

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT

COUNTY OF ESSEX

NEW JERSEY

AUDITOR'S MANAGEMENT REPORT

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

FISCAL YEAR ENDED

JUNE 30, 2016

PREPARED BY

***SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS***

**CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
NEW JERSEY**

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

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REPORT OF INDEPENDENT AUDITORS

Honorable President and Members
of the Board of Education
City of Orange Township School District
County of Essex, New Jersey 07050

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 City of Orange Township School District in the County of Essex for the fiscal year ended June 30, 2016, and have issued our report thereon dated November 30, 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 City of the Orange Township School District 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.



WALTER RYGLICKI

Licensed Public School Accountant #845



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
November 30, 2016

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

Scope of Audit

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

Administrative Practices and Procedures

Insurance

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

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Adekunle O. James	School Business Administrator/Board Secretary	\$400,000
Akindede Ayadele	Assistant Business Administrator	400,000
Olugbenga Olabintan	Treasurer of School Moneys	400,000

There is a Public Employees' Faithful Performance Blanket Bond covering all other employees.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were more than estimated costs. The Board made a proper adjustment to the billings to sending districts for the increase 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 under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

In verifying expenditures, computations were tested on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Unemployment Compensation Insurance Trust Fund

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

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.

Financial Planning, Accounting and Reporting (Continued)

Payroll Account and Position Control Roster (Continued)

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

Salary withholdings were promptly remitted to the proper agencies.

The propriety of deductions from employee salaries for pensions, Social Security, withholding tax and other purposes from employee payrolls were not verified as part of this audit. Remittances of deductions and withholdings to authorized agencies, however, were ascertained.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30th for proper classification of orders as reserve for encumbrances and accounts payable.

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*. There were minor transaction errors noted as a result of the procedures performed.

Board Secretary's/School Business Administrator's Records

The financial records, books of accounts and minutes maintained by the Board Secretary were in satisfactory condition. The prescribed contractual order system was followed.

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

Treasurer's Records

The Treasurer's records were examined and found to be in agreement with the records of the Board Secretary.

Elementary and Secondary Education Act (ESEA)/Improving America's Schools Act (IASA) as Reauthorized by the No Child Left Behind (NCLB) 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 through III of the Elementary and Secondary Education Act, as amended and reauthorized.

The study of compliance for ESEA did not indicate any areas of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

Our audit of 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.

Treasurer's Records (Continued)

Other Special Federal and/or State Projects (Continued)

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 areas of noncompliance.

There were several audits performed by State officials that resulted in procedure findings but no fiscal adjustments required by the School District. The School District has adopted corrective action plans for the procedure findings.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements (electronic, but Districts can print out the DOENET screen for an auditor) filed with the Department of Education for District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

TPAF Reimbursement to the State for Federal Salary Expenditures

The reimbursements to the State for the amount of the expenditure charged to the current year's Final Report(s) 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 subsequent to the end of the 60 day grant liquidation period, but prior to the 90 days required by N.J.S.A. 18A:66-90. Accordingly, the expenditure was made in accordance with State law (90 days) and properly reported as obligated and not expended and as an unliquidated balance in the current year's Final Reports(s) for all federal awards.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 are \$40,000.00 with a Qualified Purchasing Agent. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is \$18,800.00 for 2015-16.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal 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.

Inasmuch 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. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

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 Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

Business-Type Activities

Enterprise Fund:

Food Service Fund:

The School District has contracted with Compass Group US, Inc., (Chartwells) to administer the Food Service Program for the District.

School Purchasing Programs (Continued)

Business-Type Activities (Continued)

Enterprise Fund: (Continued)

Food Service Fund: (Continued)

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 be profitable with certain other provisions. The operating results were met.

The statistical records of the School Food Service were maintained in satisfactory condition. The meal count records and eligibility applications were reviewed on a test basis. However, there was one instance whereby there was an under claim of \$846.12 for breakfast (severe needs) for the month of October 2015, the School District did not use the correct rate for breakfast (severe needs). The School District will request that the October 2015 report be amended to recover the under claim for \$846.12.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school by school basis. The free and reduced price system is administered uniformly throughout the School System. The required verification procedures for free and reduced price applications were completed and available for audit.

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

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Service 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 nonprofit status of the School Food Service. Net cash resources did not exceed three months average expenditures.

