

Ocean Township School District

Auditor's Management Report
For the Fiscal Year Ended June 30, 2016

Ocean Township School District
Oakhurst, New Jersey

**AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND
PERFORMANCE REPORTING**

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INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Ocean Township 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; and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; the basic financial statements of the Ocean Township School District, in the County of Monmouth, State of New Jersey, 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 and use of the management of the Board of Education of the Ocean Township School District and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Smolin, Lupin & Co., P.A.

SMOLIN, LUPIN & CO., P.A.
Certified Public Accountants

Laura DiTommaso, CPA

Laura DiTommaso
Licensed Public School Accountant
License #20CS-00164

Red Bank, New Jersey
December 2, 2016

OCEAN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
June 30, 2016

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 (N.J.S.A. 18A:17-26, 18A:17-32 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Joseph Zanno	Treasurer	\$350,000
Kenneth Jannarone	Board Secretary/School Business Administrator	\$ 3,000

There is a Public Employees' Faithful Performance Blanket Position Bond through the Monmouth Ocean Counties Shared Services Insurance Fund covering all other employees with multiple coverage of \$1,000,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board makes proper adjustments to the billings to sending districts 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 under review indicated no discrepancies with respect to signatures, certification or supporting documentation.

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/School Business Administrator. Payrolls were delivered to the Treasurer of School Moneys with a warrant made to his order for the full amount of each payroll.

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

An examination of employee contracts indicated that employees were paid their approved contract amounts.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrator) to the New Jersey Department of Treasury was filed by the March 15th due date.

**OCEAN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
June 30, 2016**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (continued)

Employee Position Control Roster

A sample of the Employee Position Control Roster indicated it was in satisfactory condition.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2016 for proper classification of orders as reserve for encumbrances and accounts payable. No exceptions were noted.

Travel Expense and Reimbursement Policy

Travel Regulations require each District to adopt a formal policy and procedures pertaining to travel and reimbursement for its employee and board members. The regulations require the District to establish a maximum travel amount for the year and to ensure that the maximum is not exceeded. The regulations also require that all travel be preapproved by the Board of Education and the Superintendent and that the approval must be itemized by event, event total cost, and individuals attending. No exceptions were noted in our review of travel expense and reimbursement policy.

Classification of General and Administrative Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6:23-2.2(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. 6:23A-8.3*. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records.

District funds were provided and expended in the proper GAAP account/code based upon audit testing of transactions.

The School District's double entry system of accounting records was maintained in accordance with the Department of Education's prescribed GAAP Technical Systems Manual.

Transfers exceeding 10% of original budget amounts were approved by the county superintendent.

Treasurer's Records

During our review of the Treasurer's records, no exceptions were noted.

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

The E.S.E.A. /N.C.L.B. 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, II, and III of the Elementary and Secondary Education Act as amended and reauthorized.

**OCEAN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
June 30, 2016**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (continued)

IDEA Part B

Financial exhibits for IDEA Part B, Basic and Preschool are contained within the Special Revenue section of the CAFR.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibit K-3 (Schedule A) and K-4 (Schedule B) located in the CAFR.

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

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

The study of compliance for the special projects noted no areas of noncompliance and/or questioned costs.

T.P.A.F. Reimbursement

Our audit procedures included a test of the semimonthly reimbursements filed electronically 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 reimbursement to the State for 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 exceptions were noted.

SCHOOL PURCHASING PROGRAMS

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2010, and thereafter the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The Board appointed the School Business Administrator as the Qualified Purchasing Agent. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$18,800.

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.

The results of our examination indicated there were no 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, as amended.

OCEAN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
June 30, 2016

SCHOOL PURCHASING PROGRAMS (continued)

Contracts and Agreements Requiring Advertisement for Bids (continued)

In accordance with N.J.S.A 18A:18A-37, for all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount, the purchasing agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The purchasing agent shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor. No exceptions were noted.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" as 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. 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 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 break even. The operating results provision has been met. The District has a SOC-1 Service Audit of the food service management company on file as required.

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 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.

The school district maintained the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-program Food Revenue Tool annually.

The school food service program was not selected as a major federal or state program. However, the program expenditures exceeded \$100,000 in federal support. Accordingly, we inquired of school management as to whether the school food authority had any Child Nutrition Program reimbursement over claims or under claims. Additionally, we inquired as to whether the school food authority expenditures were limited to allowable direct and indirect costs. No exceptions were noted.

USDA food distribution program (food and, or, 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 Proprietary Fund, Section B of the CAFR.

**OCEAN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
June 30, 2016**

ATHLETICS AND STUDENT BODY ACTIVITIES

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of Athletics and Student Body Activities Fund for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

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 students. 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 exceptions. The information that was included on the supporting workpapers was verified without exceptions. 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 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.

FACILITIES AND CAPITAL ASSETS

Our procedures included a review of contracts for facilities construction. No exceptions were noted.

FOLLOW UP ON PRIOR YEAR FINDINGS

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action has been taken on all prior year findings.

SUGGESTION TO MANAGEMENT

A physical inventory should be taken of capital assets to determine if items reflected on the schedule are still in use by the district.

