

SUSSEX TECHNICAL SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SUSSEX COUNTY TECHNICAL SCHOOL
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
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November 15, 2016

The Honorable President and Members
of the Board of Education
Sussex County Technical School District
County of Sussex, NJ


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 Sussex County Technical School in the County of Sussex for the fiscal year ended June 30, 2016, and have issued our report thereon dated November 15, 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 letter does not affect our report dated November 15, 2016, on the financial statements of the Board.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended for the information of the Sussex County Technical School 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.


NISIVOCCIA LLP


Francis J. Jones, Jr.
Licensed Public School Accountant #1154
Certified Public Accountant

SUSSEX COUNTY TECHNICAL SCHOOL
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, 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.

Officials in Office and Surety Bonds

| <u>Name</u> | <u>Position</u> | <u>Coverage</u> |
|-----------------|---------------------------------------|-----------------|
| Eileen Kithcart | Treasurer of School Monies | \$ 200,000 |
| David B. Blake | Interim School Business Administrator | 200,000 |

Tuition Charges

A comparison of tuition charges and actual receipts and receivables was made. It appears, from our testing, that tuition charges appear to be valid revenues of the District.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review indicated discrepancies with respect to signatures, certification or supporting documentation as detailed below.

Finding:

During our review of purchase orders, we noted instances where purchase orders lack the receipt of goods signature and date of receipt of goods or services.

Recommendation:

It is recommended that extra care be taken to ensure that the receipt of goods signature, along with the date of receipt of goods or services, are obtained for all purchase orders.

Management's Response:

The receipt of goods signature and date of receipt will be obtained for all vouchers.

Payroll Account and Position Control Roster

The net salaries of 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.

SUSSEX COUNTY TECHNICAL SCHOOL
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016

Financial Planning, Accounting and Reporting (Cont'd)

Payroll Account and Position Control Roster (Cont'd)

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

Salary withholdings were promptly remitted to the proper agencies, including health benefit withholdings due to the General Fund.

Finding:

During our review of the District's payroll records, we noted that an employee who was terminated was underpaid by \$285. However, the District's management is aware of this, and due to the nature of the termination, have determined not to rectify this. As the amount is minor, a formal recommendation is not judged to be warranted.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis 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: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. Overall compliance was noted.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have comment as detailed below.

Finding:

During our review of the June Board Secretary's report, we noted over-expenditures in a number of budget line items. There were also appropriation transfers made between certain budget line items that were not in balance, resulting in an increase in total appropriation. Under the direction of the Business Administrator, audit adjustments have been made to reverse these transfers.

Recommendation:

It is recommended that monthly Board Secretary's report are carefully reviewed to ensure that no over-expenditures of a line item account exist in accordance with N.J.A.C.6A:23A-16.10 and that extra care be taken to ensure that appropriation transfer adjustments be in balance.

Management's Response:

The District will review monthly Board Secretary's report to ensure that no over-expenditures exist and will take extra care to ensure that transfer adjustments will be in balance.

SUSSEX COUNTY TECHNICAL SCHOOL
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
 (Continued)

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

No Child Left Behind (N.C.L.B.)

The N.C.L.B. financial exhibits are contained herein within the Special Revenue Section of the District's CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I and Title II of the No Child Left Behind Act.

The study of compliance for N.C.L.B. did not indicate any areas of noncompliance.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibit E-1 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.

Findings:

- 1.) Expenditures per the final expenditure reports for the fiscal years 2014-2015 and 2015-2016 N.C.L.B. and fiscal year 2014-2015 I.D.E.A. Basic and Carl D. Perkins Post Secondary grant programs do not agree to the District's accounting records. Certain discrepancies were due to the revision of the T.P.A.F. FICA reimbursement payable to the State.
- 2.) The amended budgets entered into the District's accounting records for the fiscal year 2016 Title I and Carl D. Perkins Post Secondary grant programs do not agree to the total State approved amended budgets in total.

Recommendation:

It is recommended that expenditures reported on the grant final expenditure reports and the total state approved amended award/budget are reconciled to the District's accounting records.

