative agreements for the following:

Fuel oil	English as a second language instruction
Cafeteria audio visual system	Transportation routes
Lighting upgrades	Technology services
Technology equipment and supplies	Insurance
Cooperative purchasing services	

Administrative Practices and Procedures

Insurance

Fire and other insurance coverage evidenced by policies were carried in the amounts as reflected in the Insurance Schedule included in the District's Comprehensive Annual Financial Report.

Adequacy of insurance coverage is the responsibility of the Board of Education.

Official Bonds (NJSA 18A:17-26,18A 17-32)

Surety bond coverage in force during the period was:

Name of Employee	Position	Amount
Mary Roszkowski	Secretary/Business Administrator	\$ 85,000
Andrew Coppola	Treasurer of School Money	\$ 195,000
Employees Blanket Bond		\$ 50,000

The Treasurer of School Money was bonded in a surety bond in accordance with provisions of Title 18A:17-32 within minimum limits of the schedule promulgated by the New Jersey State Board of Education.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review indicated nominal discrepancies with respect to signatures, certification or supporting documentation.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

Financial Planning, Accounting and Reporting (continued)

Special Federal and/or State Projects

Special Federal and State Projects of the District are reflected on Schedules K-3 and K-4 included in the Comprehensive Annual Financial Report.

Our examination of the special projects, 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 contained within the CAFR represent a true Statement of the Financial Position pertaining to the aforementioned special projects.

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.

Salary withholdings were promptly remitted to the proper agencies.

Payrolls were approved by the Chief School Administrator and certified by the President of the Board and Board Secretary/School Business Administrator.

Reserve for Encumbrances, Liability (Current) for Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with NJAC 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 NJAC 6A:23A-8.2. As a result of the procedures performed, a nominal transaction error rate was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Accounting Records

The records of the Board Secretary were maintained in good order.

Treasurer's Records

The records of the Treasurer were maintained in good order.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund.

TPAF (Social Security) 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 Teacher's Pension and Annuity Fund. No exceptions were noted.

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.

Cash receipts and bank records were reviewed for timely deposit.

The District utilizes a Food Service Management Company (FSMC) and is depositing and expending program money in accordance with NJSA 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 minimum profit of \$5,000. 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 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 and certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications 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 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.

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

School Food Service (continued)

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

Schedule of Meal Count Activity

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Over/ Under Claim</u>
National School Lunch	Paid	32,394	32,394	0	\$ 0.33	\$ 0
	Reduced	5,301	5,301	0	2.725	0
	Free	22,658	22,658	0	3.125	0
HHFKA Aid		60,353	60,353	0	0.06	0
After School Snacks	Paid	6,891	6,891	0	0.07	0
	Reduced	149	149	0	0.42	0
	Free	785	785	0	0.84	0
School Breakfast (Severe need rate)	Paid	1,383	1,383	0	0.29	0
	Reduced	259	259	0	1.69	0
	Free	3,173	3,173	0	1.99	0

Application for State School Aid

Our audit procedures included a test of the information reported in the October 15, 2015, Application for State School Aid (ASSA) Data Listing for on-roll, private schools for the handicapped, and transportation. We also performed a review of the district procedures related to its completion. The information on the data listing was compared to the district work papers without exception as noted in the audit. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained work papers 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 without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

Schedule of Findings of Noncompliance

There were no findings of noncompliance as a result of this audit.

TPAF Reimbursement to the State for Federal Salary Expenditures

No reimbursement is due to the State to reimburse for the TPAF/FICA payments made by the State on-behalf of the District. The District had no employees with applicable salaries identified as being paid from federal funds.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments - Enrollment as of October 15, 2015

	2016 - 2017 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on ASSA as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool Age 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool Age 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool Age 4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool Age 4	8	-	8	-	-	-	4	-	4	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	66	-	66	-	-	-	29	-	29	-	-	-	-	-	-	-
One	77	-	77	-	-	-	34	-	34	-	-	-	-	-	-	-
Two	91	-	91	-	-	-	31	-	31	-	-	-	-	-	-	-
Three	97	-	97	-	-	-	25	-	25	-	-	-	-	-	-	-
Four	87	-	87	-	-	-	21	-	21	-	-	-	-	-	-	-
Five	79	-	79	-	-	-	20	-	20	-	-	-	-	-	-	-
Six	84	-	84	-	-	-	21	-	21	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>589</u>	<u>-</u>	<u>589</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>185</u>	<u>-</u>	<u>185</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Education - Elementary	59	-	59	-	-	-	14	-	14	-	-	-	3	3	3	-
Special Education - Middle	12	-	12	-	-	-	3	-	3	-	-	-	1	1	1	-
Special Education - High School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>71</u>	<u>-</u>	<u>71</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - Full-Time Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>660</u>	<u>-</u>	<u>660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202</u>	<u>-</u>	<u>202</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
Percentage error					<u>0.00%</u>	<u>0.00%</u>						<u>0.00%</u>	<u>0.00%</u>			<u>0.00%</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments - Enrollment as of October 15, 2015 (Continued)

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score & Register	Sample Errors
Half Day Preschool Age 3	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool Age 3	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool Age 4	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool Age 4	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	26	26	-	11	11	-	-	-	-	-	-	-
One	28	28	-	14	14	-	5	5	-	5	5	-
Two	29	29	-	14	14	-	5	5	-	5	5	-
Three	26	26	-	14	14	-	1	1	-	1	1	-
Four	28	28	-	14	14	-	3	3	-	3	3	-
Five	28	28	-	14	14	-	-	-	-	-	-	-
Six	20	20	-	10	10	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	185	185	-	91	91	-	14	14	-	14	14	-
Special Education - Elementary	24	24	-	10	10	-	-	-	-	-	-	-
Special Education - Middle	3	3	-	1	1	-	-	-	-	-	-	-
Special Education - High School	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	27	27	-	11	11	-	-	-	-	-	-	-
County Vocational-Regular	-	-	-	-	-	-	-	-	-	-	-	-
Cty Vocational - F/T Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	212	212	-	102	102	-	14	14	-	14	14	-
Percentage			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments - Enrollment as of October 15, 2015 (Continued)