**OCEAN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
June 30, 2016**

ACKNOWLEDGMENT

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

Smolin, Lupin & Co., P.A.
SMOLIN, LUPIN & CO., P.A.
Certified Public Accountants

Laura DiTommaso

Laura DiTommaso
Licensed Public School Accountant
License #20CS-00164

Red Bank, New Jersey
December 2, 2016

OCEAN TOWNSHIP SCHOOL DISTRICT
Application for State School Aid Summary
Enrollment as of October 15, 2015

	2016-2017 Application for State School Aid					
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors	
	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool	26	-	26	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	202	-	202	-	-	-
One	237	-	237	-	-	-
Two	234	-	234	-	-	-
Three	212	-	212	-	-	-
Four	230	-	230	-	-	-
Five	227	-	227	-	-	-
Six	223	-	223	-	-	-
Seven	223	-	223	-	-	-
Eight	225	-	225	-	-	-
Nine	264	-	264	-	-	-
Ten	242	-	242	-	-	-
Eleven	229	18	229	18	-	-
Twelve	251	9	251	9	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15 + CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>3,025</u>	<u>27</u>	<u>3,025</u>	<u>27</u>	<u>-</u>	<u>-</u>
Special Ed- Elementary	262	-	262	-	-	-
Special Ed- Middle School	146	-	146	-	-	-
Special Ed- High School	179	31	179	31	-	-
Subtotal	<u>587</u>	<u>31</u>	<u>587</u>	<u>31</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. - Ft. Post Sec.	-	-	-	-	-	-
Totals	<u><u>3,612</u></u>	<u><u>58</u></u>	<u><u>3,612</u></u>	<u><u>58</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Percentage Error					<u><u>0.00%</u></u>	<u><u>0.00%</u></u>

Sample for Verification						Private Schools for Disabled			
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				
1	-	1	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
20	-	20	-	-	-	-	-	-	-
20	-	20	-	-	-	-	-	-	-
20	-	20	-	-	-	-	-	-	-
19	-	19	-	-	-	-	-	-	-
21	-	21	-	-	-	-	-	-	-
20	-	20	-	-	-	-	-	-	-
19	-	19	-	-	-	-	-	-	-
20	-	20	-	-	-	-	-	-	-
25	-	25	-	-	-	-	-	-	-
25	-	25	-	-	-	-	-	-	-
23	-	23	-	-	-	-	-	-	-
22	13	22	13	-	-	-	-	-	-
22	5	22	5	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
277	18	277	18	-	-	-	-	-	-
20	-	20	-	-	-	7	5	5	-
11	-	11	-	-	-	5	4	4	-
14	21	14	21	-	-	26	19	19	-
45	21	45	21	-	-	38	28	28	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
322	39	322	39	-	-	38	28	28	-
				0.00%	0.00%				0.00%

Continued

OCEAN TOWNSHIP SCHOOL DISTRICT
Application for State School Aid Summary
Enrollment as of October 15, 2015

	Resident 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
Half Day Preschool	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	50	50	-	14	14	-
One	71	71	-	14	14	-
Two	77	77	-	18	18	-
Three	57	57	-	16	16	-
Four	64	64	-	19	19	-
Five	52	52	-	12	12	-
Six	47	47	-	12	12	-
Seven	48	48	-	15	15	-
Eight	57	57	-	15	15	-
Nine	72	72	-	17	17	-
Ten	62	62	-	16	16	-
Eleven	49	49	-	15	15	-
Twelve	63	63	-	15	15	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15 + CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>769</u>	<u>769</u>	<u>-</u>	<u>198</u>	<u>198</u>	<u>-</u>
Special Ed- Elementary	95	95	-	19	19	-
Special Ed- Middle School	64	64	-	20	20	-
Special Ed- High School	82	82	-	22	22	-
Subtotal	<u>241</u>	<u>241</u>	<u>-</u>	<u>61</u>	<u>61</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. - Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>1,009</u>	<u>1,009</u>	<u>-</u>	<u>259</u>	<u>259</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

Transportation

	Reported on	Reported on	Errors	Tested	Verified	Errors
	DRTRS by DOE/County	DRTRS by District				
Reg. Public Schools	1,281.0	1,281.0	-	204	204	-
Reg. Special Education	241.5	241.5	-	39	39	-
Transported - Non-Public	360.0	360.0	-	173	173	-
Special Needs-Public/Private	202.5	202.5	-	32	32	-
Totals	<u>2,085.0</u>	<u>2,085.0</u>	<u>-</u>	<u>448</u>	<u>448</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

Resident LEP Low Income			Sample for Verification		
Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
12	12	-	2	2	-
21	21	-	15	15	-
19	19	-	10	10	-
10	10	-	5	5	-
3	3	-	1	1	-
4	4	-	1	1	-
3	3	-	3	3	-
2	2	-	1	1	-
3	3	-	2	2	-
3	3	-	1	1	-
12	12	-	9	9	-
2.5	2.5	-	2	2	-
9	9	-	6	6	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>104</u>	<u>104</u>	<u>-</u>	<u>58</u>	<u>58</u>	<u>-</u>
4	4	-	2	2	-
-	-	-	1	1	-
<u>5.5</u>	<u>5.5</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
<u>10</u>	<u>10</u>	<u>-</u>	<u>6</u>	<u>6</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>113</u>	<u>113</u>	<u>-</u>	<u>64</u>	<u>64</u>	<u>-</u>
		<u>0%</u>			<u>0%</u>