Management's Response:

Every effort will be made to ensure that grant final expenditure reports are correct and that the amended award/budget are in agreement with the accounting records.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

SUSSEX COUNTY TECHNICAL SCHOOL
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The reimbursement form for the T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was reviewed and no exceptions were noted.

Finding:

The TPAF reimbursement to the State for Federal Salary Expenditures was not remitted to the State of NJ by October 1, 2016. However, as the District has subsequently remitted the payment to the State, a formal recommendation is not deemed necessary.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A18A-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 receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$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.A. 18A18A-2, 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. 18A18A-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"

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 student transportation contracts under *N.J.S.A.* 18A:39-3 is currently \$18,800.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution at its July 23, 2015 meeting, authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$40,000.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Attorney's opinion should be sought before a commitment is made.

SUSSEX COUNTY TECHNICAL SCHOOL
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

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. No exceptions were noted.

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 provision of N.J.S.A. 18A18A-4.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A18A-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.

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 the appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

Additionally, 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 school district maintains the detailed revenue and expenditure information necessary in order to execute the U.S.D.A. mandated Non-program Food Revenue tool at least annually. No exceptions were noted.

Student Body Activities

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

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 and low income students. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers with minor exceptions. The information that was included on the workpapers was verified on a test basis with a few exceptions.

SUSSEX COUNTY TECHNICAL SCHOOL
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

Application for State School Aid (Cont'd)

The District maintained workpapers on the prescribed State forms or their equivalent.

The District's written procedures for the recording of student enrollment data appear to be adequate.

Finding:

Three low income students selected for testing did not have a 2015-2016 application for free and reduced price meals. We also noted in once instance where a student was determined as free that should have been denied and another instance where a denied student was reported as free on the A.S.S.A.

Recommendation:

It is recommended that extra care be taken to ensure a current year application for free and reduced price meals is maintained on file for all students reported as low income on the A.S.S.A. and that low income determination is correctly determined and reflected on the A.S.S.A.

Management's Response:

The District will ensure that a current year application for free and reduced price meals is maintained on file for all students reported as low income on the A.S.S.A. and that low income determination is correctly determined and reflected on the A.S.S.A.

Pupil Transportation

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations require the District to establish a maximum travel for the year and to ensure that the maximum is not exceeded. The regulations also require that all travel be preapproved by the Board of Education and that the approval must be itemized by event, event total cost, and individuals attending.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreements for consistency with recording of the revenue and awarding of contracts for eligible facilities construction. No exceptions were noted.

Management Suggestions

SDA Expenditure Requests

As a number of School Districts have experienced difficulties in receiving reimbursement from the Schools Development Authority (SDA), we suggest that the District apply for reimbursement for any funds that are available for reimbursement as soon as possible.

SUSSEX COUNTY TECHNICAL SCHOOL
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

Management Suggestions (Cont'd)

Cyber Security

Cyber-crime has become much more prevalent in the last few years. Websites and internal networks, including personally identifiable information ("PII"), have been hacked and resulted in significant losses to organizations, both financial and reputational. We suggest that the District consider options to test and protect the District from cyber-crime.

Deferred Compensation Plans

The District has a fiduciary responsibility to its employees related to the deferred compensation plans offered by the District. The District should consider a periodic review of the benefits, features, costs, and performance of its deferred compensation plans and make that information available to employees to assist employees in making suitable choices for investing their retirement funds while fulfilling the District's fiduciary responsibilities.

Governmental Accounting Standards Board Statements:

The next Governmental Accounting Standards Board ("GASB") statement which will have a significant impact on the District will be GASB#75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, will be effective for the fiscal year ending June 30, 2018. This standard replaces GASB#45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. It is similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* GASB#68 in that successful implementation of this standard will require the provision of certain key financial and non-financial information from the New Jersey Division of Pensions.

Independent Contractors vs. Employees

The District should consider reviewing the status of "Independent Contractors" utilized by the District with Internal Revenue Service guidelines for determination of employment status. The IRS has been reviewing employers, including governments, to determine compliance. A proactive approach may help to minimize or eliminate potential penalties related to incorrect employment status determination.

