

Auditor's Management Report

for the

*Borough of South Plainfield
School District*

in the

*County of Middlesex
New Jersey*

for the

*Fiscal Year Ended
June 30, 2016*

**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS – FINANCIAL AND COMPLIANCE**

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Tax ID Number 22-6002313



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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
South Plainfield Board of Education
South Plainfield, New Jersey 07506

We have audited, in accordance with U.S. generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Borough of South Plainfield School District in the County of Middlesex for the year ended June 30, 2016, and have issued our report 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 are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information of the Borough of South Plainfield School District, County of Middlesex, New Jersey, the New Jersey Department of Education and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

December 2, 2016

Independent Auditor's Management Report of Administrative Findings – Financial Compliance

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the activities of the Borough of South Plainfield - Board of Education, 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 the Insurance Schedule (Exhibit J-20) contained in the District's Comprehensive Annual Financial Report (CAFR).

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

<u>Name</u>	<u>Position</u>	<u>Amount of Bonds</u>
Alexander Ferreira	Business Administrator/Board Secretary	\$350,000.00
Glenn Cullen	Treasurer of School Monies	\$350,000.00

There is a Public Employees' Blanket Position Bond with New Jersey Schools Insurance Group (NJSIG) covering all other employees with multiple coverage of \$500,000.

Financial Planning, Accounting and Reporting

Examination of Claims

Our audit of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Accounts

The net salaries of all employees of the Board were deposited in the Net Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

All payrolls tested were approved by the Superintendent and were certified by the President of the Board, the Board Secretary/Business Administrator and the Chief School Administrator.

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

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

Financial Planning, Accounting and Reporting (Continued)

Payroll Accounts (Continued)

Payrolls were delivered to the treasurer of school monies with a warrant made to his order for the full amount of each payroll.

2016-01 Finding: An analysis of the balance on account in the Payroll Agency account was not maintained.

2016-01 Recommendation: That an analysis of the balance on account in the Payroll Agency account be maintained.

Position Control Roster

The Position Control Roster was reviewed and compared to payroll records, employee benefit records and charges made to the general ledger to ensure proper and consistent financial reporting and that employee benefits are only offered to current employees.

Reserve for Encumbrances and 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 reserve 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.

***2016-02 Finding:** We noted several open purchase orders on the accounting records that were not valid encumbrances. They were subsequently canceled to reflect the proper balance at June 30, 2016.

***2016-02 Recommendation:** A thorough review of open purchase orders should be performed at year end.

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.

Independent Auditor's Management Report of Administrative Findings – Financial Compliance

Classification of Expenditures (Continued)

2016-03 Finding: During our test of expenditures it was noted that several expenditures were misbudgeted and miscoded. The expenditures and related appropriations were reclassified to the proper line items.

2016-03 Recommendation: The District should reference The Uniform Minimum Chart of Accounts for the proper classifications required to be in compliance with N.J.A.C. 6A:23A-16.2(f).

Board Secretary's Records

The records maintained by the Board Secretary were in agreement with the records maintained by the Treasurer.

Treasurer's Records

The records maintained by the Treasurer were in satisfactory condition and were in agreement with the records maintained by the Board Secretary/Business Administrator.

Elementary and Secondary Education Act (E.S.E.A.)/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 Title I, Title II and Title III of the Elementary and Secondary Education Act as amended and reauthorized.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibits K-3 and K-4 located in the CAFR.

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

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

***2016-04 Finding:** The District does not have a complete and detailed accounting of the outstanding receivable and deferred revenue balances by program for the various local grants in the Special Revenue Fund.

***2016-04 Recommendation:** The District maintain a detailed accounting of its local grant program balances in the Special Revenue Fund.

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

T.P.A.F. Reimbursement

Our audit procedures included a test of the semi-monthly reimbursement filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

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 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.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 \$29,000.00, 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 therefor, except that the board of education may adopt a resolution to set a lower threshold for the receipt 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:11-9) the board of education may establish that the bid threshold may be up to \$40,000.00. Such authorization may be granted for each contract for 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.A. 18A:18A-2 and shall round the adjustment to the nearest \$1,000.00. 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 every year in which it is made. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection a. of N.J.S.A. 18A:18A-5 may be awarded for a period not exceeding 12 consecutive months."

