



**SPOTSWOOD BOROUGH SCHOOL DISTRICT
SPOTSWOOD, NEW JERSEY**

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

JUNE 30, 2016

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Independent Auditors' Report

Honorable President and Members
of the Board of Education
Spotswood Borough School District
County of Middlesex, New Jersey

We have audited, in accordance with generally accepted auditing 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 Spotswood Borough School District, County of Middlesex for the year ended June 30, 2016, and have issued our report thereon dated November 22, 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 Spotswood Borough Board of Education's management and Board members and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



David J. Gannon
Licensed Public School Accountant
No. 2305



WISS & COMPANY, LLP

November 22, 2016
Livingston, New Jersey

SPOTSWOOD BOROUGH 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 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

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

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Vita Marino	Board Secretary/School Business Administrator	\$500,000
Brian DeLucia	Treasurer of School Moneys	500,000

There is a Public Employees' Faithful Performance Bond with the New Jersey School Boards Association Insurance Group covering all other employees with coverage of \$500,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made a proper adjustment ("billing") to sending Districts for the increase (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*, which is performed as part of the District's annual budget process.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period did not indicate any 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 and 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 and the Board Secretary/Business Administrator.

SPOTSWOOD BOROUGH SCHOOL DISTRICT

ADMINISTRATIVE FINDINGS-FINANCIAL, COMPLIANCE AND PERFORMANCE

JUNE 30, 2016

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

Our review of the payroll account did not indicate any exceptions with respect to deposit of employee's payroll deductions and fringe benefits or salary withholdings and proper approval.

Our review of the payroll account revealed no exceptions.

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 noted no exceptions.

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 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 disclosed the following exceptions:

Finding 2016-001

Finding

During the development of the 2016 fiscal year budget, the District over budgeted the amount due for principal and interest for the 2012 School Energy Savings Obligation Refunding Bonds. The amount, \$179,687.50, was budgeted in both the general fund and debt service fund budgets. The appropriation for this type of debt is required to be budgeted for in the general fund.

Recommendation

We suggest the District strengthen the controls over the budgeting process to ensure that there are no duplicate budget appropriations.

SPOTSWOOD BOROUGH SCHOOL DISTRICT

ADMINISTRATIVE FINDINGS-FINANCIAL,
COMPLIANCE AND PERFORMANCE

JUNE 30, 2016

Finding 2016-002

Finding

Annually, during the preparation of the budget, the Business Administrator is required to prepare a tax levy certification in support of the amount that will be levied to support the District's general fund and debt service fund budgets. This certification is prepared and certified by the District and then submitted to the municipality for the Borough Clerk to certify. The municipal government has responsibility for certifying the total tax levy to the County and then preparing the quarterly tax bills. During the 2015-2016 budget process the Interim Business Administrator incorrectly deferred the levying of certain debt service amounts until the 2016 calendar year, when the amounts should have been levied during the 2015 calendar year.

Recommendation

We suggest the District strengthen the controls over the preparation of the tax levy certification during the annual budget process to ensure that amounts are levied during the correct period.

Treasurer's Records

Our review of the financial and accounting records maintained by the Treasurer disclosed no exceptions.

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 (NCLB) Act of 2001

The E.S.E.A./I.A.S.A./NCLB financial exhibits are contained within the Special Revenue Section of the Comprehensive Annual Financial Report (CAFR). This section of the CAFR documents the financial position pertaining to the projects under the NCLB.

The study of compliance for E.S.E.A./I.A.S.A./N.C.L.B. indicated no areas of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (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.

The study of compliance for the special projects indicated no exceptions.

SPOTSWOOD BOROUGH SCHOOL DISTRICT

ADMINISTRATIVE FINDINGS-FINANCIAL,
COMPLIANCE AND PERFORMANCE

JUNE 30, 2016

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.

TPAF Reimbursement to the State for Federal Salary Expenditures

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 and no exceptions were noted.

Nonpublic State Aid

Our review of the Nonpublic State Aid completion reports disclosed no exceptions.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2015 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 law regulating bidding for public school transportation contracts under *N.J.S.A. 18A:39-3* is currently \$18,800.

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. 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.

Procedures were performed on a test basis, to indicate if any individual payments, contracts, or agreements were 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.

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

No exceptions were noted.

SPOTSWOOD BOROUGH SCHOOL DISTRICT

**ADMINISTRATIVE FINDINGS-FINANCIAL,
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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 and appropriate school food service personnel as to whether the SFA had any Child Nutrition Program reimbursement over claims or under claims and as to whether the SFA's expenditures of 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 B-4 through B-6 section of the CAFR.

Student Body Activities

During our audit of the student activity funds, we noted the following exception:

Finding 2016-003

Finding:

During our testing of cash receipts, we noted four instances where cash receipts were not promptly deposited within 5 business days in the respective student activity bank accounts.

