

**WALL TOWNSHIP BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2016**

**WALL TOWNSHIP BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Education
Wall Township Board of Education
Wall Township, New Jersey

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 Wall Township Board of Education as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated November 3, 2016.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey 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 and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Donna L. Japhet
Public School Accountant
PSA Number CS002314

Fair Lawn, New Jersey
November 3, 2016

**WALL TOWNSHIP BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE 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

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the District's Comprehensive Annual Financial Report (the "CAFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Pablo Canela	Treasurer	\$350,000
Brian J. Smyth	Board Secretary/School Business Administrator	350,000

There is a Public Employees' Faithful Performance Blanket Position Bond covering all other employees with multiple coverage of \$500,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than estimated costs.

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll/Personnel

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

All payrolls 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.

Finding – The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators to the New Jersey Department of Treasury was not filed by the March 15, 2016 due date.

Recommendation – The District should file the required certification (E-CERT1) by the required due date.

Employee Position Control Roster

The Board has implemented and maintains a personnel tracking and accounting (Position Control) system.

**WALL TOWNSHIP BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Financial Planning, Accounting and Reporting (Continued)

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 reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were received for propriety and to determine that goods were received and services were rendered, as of June 30.

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, a separate test was made to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3 as it relates to administrative coding classification.

Board Secretary's Records

The financial records and books of account maintained by the Board Secretary were in very good condition.

Acknowledgement of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes.

Treasurer's Records

The Treasurer did perform cash reconciliations for all accounts required.

All cash receipts were promptly deposited.

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the Expendable Trust Fund.

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. 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 II and III of the Elementary and Secondary Education Act, as amended.

The audit indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

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 (Continued)

The District must monitor the programs to ensure each finding has been properly addressed.

**WALL TOWNSHIP BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

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

Our audit 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.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly 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. Reimbursements to the State for Federal Salary Expenditures

There was no TPAF employees' contractual salaries paid from federal funds during the current fiscal year. Therefore, there were no reimbursement amounts due to the State at June 30, 2016.

Nonpublic State Aid

Project completion reports were finalized and transmitted to the State by the due date.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2010 and thereafter the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:39-3(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. The Board has designated the School Business Administrator/Board Secretary as the qualified purchasing agent.

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 Board Attorney'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.

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 purchases were made through the use of State contracts.

**WALL TOWNSHIP BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

School Purchasing Programs (Continued)

Finding – Our audit indicated that the District did not provide notification to the Office of the State Comptroller of a contract awarded for an amount exceeding \$2 million in accordance N.J.S.A. 52:15C-10.

Recommendation – Notification be provided to the Office of the State Comptroller of all contracts awarded by the District which exceed \$2 million in accordance with N.J.S.A. 52:15C-10.

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 or state program. However, the program expenses 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 good condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

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

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all school food services employees authorized by the board of education.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

U.S.D.A. commodities were received and a separate inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the CAFR on Exhibits B-4, B-5 and B-6.

Before and After School Programs

The financial records of the Before and After School Programs Enterprise Fund were maintained in good condition.

Student Body Activities

The Board has a policy which clearly established the regulation of student activity funds.

Cash receipts and disbursements records for the student activity accounts were maintained in good condition.

**WALL TOWNSHIP BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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 disabled, 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 District workpapers with exceptions. The information on the workpapers was verified with exceptions as noted below. The results of our procedures are presented in the Schedule of Audited Enrollments.

Finding – Our review of the ASSA, workpapers, and class registers revealed several offsetting discrepancies were noted in grade level/special education categories between the number of students reported as low income on the ASSA and the District workpapers. Total net difference was one (1) student.

Recommendation – Internal control procedures over the preparation of the ASSA in regards to the reporting of low income students be reviewed and enhanced to ensure District workpapers and supporting documentation are in agreement with student counts reported on the ASSA.

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

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

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2015-2016 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Finding – Our audit of the District Report of Transported Resident Students (DRTRS) revealed the following:

- a. In certain instances, special transportation needs were not specified in students' Individualized Education Plan (IEP).
- b. A certain student was reported as special education, however, the student did not have a valid Individualized Education Plan (IEP) on file.
- c. The IEP of a certain special education student expired on 6/30/2015, therefore, the special transportation need as of October 15, 2015 could not be verified.

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. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreements for consistency with recording SDA revenue, transfer of local funds from the General Fund or from the Capital Reserve Account and awarding of contracts per eligible facilities construction.

Follow-up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations.

Suggestions to Management

Continued efforts be made to process claims for reimbursement for all SDA grant receivables.