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 therefor, except as is provided otherwise in this chapter or specifically by any other law.

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

The Board of Education may, by resolution, approve by the majority of the board of education and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the board of education finds that it has had negative prior experience with the bidder.”

Effective July 1, 2015, the bid threshold in accordance with N.J.S.A. 18A:18A-3(a) and (c) is \$29,000.00. In accordance with N.J.S.A. 40A:11-9 (b) the bid threshold for all purchases made by the District's qualified purchasing agent is \$40,000.00. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18:39-3 is currently \$18,800.00.

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 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 thresholds where there had been no advertising for bids in accordance with the provisions 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.

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. Our examination did reveal however, that the district made purchases through the use of state contracts.

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

***2016-05 Finding:** Our audit revealed the following:

-There were two instances where transportation expenses for trips in the Adult School exceeded the quote threshold where quotes were not obtained. In addition, the vendor was paid \$56,275.00 in the aggregate for the school year. In addition, we noted that pricing on parts.

-Pricing on the markup of parts for bus repairs was not verified by District employees.

***2016-05 Recommendation:** Internal control procedures be reviewed and enhanced to ensure purchases and contract awards in excess of the bid or quote threshold are made in accordance with the Public School Contracts Law and paid in accordance with approved agreements.

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.

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. The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the edit check worksheet was completed. Reimbursement vouchers were timely filed, and meals claimed agreed with meal count records.

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 priced meal policy is uniformly administered throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

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.

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

School Food Service (Continued)

The cash disbursements records reflected expenditures for program related goods and services. The District is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. 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.

Net cash resources did not exceed three months average expenditures.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Service employees. No exceptions were noted.

Cash receipts and bank records were reviewed for timely deposit.

National Food Distribution Commodities were received and an inventory was maintained on a first-in, first-out basis.

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

2016-06 Finding: Reference to Exhibit "G-4" showed a deficit of \$26,441.41 in the Food Service Fund at June 30, 2016.

2016-06 Recommendation: That provisions be made for the Food Service Fund deficit.

Student Body Activities

The records for the Student Body Activities were maintained in satisfactory condition.

Other Enterprise Funds

A formal cash receipts and cash disbursements journal was maintained for the Preschool, Latchkey and Adult School Program's transactions.

***2016-07 Finding:** It appears late fees are not being paid when assessed to participants and unpaid amounts are not reflected on the Districts accounting records.

***2016-07 Recommendation:** That late fees be collected in a timely manner and balances due be reflected on the Districts accounting records.

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2015 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and bilingual. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers with minor exceptions. The information that was included on the workpapers was verified with minor 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 had written procedures for the recording of student enrollment.

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.

***2016-08 Finding:** Our audit of the District Report of Transported Resident Students (DRTRS) revealed that amounts reported were not always in agreement with supporting documentation.

***2016-08 Recommendation:** Internal controls be enhanced to ensure the District Report of Transported Resident Students is in agreement with supporting documentation.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the district complied with proper bidding procedures and award of contracts. The 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.

Capital Assets and Facilities

Our procedures included a review of the SDA grant agreements for consistency with recording of SDA revenue, transfer of local funds from the general or capital reserve account, and awarding of contracts for eligible facilities construction.

2016-09 Finding: Project opening balances were not properly reflected on the Districts accounting records. This resulted in several projects being overexpended.

2016-09 Recommendation: That project opening balances be properly reflected on the Districts accounting records.

FOLLOW-UP ON PRIOR YEAR'S FINDINGS:

In accordance with governmental auditing standards, our procedures included a review of all prior year recommendations. Corrective action has been taken on all of the prior year's findings except those marked with an asterisk on the following page.

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

Recommendations

Administrative Practices and Procedures

None

Financial Planning, Accounting and Reporting

2016-01 Recommendation: That an analysis of the balance on account in the Payroll Agency account be maintained.

