

PEMBERTON TOWNSHIP SCHOOL DISTRICT

**Pemberton, New Jersey
County of Burlington**

**Auditor's Management Report on Administrative Findings -
Financial, Compliance and Performance
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

TABLE OF CONTENTS

	PAGE
Report of Independent Auditors - Auditor's Management Report on Administrative Findings, Financial Compliance and Performance	1
Scope of Audit	3
Administrative Practices and Procedures:	
Insurance	3
Official Bonds	3
Tuition Charges	N/A
Financial Planning, Accounting and Reporting:	
Examination of Claims	3
Payroll Account	4
Employee Position Control Roster	4
Reserve for Encumbrances and Accounts Payable	4
Classification of Expenditures	4
Board Secretary's Records	4
Elementary & Secondary School Education Act (E.S.E.A.), as amended by the Improving America's Schools Act of 1994 (I.A.S.A.), as Reauthorized by the No Child Left Behind Act of 2001	4
Other Special Federal and/or State Project	5
T.P.A.F. Reimbursement	5
T.P.A.F. Reimbursement to the State for Federal Salary Expenditures	5
Demonstrably Effective Program Accounting	N/A
School Purchasing Programs:	
Contracts & Agreements Requiring Advertisement for Bids	5
School Food Service	6
Student Body Activities	7
Application for State School Aid	7
Pupil Transportation	7
Facilities and Capital Assets	N/A
Miscellaneous	N/A
Follow-up on Prior Year Findings	8
Review of OFAC Findings	8
Acknowledgment	8
Additional Information:	
Schedule of Meal Count Activity	N/A
Net Cash Resource Schedule	N/A
Schedule of Audited Enrollments	11
Excess Surplus Calculation	15

This page intentionally left blank



HOLMAN | FRENIA
ALLISON, P.C.
Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
6 E. Park Street, P.O. Box 614, Bordentown, NJ 08505 • Tel: 609.298.8639
795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090
926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090
www.hfacpas.com

**REPORT OF INDEPENDENT AUDITORS
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS, FINANCIAL COMPLIANCE AND PERFORMANCE**

Honorable President and Members
of the Board of Education
Pemberton Township School District
County of Burlington
Pemberton, New Jersey 08068

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Pemberton Township School District in the County of Burlington for the year ended June 30, 2016, and have issued our report thereon dated November 11, 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 Pemberton 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.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant
No. 1011

Medford, New Jersey
November 11, 2016

This page intentionally left blank



Honorable President and Members
of the Board of Education
Pemberton Township School District
County of Burlington
Pemberton, New Jersey 08068

**ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

Scope of Audit

The audit covered the financial transactions of the School Business Administrator/Board Secretary, the activities of the School District, 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.

Official Bonds

Name	Position	Amount
Patricia Austin	Business Administrator/Board Secretary	\$510,000

Tuition Charges

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

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employee's 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 School Business Administrator/Board Secretary.

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

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

Employee Position Control Roster

An inquiry and subsequent review of the Position Control Roster found no inconsistencies between the payroll records, employee benefit, the general ledger accounts to where wages are posted (administrative versus instruction), and the Position Control Roster.

Reserve for Encumbrances and Accounts Payable

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

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C.6A:23-1.2 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% 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 were found to be in satisfactory condition.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) 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.

The study of compliance for E.S.E.A. indicated no areas of noncompliance.

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 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 tests of compliance for the major federal and state programs selected did not indicate any areas of noncompliance.

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.

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 Report 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 Program

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A.18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general is available on the website:

<http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>

Current statute is posted on the New Jersey Legislature website at:

http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_Pg42

N.J.S.A.18A:18A-3 states:

- a) "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipts of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971, c.198 (C.40A:119) the board of education may establish that the bid threshold may be up to

School Purchasing Program

Contracts and Agreements Requiring Advertisement for Bids (continued):

\$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

- b) Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.18A:18A-2 (pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made.”

N.J.S.A.18A:18A-4 states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder 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 *N.J.S.A.18A:18A-3* except by contract or agreement.”

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is \$18,800 for 2015-16. The Pemberton Township School District currently has a Qualified Purchasing Agent.

The district Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year (contract year for July 1, 2015 and thereafter). 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.

Based on the results of my examination, I did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A. 18A:18A-4*.

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

School Food Service

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

School Food Service (continued):

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

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

Student Body Activities

A minimal cash receipts and disbursements record was maintained in satisfactory condition. The financial transactions of the student body activities were maintained in satisfactory condition.

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, bilingual and low-income. 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 without exception. 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 contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Follow-up on Prior Years' Findings

There were no prior year findings.