**WALL TOWNSHIP BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

INFORMATION NOT APPLICABLE

**FOOD SERVICE FUND
SCHEDULE OF NET CASH RESOURCES
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

INFORMATION NOT APPLICABLE

**WALL TOWNSHIP BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
SCHEDULE OF AUDITED ENROLLMENTS
OCTOBER 15, 2015**

	2016-17 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool - 3 years	8	-	8	-	-	-	8	-	8	-	-	-				
Full Day Preschool - 3 years	-	-	-	-	-	-	-	-	-	-	-	-				
Half Day Preschool - 4 years	5	-	5	-	-	-	5	-	5	-	-	-				
Full Day Preschool - 4 years	-	-	-	-	-	-	-	-	-	-	-	-				
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-				
Full Day Kindergarten	204	-	204	-	-	-	48	-	48	-	-	-				
1st Grade	218	-	218	-	-	-	83	-	83	-	-	-				
2nd Grade	216	-	216	-	-	-	32	-	32	-	-	-				
3rd Grade	191	-	191	-	-	-	51	-	51	-	-	-				
4th Grade	203	-	203	-	-	-	48	-	48	-	-	-				
5th Grade	225	-	225	-	-	-	68	-	68	-	-	-				
6th Grade	238	-	238	-	-	-	238	-	238	-	-	-				
7th Grade	257	-	257	-	-	-	257	-	257	-	-	-				
8th Grade	248	-	248	-	-	-	248	-	248	-	-	-				
9th Grade	251	-	251	-	-	-	251	-	251	-	-	-				
10th Grade	237	-	237	-	-	-	237	-	237	-	-	-				
11th Grade	243	10	243	10	-	-	243	10	243	10	-	-				
12th Grade	262	13	262	13	-	-	262	13	262	13	-	-				
Subtotal	3,006	23	3,006	23	-	-	2,079	23	2,079	23	-	-	-	-	-	-
Spec Ed - Elementary	235	-	235	-	-	-	33	-	33	-	-	-	6	5	5	-
Spec Ed - Middle School	150	-	150	-	-	-	143	-	143	-	-	-	7	4	4	-
Spec Ed - High School	172	29	172	29	-	-	172	29	172	29	-	-	22	18	17	(1)
Subtotal	557	29	557	29	-	-	348	29	348	29	-	-	35	27	26	(1)
Totals	3,563	52	3,563	52	-	-	2,427	52	2,427	52	-	-	35	27	26	(1)
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>				<u>-3.70%</u>

**WALL TOWNSHIP BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
SCHEDULE OF AUDITED ENROLLMENTS
OCTOBER 15, 2015**

	Low Income			Sample for Verification			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 Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool (3 Yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool (3 Yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool (4 Yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool (4 Yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	26.0	27.0	(1.0)	4.0	4.0	-	6.0	6.0	-	5.0	5.0	-
1st Grade	24.0	24.0	-	3.0	3.0	-	4.0	4.0	-	3.0	3.0	-
2nd Grade	39.0	38.0	1.0	6.0	5.0	1.0	7.0	6.0	1.0	6.0	6.0	-
3rd Grade	27.0	25.0	2.0	4.0	4.0	-	6.0	6.0	-	6.0	6.0	-
4th Grade	17.0	18.0	(1.0)	2.0	2.0	-	5.0	5.0	-	4.0	4.0	-
5th Grade	28.0	26.0	2.0	4.0	4.0	-	5.0	5.0	-	4.0	4.0	-
6th Grade	24.0	23.0	1.0	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
7th Grade	23.0	22.0	1.0	3.0	3.0	-	2.0	2.0	-	1.0	1.0	-
8th Grade	32.0	30.0	2.0	5.0	5.0	-	1.0	2.0	(1.0)	1.0	1.0	-
9th Grade	28.0	26.0	2.0	4.0	4.0	-	1.0	1.0	-	1.0	1.0	-
10th Grade	23.0	26.0	(3.0)	4.0	4.0	-	-	-	-	-	-	-
11th Grade	22.5	20.5	2.0	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
12th Grade	24.5	22.5	2.0	4.0	4.0	-	1.0	1.0	-	1.0	1.0	-
Subtotal	338.0	328.0	10.0	49.0	48.0	1.0	40.0	40.0	-	34.0	34.0	-
Spec Ed - Elementary	45.0	48.0	(3.0)	6.0	6.0	-	6.0	5.0	1.0	4.0	4.0	-
Spec Ed - Middle School	31.0	33.0	(2.0)	4.0	4.0	-	-	-	-	-	-	-
Spec Ed - High School	34.0	40.0	(6.0)	5.0	5.0	-	-	-	-	-	-	-
Subtotal	110.0	121.0	(11.0)	15.0	15.0	-	6.0	5.0	1.0	4.0	4.0	-
Totals	448.0	449.0	(1.0)	64.0	63.0	1.0	46.0	45.0	1.0	38.0	38.0	-
Percentage Error			<u>-0.22%</u>			<u>1.56%</u>			<u>2.17%</u>			<u>0.00%</u>