***2016-02 Recommendation:** A thorough review of open purchase orders should be performed at year end.

2016-03 Recommendation: The District should reference The Uniform Minimum Chart of Accounts for the proper classifications required to be in compliance with N.J.A.C. 6A:23A-16.2(f).

***2016-04 Recommendation:** The District maintain a detailed accounting of its local grant program balances in the Special Revenue Fund.

School Purchasing Program

***2016-05 Recommendation:** Internal control procedures be reviewed and enhanced to ensure purchases and contract awards in excess of the bid or quote threshold are made in accordance with the Public School Contracts Law and paid in accordance with approved agreements.

School Food Service

2016-06 Recommendation: That provisions be made for the Food Service Fund deficit.

Other Enterprise Funds

***2016-07 Recommendation:** That late fees be collected in a timely manner and balances due be reflected on the Districts accounting records.

Student Body Activities

None.

Application for State School Aid

None

**Independent Auditor's Management Report of Administrative
Findings – Financial Compliance**

Recommendations (Continued)

Pupil Transportation

***2016-08 Recommendation:** Internal controls be enhanced to ensure the District Report of Transported Resident Students is in agreement with supporting documentation.

Capital Assets and Facilities

2016-09 Recommendation: That project opening balances be properly reflected on the Districts accounting records.

Prior Year Audit Findings

In accordance with governmental auditing standards, our procedures included a review of all prior year recommendations. Corrective action has been taken on all of the prior year's findings except those marked with an asterisk on the following page.

SOUTH PLAINFIELD BOARD OF EDUCATION
 SCHEDULE OF AUDITED ENROLLMENTS
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2015

	2016-17 Application for State School Aid (10/15/15 data)						Sample for Verification				Private School for Disabled						
	Reported as on Roll		Reported on Workpapers on Roll		Errors		Selected from Workpapers		Verified per Registers on Roll		Errors per Registers on Roll		Reported on A.S.A. as Private Schools		Sample for Verification		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	
Half Day Preschool 3 years old	57		57				57		57								
Full Day Preschool 3 year old	6		6				6		6								
Half Day Preschool 4 years old	62		62				62		62								
Full Day Preschool 4 year old	19		19				19		19								
Half Day Kindergarten	200		200				50		50								
Full Day Kindergarten	214		214				44		44								
One	223		223				76		76								
Two	228		228				59		59								
Three	213		213				42		42								
Four	226		226				226		226								
Five	239		239				239		239								
Six	235		235				235		235								
Seven	208		208				208		208								
Eight	217		217				217		217								
Nine	243		243				243		243								
Ten	229		229				229		229								
Eleven	237		237				237		237								
Twelve																	
Post-Graduate																	
Adult H.S. (15+ CR.)																	
Adult H.S. (1-14 CR.)																	
Subtotal	3056		3055		1		2249		2248		1						
Sp. Ed. - Elementary	202		202				33		33								
Sp. Ed. - Middle School	126		127		-1		77		78		-1						
Sp. Ed. - High School	143		143				143		143								
Subtotal	471		472		-1		253		254		-1						
Co. Voc. - Regular																	
Co. Voc. Ft. Post.Sec.																	
Totals	3527		3527				2502		2502						14		12
Percentage Error																	0%

**SOUTH PLAINFIELD BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
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.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.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 3 years old	40	40		4	4		2	2		2	2	
Full Day Preschool 3 years old	53	53		6	6							
Half Day Preschool 4 years old	50	50		6	6		1	1		1	1	
Full Day Preschool 4 years old	50	47		5	4							
Half Day Kindergarten	50	50		6	6							
Full Day Kindergarten	57	57		6	6		3	3		2	2	
One	63	63		7	7							
Two	73	73		8	8		4	4		3	3	
Three	60	60		7	7		2	2		2	2	
Four	58	58		6	6		1	1		1	1	
Five	66	66		7	7		4	4		3	3	
Six	62	62		7	7		1	1		1	1	
Seven	57	57		6	6		2	2		2	2	
Eight												
Nine												
Ten												
Eleven												
Twelve												
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	736	736		81	81		20	20		17	17	
Special Ed - Elementary	64	63	1	7	7							
Special Ed - Middle	45	45		5	5							
Special Ed - High	63	63		8	8							
Subtotal	172	171	1	20	20							
Totals	908	907	1	101	101		20	20		17	17	
Percentage Error			0.11%									0%