Unemployment Compensation Trust

The balance in the unemployment compensation trust decreased by approximately \$31,000 during the current fiscal year. It is suggested that the District continue to monitor the balance in the unemployment compensation trust for possible employer contribution.

Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding the payroll certifications and travel regulations have been resolved during the current fiscal year. The prior year recommendations regarding receipt of goods signature and grant final expenditure reports have not been resolved.

SUSSEX COUNTY TECHNICAL SCHOOL
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2015

| | 2016-2017 Application for State School Aid | | | | | | Sample for Verification | | | | | |
|--------------------------------------|--|--------|--------------------------------------|--------|--------|--------|---------------------------------------|--------|--------------------------------------|--------|------------------------------------|--------|
| | 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 | |
| | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared |
| | | | | | | | | | | | | |
| County Vo Tech- Regular | 592 | 29 | 593 | 35 | (1) | (6) | 593 | 35 | 593 | 35 | | |
| FT Post Secondary Subtotal | 592 | 29 | 593 | 35 | (1) | (6) | 593 | 35 | 593 | 35 | | |
| Special Ed - High School Subtotal | 165 | 11 | 164 | 5 | 1 | 6 | 17 | | 17 | | | |
| | 165 | 11 | 164 | 5 | 1 | 6 | 17 | | 17 | | | |
| Totals | 757 | 40 | 757 | 40 | -0- | -0- | 610 | 35 | 610 | 35 | -0- | -0- |
| Percentage Error | | | | | 0.00% | 0.00% | | | | | 0.00% | 0.00% |

SUSSEX COUNTY TECHNICAL SCHOOL
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2015

| | Resident Low Income | | | | | Sample Errors |
|--------------------------|---|---|--------------|--|--|------------------|
| | 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 | |
| County Vo Tech - Regular | 82 | 83 | (1) | 13 | 10 | 3 |
| Subtotal | <u>82</u> | <u>83</u> | <u>(1)</u> | <u>13</u> | <u>10</u> | <u>3</u> |
| Special Ed - High School | 31 | 30 | 1 | 4 | 2 | 2 |
| Subtotal | <u>31</u> | <u>30</u> | <u>1</u> | <u>4</u> | <u>2</u> | <u>2</u> |
| Totals | <u>113</u> | <u>113</u> | <u>-0-</u> | <u>17</u> | <u>12</u> | <u>5</u> |
| Percentage Error | | | <u>0.00%</u> | | | <u>29.41%</u> |

SUSSEX COUNTY TECHNICAL SCHOOL
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2016

6% Calculation of Excess Surplus (2015-16 Expenditures of \$100 million or less)

| | |
|---|---------------------------|
| 2015-16 Total General Fund Expenditures per the CAFR | <u>\$ 14,134,898</u> (B) |
| Increased by: | |
| Transfer from Capital Outlay to Capital Projects Fund | <u>\$ -0-</u> (B1a) |
| Transfer from Capital Reserve to Capital Projects Fund | <u>\$ -0-</u> (B1b) |
| Transfer from General Fund to SRF for PreK-Regular | <u>\$ -0-</u> (B1c) |
| Transfer from General Fund to SRF for PreK-Inclusion | <u>\$ -0-</u> (B1d) |
| Decreased by: | |
| On-Behalf TPAF Pension and Social Security | <u>\$ 1,377,753</u> (B2a) |
| Assets Acquired Under Capital Leases | <u>\$ -0-</u> (B2b) |
| Adjusted 15-16 General Fund Expenditures [(B)+(B1's)-(B2's)] | <u>\$ 12,757,145</u> (B3) |
| 6% of Adjusted 2015-16 General Fund Expenditures [(B3) times .06] | <u>\$ 765,429</u> (B4) |
| Enter Greater of (B4) or \$250,000 | <u>\$ 765,429</u> (B5) |
| Increased by: Allowable Adjustment | <u>\$ -0-</u> (K) |
| Maximum Unassigned Fund Balance [(B5)+(K)] | <u>\$ 765,429</u> (M) |