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Full Day K	1	1	-	1	1	-
Grade One	3	3	-	3	3	-
Grade Two	2	2	-	2	2	-
Grade Six	1	1	-	1	1	-
	<u>7</u>	<u>7</u>	<u>-</u>	<u>7</u>	<u>7</u>	<u>-</u>

Percentage 0.00% 0.00%

	Transportation					
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Sample Errors
Regular - Public Schools	488	488	-	170	180	(10)
Regular - Special Education	99	98	1	25	15	10
Charter School Students	2	2	-	1	-	1
AIL - Non Public	9	10	(1)	2	2	-
Public School with Special Needs	1	1	-	1	1	-
Private School Disabled - with Special Needs	3	3	-	3	3	-
	<u>602</u>	<u>602</u>	<u>-</u>	<u>202</u>	<u>201</u>	<u>1</u>

Percentage 0.00% 0.50%

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Excess Surplus Calculation

Section 1

2% Calculation of excess surplus

2015 - 2016 Total General Fund expenditures per the CAFR, exhibit C-1	\$ 10,289,340	(B)	
Increased by:			
Transfer from capital outlay to Capital Projects Fund	-	(B1a)	
Transfer from capital reserve to Capital Projects Fund	-	(B1b)	
Transfer from General Fund to SRF for Pre K-Regular	-	(B1c)	
Transfer from General Fund to SRF for Pre K-Inclusion	-	(B1d)	
Transfer to Unemployment Compensation Fund	-	(B1e)	
Decreased by:			
On-behalf TPAF Pension & Social Security	1,177,871	(B2a)	
Assets acquired under capital leases	<u>-</u>	(B2b)	
Adjusted 2015 - 2016 General Fund expenditures [(B)+(B1s)-(B2s)]	<u>\$ 9,111,469</u>	(B3)	
2% of adjusted 2015 - 2016 General Fund expenditures [(B3) times .02]	\$ 182,229	(B4)	
Enter greater of (B4) or \$250,000	250,000	(B5)	
Increased by: Allowable adjustment	<u>25,949</u>	(K)	
Maximum unassigned/undesignated fund balance [(B5)+(K)]			<u>\$ 275,949 (M)</u>

Section 2

Total General Fund - Fund balances at June 30, 2016 (Per CAFR budgetary comparison schedule C-1)	\$ 1,954,171	(C)	
Decreased by			
Year-end encumbrances	229,092	(C1)	
Legally restricted - Designated for subsequent year's expenditures	-	(C2)	
Restricted excess surplus - Designated for subsequent year's Expenditures	-	(C3)	
Other restricted fund balances	1,357,097	(C4)	
Assigned fund balance - Designated for subsequent year's Expenditures	<u>92,293</u>	(C5)	
Total unassigned fund balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]			<u>\$ 275,689 (U)</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Excess Surplus Calculation (continued)

Section 3

Restricted fund balance - Excess surplus [(U)-(M)] if negative enter -0-	\$	-	(E)
<hr/>			
Recapitulation of excess surplus as of June 30, 2016			
Reserve excess surplus - Designated for subsequent year's expenditures	\$	-	(C3)
Reserve excess surplus (E)	\$	-	(E)
<hr/>			
Total excess surplus [(C3) + (E)]	\$	-	(D)

Detail of allowable adjustments

Impact aid	\$	-	(H)
Sale and lease back		-	(I)
Extraordinary aid		24,042	(J1)
Additional nonpublic transportation aid		<u>1,907</u>	(J2)
Total adjustments	\$	<u>25,949</u>	(K)

Detail of other reserved fund balance

Statutory restrictions			
Approved unspent separate proposal	\$	-	
Sale/lease - Back reserve		-	
Capital reserve		922,846	
Maintenance reserve		291,251	
Emergency reserve		143,000	
Waiver offset reserve - Designated for subsequent year		-	
Tuition reserve		-	
Other State/Government mandated reserve		-	
Other restricted fund balance not noted above		<u>-</u>	
Total other restricted fund balance	\$	<u>1,357,097</u>	(C4)

Bedard, Kurowicki & Co.

BEDARD, KUROWICKI & CO., CPA'S, PC

William Colantano

William M. Colantano, Jr., CPA

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2016

Suggestion to Management:

- 1) The District should implement procedures to reduce the net cash resources of the District's Food Service Fund to an acceptable level as per State regulations

Recommendations

No recommendations were developed as a result of this audit.

Status of Prior Year's Audit Findings/Recommendations

In accordance with governing auditing standards, our procedures included a review of all prior year recommendations. Corrective action was taken on all prior year findings.

* * * * *

The foregoing conditions were considered in determining the nature, timing and extent of the audit tests to be applied in our examination of the financial statements, and this report of such conditions does not modify our report dated November 10, 2016.

Should any questions arise as to our comments, please do not hesitate to call us.

We desire to express our appreciation for the assistance and courtesies rendered by the school officials and employees during the course of the examination.

BEDARD, KUROWICKI & CO., CPA'S, PC



William M. Colantano, Jr., CPA
Public School Accountant
No. CS 0128