Transportation

	Reported on DRTS by DOE/county	Reported on DRTS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	330	330		59	52	7
AIL - Non-Public						
Reg - SpEd, col. 4	7	7		1	1	
Transported - Non-Public, col. 3	52	52		9	9	
Special Ed Spec, col. 6	134	134		24	24	
Totals	523	523		93	86	7
Percentage Error			0%			7.53%

	District Reported	County Re-Calculated
Avg. Mileage - Regular Including Grade PK students	3.8	3.8
Avg. Mileage - Regular Excluding Grade PK students	3.8	3.8
Avg. Mileage - Special Ed with Special Needs	4.6	4.6

SOUTH PLAINFIELD BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2015

	Resident LEP NOT Low Income		Sample for Verification			
	Reported on A.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool 3 years old						
Full Day Preschool 3 years old						
Half Day Preschool 4 years old						
Full Day Preschool 4 years old						
Half Day Kindergarten						
Full Day Kindergarten	2	2		2	2	
One	2	2		1	1	
Two	1	1		1	1	
Three						
Four						
Five						
Six	1	1		1	1	
Seven	2	2		2	2	
Eight						
Nine						
Ten						
Eleven						
Twelve						
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	8	8		7	7	
Special Ed - Elementary						
Special Ed - Middle						
Special Ed - High						
Subtotal						
Totals	8	8		7	7	
Percentage Error			0%			0%

SOUTH PLAINFIELD SCHOOL DISTRICT
SCHEDULE OF CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2015 - 2016 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>60,948,083.81</u>	
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>6,353,684.09</u>	
Adjusted 2015 - 2016 General Fund Expenditures		\$ <u>54,594,399.72</u>
2% of Adjusted 2015 - 2016 General Fund Expenditures		\$ <u>1,091,887.99</u>
Greater of Line Above or \$250,000.00		\$ <u>1,091,887.99</u>
Increased by: Allowable Adjustment		\$ <u>184,240.28</u>
Maximum Unreserved/Undesignated Fund Balance		\$ <u><u>1,276,128.27</u></u>

SECTION 2

Total General Fund - Fund Balances @ 6-30-16	\$ <u>6,052,900.50</u>	
Decreased by:		
Year-End Encumbrances	\$ <u>449,220.09</u>	
Legally Restricted-Excess Surplus-Designated for Subsequent Year's Expenditures	\$ <u>1,214,259.00</u>	
Other Restricted Fund Balances	\$ <u>2,190,534.96</u>	
Assigned Fund Balance - Unreserved-Designated for Subsequent Year's Expenditures	\$ <u>108,104.00</u>	
Total Unassigned Fund Balance		\$ <u>2,090,782.45</u>

SECTION 3

Restricted Fund Balance-Excess Surplus		\$ <u><u>814,654.18</u></u>
<u>Recapitulation of Excess Surplus as of June 30, 2016</u>		
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures		\$ <u>1,214,259.00</u>
Reserved Excess Surplus		\$ <u>814,654.18</u>
Total Excess Surplus		\$ <u><u>2,028,913.18</u></u>

Detail of Allowable Adjustments

Extraordinary Aid	\$ 136,758.00
Semi Reimbursement	\$ 22,078.28
Additional Non-Public School Transportation Aid	\$ <u>25,404.00</u>
	\$ <u><u>184,240.28</u></u>

Detail of Other Restricted Fund Balance:

Capital Reserve	\$ 1,291,879.54
Emergency Reserve	197,335.30
Maintenance Reserve	<u>701,320.12</u>
	\$ <u><u>2,190,534.96</u></u>