Review of OFAC Findings

We have also reviewed any findings contained in the audit reports issued by the Office of Fiscal Accountability and Compliance (OFAC). Corrective action had been taken on all findings in the report dated June 27, 2016.

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.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1011

Medford, New Jersey
November 11, 2016

ADDITIONAL INFORMATION

This page intentionally left blank

SCHEDULE OF AUDITED ENROLLMENTS (1)

PEMBERTON TOWNSHIP BOARD OF EDUCATION
 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		Workpapers		Errors		Sample Selected from Workpapers		Registers Verified per		Registers On Roll		Errors per Registers	Reported on A.S.S.A. as Private Schools	Verification	Sample	Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool - 3 Yr. Old	206	-	206	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4 Yr. Old	356	-	356	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	378	-	378	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-
One	351	-	351	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-
Two	316	-	316	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-
Three	361	-	361	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-
Four	301	-	301	-	-	-	17	-	17	-	-	-	-	-	-	-	-	-
Five	313	-	313	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-
Six	283	-	283	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-
Seven	309	-	309	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-
Eight	261	-	261	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-
Nine	277	-	277	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-
Ten	238	-	238	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-
Eleven	192	-	192	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-
Twelve	187	-	187	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-
Subtotal	4,329	-	4,329	-	-	-	262	-	262	-	-	-	-	-	-	-	-	-
Special Ed - Elementary	310	-	310	-	-	-	20	-	20	-	-	-	-	5	4	4	4	-
Special Ed - Middle School	162	-	162	-	-	-	15	-	15	-	-	-	-	8	7	7	7	-
Special Ed - High School	179	-	179	-	-	-	15	-	15	-	-	-	-	30	26	26	26	-
Subtotal	651	-	651	-	-	-	50	-	50	-	-	-	-	43	37	37	37	-
Totals	4,980	-	4,980	-	-	-	312	-	312	-	-	-	-	43	37	37	37	-

Percentage Error

-

-

-

-

-

SCHEDULE OF AUDITED ENROLLMENTS (2)

PEMBERTON TOWNSHIP BOARD OF EDUCATION
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 LEP low Income			Resident LEP Low Income		
	Reported on A.S.S.A. as Low Income	Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on LEP low Income	Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score & Register	Sample Errors
Full Day Kindergarten	218	218	-	17	17	-	-	-	-	-	-	-
One	194	194	-	17	17	-	6	6	-	5	5	-
Two	171	171	-	17	17	-	4	4	-	4	4	-
Three	203	203	-	17	17	-	5	5	-	5	5	-
Four	179	179	-	17	17	-	2	2	-	1	1	-
Five	178	178	-	17	17	-	-	-	-	-	-	-
Six	158	158	-	17	17	-	1	1	-	1	1	-
Seven	181	181	-	17	17	-	-	-	-	-	-	-
Eight	136	136	-	17	17	-	-	-	-	-	-	-
Nine	152	152	-	17	17	-	1	1	-	1	1	-
Ten	134	134	-	17	17	-	-	-	-	-	-	-
Eleven	95	95	-	17	17	-	-	-	-	-	-	-
Twelve	78	78	-	17	17	-	-	-	-	-	-	-
Subtotal	2,077	2,077	-	221	221	-	19	19	-	17	17	-
Special Ed - Elementary	210	210	-	17	17	-	4	4	-	3	3	-
Special Ed - Middle School	105	105	-	17	17	-	1	1	-	1	1	-
Special Ed - High School	119	119	-	17	17	-	-	-	-	-	-	-
Subtotal	434	434	-	51	51	-	5	5	-	4	4	-
Totals	2,511	2,511	-	272	272	-	24	24	-	21	21	-
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-

	Transportation		
	Reported on DRTRs by DOE/county	Reported on DRTRs by District	Errors
Reg. - Public Schools, col. 1	3,000	3,000	-
Reg - SpEd, col. 4	571	571	-
All, col. 2	75	75	-
Special Ed Spec, col. 6	177	177	-
Totals	3,823	3,823	-
Percentage Error	-	-	-

SCHEDULE OF AUDITED ENROLLMENTS (3)

**PEMBERTON TOWNSHIP BOARD OF EDUCATION
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 NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Two	2	2	-	2	2	-
Three	2	2	-	1	1	-
Ten	1	1	-	1	1	-
Eleven	1	1	-	1	1	-
Twelve	1	1	-	1	1	-
Subtotal	<u>7</u>	<u>7</u>	<u>-</u>	<u>6</u>	<u>6</u>	<u>-</u>
Special Ed - Elementary	1	1	-	1	1	-
Special Ed - Middle School	1	1	-	-	-	-
Subtotal	<u>2</u>	<u>2</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Totals	<u><u>9</u></u>	<u><u>9</u></u>	<u><u>-</u></u>	<u><u>7</u></u>	<u><u>7</u></u>	<u><u>-</u></u>
Percentage Error			<u><u>-</u></u>			<u><u>-</u></u>

This page intentionally left blank

EXCESS SURPLUS CALCULATION

SECTION 1

Calculation A: 2% Excess Surplus:

All Districts required to use school-based budgeting are required to complete this calculation using 2% on line A10.