Section 2 - All Districts

| | |
|--|-----------------------|
| Total General Fund - Fund Balances @ 6/30/16 (Per CAFR Budgetary Comparison Schedule/Statement) | <u>\$ 530,086</u> (C) |
| Decreased by: | |
| Year End Encumbrances | <u>\$ 69,135</u> (C1) |
| Restricted - Designated for Subsequent Year's Expenditures | <u>\$ -0-</u> (C2) |
| Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures | <u>\$ -0-</u> (C3) |
| Other Restricted Fund Balances | <u>\$ 541</u> (C4) |
| Assigned - Designated for Subsequent Year's Expenditures | <u>\$ -0-</u> (C5) |
| Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)] | <u>\$ 460,410</u> (U) |

Section 3 - All Districts

| | |
|---|-------------------|
| Restricted Fund Balance-Excess Surplus [(U)-(M)] IF NEGATIVE, ENTER -0- | <u>\$ -0-</u> (E) |
|---|-------------------|

Recapitulation of Excess Surplus as of June 30, 2016

| | |
|---|--------------------|
| Restricted Excess Surplus - Designated for Subsequent Year's Expenditures | <u>\$ -0-</u> (C3) |
| Restricted Excess Surplus [(E)] | <u>\$ -0-</u> (E) |
| Total [(C3)+(E)] | <u>\$ -0-</u> (D) |

SUSSEX COUNTY TECHNICAL SCHOOL
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2016
(Continued)

Detail of Allowable Adjustments

| | |
|--|--------------------------|
| Impact Aid | \$ -0- (H) |
| Sale and Lease Back | <u>\$ -0- (I)</u> |
| Extraordinary Aid | <u>\$ -0- (J1)</u> |
| Additional Nonpublic School Transportation Aid | <u>\$ -0- (J2)</u> |
| Current Year School Bus Advertising Revenue Recognized | <u>\$ -0- (J3)</u> |
| Family Crisis Transportation Aid | <u>\$ -0- (J4)</u> |
| Total Adjustments ((H)+(I)+(J1)+(J2)+(J3)+(J4)) | <u><u>\$ -0- (K)</u></u> |

Detail of Other Restricted Fund Balance

| | |
|---|---------------------------|
| Statutory restrictions: | |
| Approved unspent separate proposal | <u>\$ -0-</u> |
| Sale/lease-back reserve | <u>\$ -0-</u> |
| Capital reserve | <u>\$ 541</u> |
| Maintenance reserve | <u>\$ -0-</u> |
| Tuition reserve | <u>\$ -0-</u> |
| School Bus Advertising 50% Fuel Offset Reserve - current year | <u>\$ -0-</u> |
| School Bus Advertising 50% Fuel Offset Reserve - prior year | <u>\$ -0-</u> |
| Impact Aid General Fund Reserve (Sections 8002 and 8003) | <u>\$ -0-</u> |
| Impact Aid Capital Fund Reserve (Sections 8007 and 8008) | <u>\$ -0-</u> |
| Other state/governmental mandated reserve | <u>\$ -0-</u> |
| Other Restricted Fund Balance not noted above | <u>\$ -0-</u> |
| Total Other Restricted Fund Balance | <u><u>\$ 541 (C4)</u></u> |

SUSSEX COUNTY TECHNICAL SCHOOL
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2016

It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

A) Extra care be taken to ensure that the receipt of goods signature, along with the date of receipt of goods or services, are obtained for all purchase orders.

B) Monthly Board Secretary's report are carefully reviewed to ensure that no over-expenditures of a line item account exist in accordance with N.J.A.C.6A:23A-16.10 and that extra care be taken to ensure that appropriation transfer adjustments be in balance.

C) Expenditures reported on the grant final expenditure reports and the total state approved amended award/budget are reconciled to the District's accounting records.

3. School Purchasing Program

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

A) Extra care be taken to ensure a current year application for free and reduced price meals is maintained on file for all students reported as low income on the A.S.S.A. and that low income determination is correctly determined and reflected on the A.S.S.A.

7. Pupil Transportation

None

8. Travel Expense and Reimbursement Policy

None

9. Facilities and Capital Assets

None

10. Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding the payroll certifications and travel regulations have been resolved during the current fiscal year. The prior year recommendations regarding receipt of goods signature and grant final expenditure reports have not been resolved.