Food Distribution Program commodities were received and a separate inventory was maintained on a first-in, first-out basis.

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

Student Body/Athletic Activities

Cash receipts and cash disbursement records were maintained in a satisfactory condition.

A test check of bills was made to the disbursement record.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2015 Application for State School Aid (ASSA) 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 that was on the workpapers was verified with minor exceptions and no recommendation is required. The results of our procedures are presented in the Schedule of Audit Enrollments.

Application for State School Aid (Continued)

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 discrepancies. The information that was included in our test was verified with minor exceptions and no recommendations are required. 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 awards of contracts.

RECOMMENDATIONS

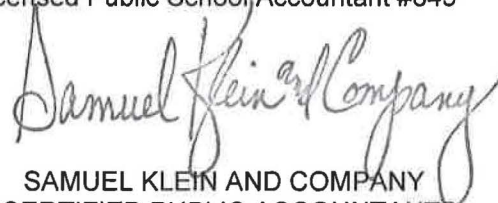
NONE

ACKNOWLEDGMENT

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



WALTER P. RYGLICKI
Licensed Public School Accountant #845



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
November 30, 2016

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND - FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - FEDERAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER)/ UNDER-CLAIM (b)</u>
National School Lunch (Regular Rate)	Paid	93,614	93,614	0	0.03	0.00
National School Lunch (Regular Rate)	Reduced	42,291	42,291	0	2.69	0.00
National School Lunch (Regular Rate)	Free	550,226	550,226	0	3.09	0.00
	TOTAL	<u>686,131</u>	<u>686,131</u>			<u>0.00</u>
National School Lunch	HHFKA - PB Lunch Only	<u>686,131</u>	<u>686,131</u>	0	0.06	<u>0.00</u>
School Breakfast (Regular Rate)	Paid	58,581	58,581	0	0.29	0.00
	Reduced	27,779	27,779	0	1.69	0.00
	Free	324,991	324,991	0	1.99	0.00
	TOTAL	<u>411,351</u>	<u>411,351</u>			<u>0.00</u>
Special Milk	Paid				0.2025	<u>0.00</u>
After School Snacks	Paid				0.07	0.00
	Reduced				0.40	0.00
	Free (Area Eligible)	<u>184,270</u>	<u>184,270</u>	0	0.82	<u>0.00</u>
	TOTAL	<u>184,270</u>	<u>184,270</u>			<u>0.00</u>
Total Net Underclaim						<u><u>0.00</u></u>

Auditor Notation:

(a) Reimbursement rates are subject to annual change. Rates indicated in this sample schedule are for illustrative purposes only. Refer to the detailed schedule of reimbursement rates presented on pages II-60.17 of this Audit Program. (b) Overclaims or underclaims must be reflected by program on the Schedule of Findings and Questioned Costs (where applicable) and in the AMR. (c) If underclaims are identified and total \$100.00 or more by program, please contact the DOA for requirements to request reimbursement from USDA. Underclaim requests may or may not be approved by USDA for reimbursement

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND - FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - STATE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</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	86,356	86,356	0	0.040	0.00
State Reimbursement - National School Lunch (Regular Rate)	Reduced	46,147	46,147	0	0.055	0.00
State Reimbursement - National School Lunch (Regular Rate)	Free	<u>543,421</u>	<u>543,421</u>	0	0.055	<u>0.00</u>
	TOTAL	<u>675,924</u>	<u>675,924</u>			
Total Net Underclaim						<u>0.00</u>

Auditor Notation:

(a) Reimbursement rates are subject to annual change. Rates indicated in this sample schedule are for illustrative purposes only. Refer to the detailed schedule of reimbursement rates presented on page II-60.17 of this Audit Program. (b) Overclaims or underclaims must be reflected by program on the Schedule of Findings and Questioned Costs (where applicable) and in the AMR. (c) State underclaims identified are not eligible for reimbursement.