2015-2016 Total General Fund Expenditures Reported on Exhibit (C-1)	\$ <u>106,770,907</u> (A)
Increased by Applicable Operating Transfers:	
Transfer from Capital Outlay to Capital Projects	\$ <u>-</u> (A1a)
Transfer from Capital Reserve to Capital Projects	\$ <u>-</u> (A1a)
Transfer from General Fund to SRF for Preschool-Regular	\$ <u>-</u> (A1a)
Transfer from General Fund to SRF for Preschool-Inclusion	\$ <u>-</u> (A1a)
Less: Expenditures Allocated to Restricted Federal Resources as Reported on Exhibit D-2	\$ <u>-</u> (A1b)
2015-2016 Adjusted General Fund & Other State Expenditures [(A)-(A1)]	\$ <u>106,770,907</u> (A2)
Decreased by:	
On-Behalf TPAF Pension & Social Security Assets Acquired Under Capital Leases:	\$ <u>10,664,025</u> (A3)
General Fund 2016 Assets Acquired Under Capital Leases reported on Exhibit C-1a	\$ <u>-</u> (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	\$ <u>-</u> (A5)
Combined General Fund Contribution & State Resources Percent of Fund 15 Resources Reported on Exhibit D-2	<u>-</u> % (A6)
General Fund & State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5)*(A6)]	\$ <u>-</u> (A7)
Total Assets Acquired Under Capital Leases [(A4)+(A7)]	\$ <u>-</u> (A8)
2015-2016 General Fund Expenditures [(A-2)-(A-3)-(A-8)]	\$ <u>96,106,882</u> (A9)
2% of Adjusted 2015-2016 General Fund Expenditures [(A9) times .02]	\$ <u>1,922,138</u> (A10)
Enter Greater of (A10) or \$250,000	\$ <u>1,922,138</u> (A11)
Increased by: Allowable Adjustment *	\$ <u>278,479</u> (K)
Maximum Unassigned Fund Balance [(A11)+(K)]	\$ <u><u>2,200,617</u></u> (M)

EXCESS SURPLUS CALCULATION (continued):

SECTION 2:

Total General Fund - Fund Balances at June 30, 2016	\$ <u>32,458,767</u> (C)
Decreased by:	
Year-End Encumbrances	\$ <u>1,565,737</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ <u>4,421,340</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>3,208,497</u> (C3)
Other Restricted/Reserved Fund Balances ****	\$ <u>20,948,774</u> (C4)
Assigned - Designated for Subsequent Year's Expenditures	\$ <u>119,260</u> (C5)
Total Unassigned Fund Balance {(C)-(C1)-(C2)-(C3)-(C4)-(C5)}	\$ <u>2,195,159</u> (U)

SECTION 3

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

Footnotes:

* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

(H) Federal Impact Aid. The passage of P.L. 2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year ending June 30, 2015 the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);

(I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);

(J1) Extraordinary Aid;

(J2) Additional Nonpublic Transportation Aid;

(J3) Recognized current year School Bus Advertising Revenue; and

(J4) Family Crisis Transportation Aid.

Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ <u>-</u> (H)
Sale & Lease-back	\$ <u>-</u> (I)
Extraordinary Aid	\$ <u>265,429</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>13,050</u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ <u>-</u> (J3)
Family Crisis Transportation Aid	\$ <u>-</u> (J4)
Total Adjustments {(H)+(I)+(J1)+(J2)+(J3)}	\$ <u>278,479</u> (K)

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

*** The amount entered must agree with the June 30, 2016 CAFR and Audit Summary Worksheet Line 90030

EXCESS SURPLUS CALCULATION (continued):

SECTION 3 (continued):

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

Detail of Other Reserved Fund Balance

Statutory Restrictions:

Approved Unspent Separate Proposal	\$ -
Sale/Lease-Back Reserve	\$ -
Capital Reserve	\$ 8,115,806
Maintenance Reserve	\$ 7,050,000
Emergency Reserve	\$ 1,000,000
Tuition Reserve	\$ 100,000
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)	\$ 4,682,968
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$ -
Other State/Government Mandated Reserve	\$ -
Other Restricted/Reserved Fund Balance Not Noted Above ****	\$ -
 Total Other Restricted/Reserved Fund Balance	 \$ 20,948,774 (C4)

This page intentionally left blank