Recommendation:

We suggest that student activity funds are deposited within a timely manner.

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 work papers with no material exceptions as presented in the Schedule of Audited Enrollments. The information that was included on the work papers was verified and presented in the Schedule of Audited Enrollments with no exceptions identified. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained work papers on the prescribed state forms or their equivalent.

The District has adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2015-2016 District Report of Transported Resident Students ("DRTRS"). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

SPOTSWOOD BOROUGH SCHOOL DISTRICT

**ADMINISTRATIVE FINDINGS-FINANCIAL,
COMPLIANCE AND PERFORMANCE**

JUNE 30, 2016

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 District did not purchase any buses during the 2015-2016 school year.

Facilities and Capital Assets

Our procedures included a review of the New Jersey Schools Development Authority (“NJSDA”) grant agreements for consistency with recording NJSDA revenue, transfer of local funds from the general fund or from the capital reserve account and awarding of contracts for eligible 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 had been taken on all prior year findings.

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.

SPOTSWOOD BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2015

	2016-2017 Application for State School Aid (10/15/15 data)						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				
Full Day Preschool - 3 Years	5.0	-	5.0	-	-	-	5.0	-	5.0	-	-	-				
Full Day Preschool - 4 Years	26.0	-	26.0	-	-	-	26.0	-	26.0	-	-	-				
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-				
Full Day Kindergarten	80.0	-	79.0	-	1.0	-	80.0	-	79.0	-	1	-				
One	92.0	-	91.0	-	1.0	-	92.0	-	91.0	-	1	-				
Two	91.0	-	91.0	-	-	-	91.0	-	91.0	-	-	-				
Three	106.0	-	106.0	-	-	-	106.0	-	106.0	-	-	-				
Four	111.0	-	111.0	-	-	-	111.0	-	111.0	-	-	-				
Five	107.0	-	107.0	-	-	-	107.0	-	107.0	-	-	-				
Six	106.0	-	106.0	-	-	-	106.0	-	106.0	-	-	-				
Seven	84.0	-	84.0	-	-	-	84.0	-	84.0	-	-	-				
Eight	99.0	-	99.0	-	-	-	99.0	-	99.0	-	-	-				
Nine	161.0	-	161.0	-	-	-	161.0	-	161.0	-	-	-				
Ten	155.0	-	155.0	-	-	-	155.0	-	155.0	-	-	-				
Eleven	180.0	-	180.0	-	-	-	180.0	-	180.0	-	-	-				
Twelve	180.0	2.0	181.0	2.0	(1.0)	-	182.0	-	183.0	-	(1)	-				
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-				
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-				
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-				
Subtotal	1,583.0	2.0	1,582.0	2.0	1.0	-	1,585.0	-	1,584.0	-	1	-				
Special Ed. Elementary	74.0	-	76.0	-	(2.0)	-	33.0	-	33.0	-	-	-	5.0	4.0	4.0	-
Special Ed. Middle	34.0	-	34.0	-	-	-	34.0	-	34.0	-	-	-	4.0	4.0	4.0	-
Special Ed. High School	82.0	1.0	83.0	1.0	(1.0)	-	83.0	-	84.0	-	(1)	-	2.5	2.0	2.0	-
Subtotal	190.0	1.0	193.0	1.0	(3.0)	-	150.0	-	151.0	-	(1)	-	11.5	10.0	10.0	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - First Post Secondary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,773.0	3.0	1,775.0	3.0	(2.0)	-	1,735.0	-	1,735.0	-	-	-	11.5	10.0	10.0	-
Percentage Error					-0.1%	0.0%					0.0%	0.0%				0.0%

SPOTSWOOD BOROUGH SCHOOL DISTRICT
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.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 Application and Register	Sample Errors
Full Day Preschool - 3 Years	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4 Years	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	13	13	-	5	5	-	1	1	-	1	1	-
One	12	15	(3)	9	9	-	2	2	-	2	2	-
Two	24	20	4	5	5	-	1	1	-	1	1	-
Three	15	14	1	12	12	-	2	2	-	2	2	-
Four	20	20	-	7	7	-	-	-	-	-	-	-
Five	14	14	-	6	6	-	-	-	-	-	-	-
Six	11	11	-	6	6	-	-	-	-	-	-	-
Seven	15	15	-	8	8	-	-	-	-	-	-	-
Eight	14	13	1	10	10	-	1	1	-	1	1	-
Nine	18	18	-	11	11	-	-	-	-	-	-	-
Ten	13	13	-	9	9	-	-	1	(1)	1	1	-
Eleven	19	19	-	8	8	-	-	-	-	-	-	-
Twelve	19	19	-	10	10	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	207	204	3	106	106	-	7	8	(1)	8	8	-
Special Ed. Elementary	25	21	4	15	15	-	-	-	-	-	-	-
Special Ed. Middle	9	6	3	4	4	-	-	-	-	-	-	-
Special Ed. High School	28	28	-	15	15	-	1	1	-	1	1	-
Subtotal	62	55	7	34	34	-	1	1	-	1	1	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - First Post Secondar	-	-	-	-	-	-	-	-	-	-	-	-
Total	269	259	10	140	140	-	8	9	(1)	9	9	-
Percentage Error			3.7%			0.0%			-12.5%			0.0%