	Reported	Recalculated
Avg. Mileage - Regular Including Grade PK Students	3.86	3.86
Avg. Mileage - Regular Excluding Grade PK Students	3.86	3.86
Avg. Mileage - Special Ed with Special Needs	5.5	5.5

OCEAN TOWNSHIP SCHOOL DISTRICT
Application for State School Aid Summary
Enrollment as of October 15, 2015

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as LEP NOT Low Income	Reported on Workpapers as LEP NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
	Half Day Preschool	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	16	16	-	15	15	-
One	8	8	-	2	2	-
Two	4	4	-	4	4	-
Three	5	5	-	4	4	-
Four	-	-	-	1	1	-
Five	1	1	-	2	2	-
Six	2	2	-	-	-	-
Seven	-	-	-	-	-	-
Eight	2	2	-	1	1	-
Nine	3	3	-	3	3	-
Ten	6	6	-	2	2	-
Eleven	5	5	-	2	2	-
Twelve	1	1	-	1	1	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15 + CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>53</u>	<u>53</u>	<u>-</u>	<u>37</u>	<u>37</u>	<u>-</u>
Special Ed- Elementary	4	4	-	3	3	-
Special Ed- Middle School	-	-	-	-	-	-
Special Ed- High School	-	-	-	-	-	-
Subtotal	<u>4</u>	<u>4</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. - Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>57</u>	<u>57</u>	<u>-</u>	<u>40</u>	<u>40</u>	<u>-</u>
Percentage Error			<u>0%</u>			<u>0%</u>

OCEAN TOWNSHIP SCHOOL DISTRICT
Excess Surplus Calculation
For the Fiscal Year Ended June 30, 2016

Section 1

A. 2% Calculation of Excess Surplus

2015-2016 Total General Fund Expenditures per the CAFR, Ex. C-1	\$	78,074,181
Increased by:		
Transfer to Food Service Fund		-
Transfer from Capital Outlay to Capital Projects Fund		-
Transfer from Capital Reserve to Capital Projects Fund		-
Decreased by:		
On-behalf TPAF Pension and Social Security		7,721,604
Assets Acquired Under Capital Leases		-
		-
 Adjusted 2015-2016 General Fund Expenditures	 \$	 <u>70,352,577</u>
 2% of Adjusted 2015-2016 General Fund Expenditures	 \$	 <u>1,407,052</u>
 Enter Greater of 2% of Adjusted 2015-2016 General Fund Expenditures or \$250,000	 \$	 1,407,052
 Increased by allowable adjustments **		 <u>214,316</u>
 Maximum unreserved/undesignated fund balance	 \$	 <u>1,621,368</u>

Section 2

Total General Fund - Fund Balances at June 30, 2016 (Per CAFR Budgetary Comparison Schedule C-1)	\$	6,739,048
Decreased by:		
Year-end encumbrances		142,930
Legally restricted - designated for subsequent year's expenditures		-
Legally restricted - excess Surplus - designated for subsequent year's expenditures		1,682,529
Other Restricted Fund Balances ***		328,224
Assigned Fund Balance - unreserved - designated for subsequent year's expenditures		817,640
		817,640
 Total unassigned fund balance	 \$	 <u>3,767,725</u>

OCEAN TOWNSHIP SCHOOL DISTRICT
Excess Surplus Calculation
For the Fiscal Year Ended June 30, 2016

Section 3

Restricted Fund Balance - Excess Surplus	<u>\$ 2,146,357</u>
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Recapitulation of Excess Surplus as of June 30, 2016

Reserved excess surplus - designated for subsequent year's expenditures	\$ 1,682,529
Reserved excess surplus	<u>2,146,357</u>
 Total	 <u>\$ 3,828,886</u>

**** Detail of Allowable Adjustments**

Impact Aid	\$ -
Sale and Lease-Back	-
Extraordinary Aid	189,407
Additional Nonpublic School Transportation Aid	24,909
Current Year School Bus Advertising Revenue Recognized	-
ARRA SEMI State Aid	<u>-</u>
 Total Allowable Adjustments	 <u>\$ 214,316</u>

***** Detail of Other Restricted Fund Balance**

Statutory Restrictions:	
Approved unspent separate proposal	\$ -
Capital outlay for a district with a capital outlay cap waiver	-
Sale/lease-back reserve	-
Capital reserve	328,224
Maintenance reserve	-
Tuition reserve	-
School Bus Advertising 50% Fuel Offset Reserve- current year	-
School Bus Advertising 50% Fuel Offset Reserve- prior year	-
Other state/government mandated reserve	<u>-</u>
 Total Other Restricted Fund Balance	 <u>\$ 328,224</u>



Signature of Public School Accountant