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX, NEW JERSEY

NET CASH RESOURCE SCHEDULE

**Net Cash Resources Did Not Exceed Three Months of Expenditures
Proprietary Funds - Food Service
For the Year Ended June 30, 2016**

<u>Net Cash Resources:</u>		Food Service B - 4/5	
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 157,449
B-4		Due from Other Gov'ts	567,809
CAFR		Current Liabilities	
B-4		Less Accounts Payable	<u>520,490</u>
		Net Cash Resources	<u>\$ 204,768 (A)</u>
<u>Net Adj. Total Operating Expense:</u>			
B-5		Total Operating Expense	\$ 3,563,327
B-5		Less Depreciation	<u>3,604</u>
		Adj. Total Operating Expense	<u>\$ 3,559,723 (B)</u>
<u>Average Monthly Operating Expense:</u>			
		B / 10	<u>\$ 355,972 (C)</u>
<u>Three Times Monthly Average:</u>			
		3 X C	<u>\$ 1,067,916.90 (D)</u>

TOTAL IN BOX A	\$ 204,768
LESS TOTAL IN BOX D	\$ 1,067,917
NET	<u>\$ (863,149)</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

**CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
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 Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool																
Full Day Preschool - 3	152		151		1		25		25							
Full Day Preschool - 4	172		172				25		25							
Half Day Kindergarten																
Full Day Kindergarten	388		388				25		25							
One	426		426				25		25							
Two	364		364				25		25							
Three	383		383				20		20							
Four	383		383				20		20							
Five	329		329				20		20							
Six	315		315				20		20							
Seven	280		280				25		25							
Eight	294		294				10		10							
Nine	232		232				10		10							
Ten	257		257				15		15							
Eleven	232		232				15		15							
Twelve	235		235				15		15							
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	4,442	-	4,441	-	1	-	295	-	295	-	-	-	-	-	-	-
Special Ed - Elementary	301		301		-		5		3		2		17	15	15	-
Special Ed - Middle School	197		197		-		5		5		-		7	4	3	1
Special Ed - High School	171	3	171	3	-	-	7		7		-		30	22	21	1
Subtotal	669	3	669	3	-	-	17	-	15	-	2	-	54	41	39	2
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	5,111	3	5,110	3	1	-	312	-	310	-	2	-	54	41	39	2
Percentage Error					<u>0.00</u>	<u>-</u>					<u>0.01</u>	<u>-</u>				<u>0.05</u>

SCHEDULE OF AUDITED ENROLLMENTS

**CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
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				6	6							
Half Day Kindergarten												
Full Day Kindergarten	346	346		17	17		74	72	2	19	19	
One	374	374		24	24		74	71	3	12	12	
Two	328	325	3	26	26		19	19		8	8	
Three	367	367		29	29		9	9		5	5	
Four	345	341	4	27	27		8	8		4	4	
Five	293	293		25	25		15	15		6	6	
Six	284	284		28	28		12	12		6	6	
Seven	242	242		26	26		9	9		6	6	
Eight	255	255		14	14		9	9		10	10	
Nine	194	194		12	12		13	13		12	12	
Ten	211	211		16	16		24	24		20	20	
Eleven	185	185		15	15		20	20		16	16	
Twelve	165	165		13	13		9	9		11	11	
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>3,589</u>	<u>3,582</u>	<u>7</u>	<u>278</u>	<u>278</u>	<u>-</u>	<u>295</u>	<u>290</u>	<u>5</u>	<u>135</u>	<u>135</u>	<u>-</u>
Special Ed - Elementary	277	277		7	7		20	18	2			
Special Ed - Middle	176	175	1	9	9		1	1				
Special Ed - High	153	152	1	9	9							
Subtotal	<u>606</u>	<u>604</u>	<u>2</u>	<u>25</u>	<u>25</u>	<u>-</u>	<u>21</u>	<u>19</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>4,195</u>	<u>4,186</u>	<u>9</u>	<u>303</u>	<u>303</u>	<u>-</u>	<u>316</u>	<u>309</u>	<u>7</u>	<u>135</u>	<u>135</u>	<u>-</u>
Percentage Error			<u>0.00</u>						<u>0.02</u>			

	Transportation					
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	68	68		8	8	
Reg. -Special Ed, col. 4	26.5	26.5		16	16	
Transported - Non-Public, col. 3						
Special Ed Spec, col. 6	367.5	367.5		173	163	10
Totals	<u>462</u>	<u>462</u>	<u>-</u>	<u>197</u>	<u>187</u>	<u>10</u>
Percentage Error					<u>0.05</u>	

	Reported	Recalculated
Reg Avg. (Mileage) = Regular Including Grade PK Students (Part A)	9	9
Reg Avg. (Mileage) = Regular Excluding Grade PK Students (Part B)	If Applicable	
Spec Avg. = Special Ed with Special Needs	12	12