	Transportation			Tested	Verified	Errors
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors			
Regular - Public Schools	1,566.0	1,566.0	-	45.0	46.0	(1.0)
Transported - Non-Public	434.0	434.0	-	12.0	12.0	-
Regular - Spec.	329.5	329.5	-	9.0	5.0	4.0
Special Needs - Public	179.5	179.5	-	5.0	4.0	1.0
Totals	2,509.0	2,509.0	-	71.0	67.0	4.0
			<u>0.00%</u>			<u>5.63%</u>

**WALL TOWNSHIP BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
SCHEDULE OF AUDITED ENROLLMENTS
OCTOBER 15, 2015**

	LEP Not 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 Register	Sample Errors
Half Day Preschool (3 Yrs)	-	-	-	-	-	-
Full Day Preschool (3 Yrs)	-	-	-	-	-	-
Half Day Preschool (4 Yrs)	-	-	-	-	-	-
Full Day Preschool (4 Yrs)	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	2	2	-	2	2	-
1st Grade	1	1	-	1	1	-
2nd Grade	3	2	1	2	2	-
3rd Grade			-			-
4th Grade	4	4	-	2	2	-
5th Grade	1	1	-	1	1	-
6th Grade	1	1	-	1	1	-
7th Grade	1	1	-	1	1	-
8th Grade	2	1	1	1	1	-
9th Grade	1	1	-	1	1	-
10th Grade	-	-	-	-	-	-
11th Grade	1	1	-	1	1	-
12th Grade	-	-	-	-	-	-
Subtotal	17	15	2	13	13	-
Spec Ed - Elementary	1	1	-	1	1	-
Spec Ed - Middle School	-	-	-	-	-	-
Spec Ed - High School	-	-	-	-	-	-
Subtotal	1	1	-	1	1	-
Totals	18	16	2	14	14	-
Percentage Error			<u>11.11%</u>			<u>0.00%</u>

**WALL TOWNSHIP BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION 1

Two Percent (2%) - Calculation of Excess Surplus

2015-2016 Total General Fund Expenditures per the CAFR	\$ 71,714,762
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	1,434,780
Decreased by:	
Capital Leases	\$ 70,000
On-Behalf TPAF Pension & Reimbursed TPAF Social Security	<u>7,091,564</u>
	<u>7,161,564</u>
Adjusted 2015-2016 General Fund Expenditures	<u>\$ 65,987,978</u>
2% of Adjusted 2015-2016 General Fund Expenditures	\$ 1,319,760
Increased by:	
Allowable Adjustment - Extraordinary Aid	\$ 75,798
Allowable Adjustment - Nonpublic Transportation Aid	<u>6,482</u>
Maximum Unassigned Fund Balance	<u>\$ 1,402,040</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2016	\$ 6,475,779
Decreased by:	
Reserved for Encumbrances	\$ 598,609
Restricted Fund Balance-Capital Reserve	2,921,405
Restricted Fund Balance-Maintenance Reserve	200,000
Restricted Fund Balance - ARRA SEMI	17,748
Restricted Fund Balance - SEMI FY14 Cost Settlement	11,952
Designated for Subsequent Year's Expenditures	
Emergency Reserve	223,500
Maintenance Reserve	350,000
Capital Reserve	625,000
Committed Fund Balance - Insurane Recoveries	<u>125,525</u>
	<u>5,073,739</u>
Total Unassigned Fund Balance	<u>\$ 1,402,040</u>

**WALL TOWNSHIP BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that the District should file the required certification (E-CERT1) by the required due date.

III. School Purchasing Program

It is recommended that notification be provided to the Office of the State Comptroller of all contracts awarded by the District which exceed \$2 million in accordance with N.J.S.A. 52:15C-10.

IV. School Food Services

There are none.

V. Before and After School Programs

There are none.

VI. Student Body Activities

There are none.

VII. Application for State School Aid

It is recommended that internal control procedures over the preparation of the ASSA in regards to the reporting of low income students be reviewed and enhanced to ensure District workpapers and supporting documentation are in agreement with student counts reported on the ASSA.

VIII. Pupil Transportation

It is recommended that internal controls be enhanced to ensure the District Report of Transported Resident Students is in agreement with supporting documentation.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all.

ACKNOWLEDGEMENT

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.

Respectfully submitted,

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