SPOTSWOOD BOROUGH SCHOOL DISTRICT

SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY (continued)

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 and Register	Sample Errors
Full Day Preschool - 3 Years	-	-	-	-	-	-
Full Day Preschool - 4 Years	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	2	2	-	1	1	-
One	1	1	-	1	1	-
Two	-	-	-	-	-	-
Three	1	1	-	1	1	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-
Subtotal	<u>4</u>	<u>4</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Special Ed. Elementary	-	-	-	-	-	-
Special Ed. Middle	-	-	-	-	-	-
Special Ed. High School	-	-	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
County Vocational - Regular	-	-	-	-	-	-
County Vocational - First Post Secondary	-	-	-	-	-	-
Total	<u>4</u>	<u>4</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
			<u>0.0%</u>			<u>0.0%</u>

Transportation

	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public	329	329	-	156	156	-
Transportation Non-Public	17	17	-	8	8	-
AIL - Non Public	31	31	-	15	15	-
Special Education - Public	-	-	-	-	-	-
Special Education/ Special Needs	38	38	-	18	18	-
Charter Schools	-	-	-	-	-	-
Totals	<u>415</u>	<u>415</u>	<u>-</u>	<u>197</u>	<u>197</u>	<u>-</u>
Percentage Error			<u>0.0%</u>			<u>0.0%</u>

	<u>Reported</u>	<u>Recalculated</u>
Average mileage - regular including Grade PK students	3.6	3.6
Average mileage - regular excluding Grade PK students	3.6	3.6
Average mileage - special education with special needs	6.1	6.1

SPOTSWOOD BOROUGH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

SECTION 1

A. 2% Calculation of Excess Surplus

2015-16 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ 28,210,705 (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	\$ - (B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ - (B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ - (B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ - (B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	\$ 2,919,960 (B2a)
Assets Acquired Under Capital Leases	\$ 334,905 (B2b)
Adjusted 2015-16 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ 24,955,840 (B3)
2% of Adjusted 2015-16 General Fund Expenditures [(B3) times .02]	\$ 499,117 (B4)
Enter Greater of (B4) or \$250,000	\$ 499,117 (B5)
Increased by: Allowable Adjustment*	\$ 192,162 (K)
Maximum UnassignedUndesignated - Unreserved Fund Balance [(B5) + (K)]	\$ 691,279 (M)

SECTION 2

Total General Fund - Fund Balances at 6-30-16 (Per CAFR Budgetary Comparison Schedule C-1)	\$ 4,236,571 (C)
Decreased by:	
Year End Encumbrances	\$ 113,352 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ - (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ 590,090 (C3)
Other Restricted Fund Balances****	\$ 2,245,934 (C4)
Assigned Fund Balance-Unreserved- Designated for Subsequent Year's Expenditures	\$ - (C5)
Assigned Fund Balance ARRA/SEMI - Unreserved - Designated for Subsequent Year's Expenditures	\$ 3,189 (C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ 1,284,006 (U1)

SPOTSWOOD BOROUGH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

SECTION 3

Restricted Fund Balance - Excess Surplus ***
 [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 592,727 (E)

Recapitulation of Excess Surplus as of June 30, 2016

Reserved Excess Surplus - Designated for Subsequent Year's
 Expenditures ** \$ 590,090 (C3)
 Reserved Excess Surplus *** [(E)] \$ 592,727 (E)

 Total Excess Surplus [(C3)+(E)] \$ 1,182,817 (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 School Transportation Aid;
 (J3) Recognized current year School Bus Advertising Revenue; and
 (J4) Family Crisis Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ <u> </u> - (H)
Sales & Lease-back	\$ <u> </u> - (I)
Extraordinary Aid	\$ <u>186,203</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>5,959</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>192,162</u> (K)

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

*** Amount must agree to the June 30, 2016 CAFR and must agree to Audit Summary Line 90030.

Amount for Other Reserved 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.

SPOTSWOOD BOROUGH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2016

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 1,111,864
Emergency reserve	\$ -
Maintenance reserve	\$ 1,134,070
Tuition reserve	\$ -
School bus advertising 50% fuel offset reserve - current year	\$ -
School bus advertising 50% fuel offset reserve - prior year	\$ -
Impact Aid General Fund Reserve	\$ -
Impact Aid Capital Fund Reserve	\$ -
Other State / government madated reserve	\$ -
[Other Restricted Fund Balance not noted above]****	\$ -
Total Other Restricted Fund Balance	\$ 2,245,934 (C4)