SCHEDULE OF AUDITED ENROLLMENTS

CITY OF ORANGE TOWNSHIP PUBLIC SCHOOLS
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 Kindergarten						
Full Day Kindergarten	21	21		6	6	
One	15	15		7	7	
Two	6	6		4	4	
Three	3	3		3	3	
Four	4	4		2	2	
Five	6	6		6	6	
Six	9	9		6	6	
Seven	10	8	2	5	5	
Eight	18	18		5	5	
Nine	11	11		4	4	
Ten	21	21		6	6	
Eleven	7	6	1	5	5	
Twelve	13	10	3	4	4	
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>144</u>	<u>138</u>	<u>6</u>	<u>63</u>	<u>63</u>	<u>-</u>
Special Ed - Elementary	5	4	1			
Special Ed - Middle						
Special Ed - High						
Subtotal	<u>5</u>	<u>4</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>149</u>	<u>142</u>	<u>7</u>	<u>63</u>	<u>63</u>	<u>-</u>
Percentage Error			<u>4.70%</u>			<u>0.00%</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
FISCAL YEAR ENDED JUNE 30, 2016

EXCESS SURPLUS CALCULATION

2% Calculation of Excess Surplus

2015-16 Total General Fund Expenditures Reported on Exhibit C-1	\$ 97,653,105	
Less: Expenditures Allocated to Restricted Federal Resources as Reported on Exhibit D-2	<u>1,527,671</u>	
Adjusted 2015-16 General Fund and Other State Expenditures		\$ 96,125,434
Deceased by:		
On-Behalf TPAF Pension and Social Security		<u>9,495,642</u>
2015-16 General Fund Expenditures		86,629,792
2% of Adjusted 2015-16 General Fund Expenditures (Times .02)		1,732,596
Increased by: Allowable Adjustment		<u>38,641</u>
Maximum Unassigned Fund Balance		<u>\$ 1,771,237</u>
Total General Fund - Fund Balance at June 30, 2016	\$ 6,886,617	
Decreased by:		
Reserved for Encumbrances	1,187,560	
Assigned Fund Balance		
ARRA/SEMI	104,483	
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	<u>2,550,000</u>	
Total Unassigned Fund Balance		<u>\$ 3,044,574</u>
Reserved Fund Balance - Excess Surplus		<u>\$ 1,273,337</u>
<u>Recapitulation of Excess Surplus as of June 30, 2016</u>		
Restricted Fund Balance - Excess Surplus		<u>\$ 1,273,337</u>
Total		<u>\$ 1,273,337</u>
<u>Allowable Adjustments</u>		
Extraordinary Aid		<u>\$ 38,641</u>
Total Adjustments		<u>\$ 38,641</u>

CITY OF ORANGE TOWNSHIP SCHOOL DISTRICT

ENCUMBRANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Encumbrances per the June 30, 2016 Board Secretary's Report

\$ 1,368,130

<u>Description</u>	<u>Total by Category</u>	<u>Amount Properly Encumbered</u>	<u>Encumbrances Cancelled Through Audit Adjustments</u>
Professional and Technical Services	\$ 62,931	\$ 52,931	\$ 10,000
Textbooks	8,151		8,151
Professional Education Services	185,248	173,871	11,377
Other Purchased Services	25,600	25,500	100
Other Purchased Professional Services	141,109	141,109	
Various Salaries	123,131	122,830	301
Other Objects	25,497		25,497
Cleaning, Repairs, and Maintenance	12,256	4,543	7,713
Contacted Services (Other than Between Home and School)	19,326	19,226	100
General Supplies	115,012	108,401	6,611
Communications/Telephone	18,892	18,892	
Tuition	120,687	120,687	
Health Benefits	190,016	156,054	33,962
Social Security Contributions	59,546	59,546	
Other Retirement Contributions	33,000	3,300	29,700
Architecture Services	26,610	26,610	
Equipment	151,118	104,000	47,118
Land and Buildings	50,000	50,000	
	<u>1,368,130</u>	<u>1,187,500</u>	<u>180,630</u>
 Total Encumbrances Cancelled During the Audit			 <u>180,630</u>
 Fund Balance Reserve for Encumbrances in the CAFR			 <u><u>\$ 1,187,500</u></u>

