

WAYNE TOWNSHIP PUBLIC SCHOOLS  
COUNTY OF PASSAIC  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2016

WAYNE TOWNSHIP PUBLIC SCHOOLS  
COUNTY OF PASSAIC  
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  
Wayne Township Public Schools  
County of Passaic, 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 financial statements of the Board of Education of Wayne Township Public Schools in the County of Passaic 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 any 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 suggestions.

This report is intended for the information of the Wayne Township Public Schools' 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

Kathryn L. Mantell  
Licensed Public School Accountant #884  
Certified Public Accountant

WAYNE TOWNSHIP PUBLIC SCHOOLS  
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, 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

Multi-peril 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>
Heather L. McNamara-Kreitz	Treasurer	\$ 550,000
Juanita A. Petty	School Business Administrator/Board Secretary	100,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

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

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.

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

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

The required certification (ECERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrators) to the NJ Department of Treasury was filed by the March 15 due date.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2016  
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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 – General and Administrative

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, we reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

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 no comments except as noted herein.

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, II and III of the No Child Left Behind Act.

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

The State of New Jersey Department of Education, Office of Fiscal Accountability and Compliance (OFAC) conducted an audit of the No Child Left Behind (NCLB) Title I grant in its Consolidated Monitoring Review which covered the period July 1, 2014 through June 30, 2015. The District received the consolidated monitoring report in July 2015 and submitted a corrective action plan for the findings included in the report. On April 15, 2016, the State conducted a follow-up review and no further action appears to be required.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2016  
 (Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

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

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

T.P.A.F. Reimbursement

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

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

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2016. The reimbursement form was reviewed and no exceptions were noted.

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 \$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. 18A:18A-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 . . . ."

WAYNE TOWNSHIP PUBLIC SCHOOLS  
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)

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law . . . ."

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 \$18,800.

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.

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. General compliance was 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. 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.

School Food Service

The school food service 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.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled "Proprietary Funds", Section G of the CAFR.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2016  
(Continued)

Extended Day Program Enterprise Fund

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Extended Day Program Enterprise Fund 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.

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, private schools for the disabled, low income and bilingual 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 a few minor exceptions. The information that was included on the workpapers was verified on a test basis with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

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 on a test basis with a few minor exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

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.

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 include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Based upon the results of our testing, we have no comments.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2016  
(Continued)

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 for eligible facilities construction. Based on these procedures, we have no comments except as noted below.

Comment:

The District annually updates its capital assets records for financial reporting purposes and has been updating its capital asset inventory records since the last formal capital asset inventory was prepared by an outside inventory/appraisal company. During our audit we noticed that certain capital assets do not have an inventory tag, have a different inventory tag, or are not located in the location specified in the inventory report. Because the District has budgeted funds in its 2016-2017 budget and will have the formal capital asset inventory updated by June 30, 2017, no formal recommendation is judged to be warranted.

Management Suggestions

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 should consider a periodic review of the benefits, features, costs, and performance of its deferred compensation plans and make that information available for employees to use in making suitable choices for investing their retirement funds.

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.

Surety Bond – Business Administrator

Since the passage of the statutes delineating the duties of the Treasurer of School Monies to include collection, disbursement, and investment of the District's main funds and requiring that position to be separately bonded, the School Business Administrator has assumed responsibility for those duties. As a result, the person most intimately involved in the handling of the District's main funds is not required to be bonded in an amount commensurate with the related responsibilities. We suggest that the District consider increasing the bond of the Business Administrator to an amount at least equal to the amount required for the Treasurer.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2016  
(Continued)

Miscellaneous

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.

Status of Prior Year Findings/Recommendations

The prior year recommendation was corrected during the current year.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2015

	2016-2017 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	ASSA		Workpapers				Selected from		Registers		Registers	
	On Roll		On Roll				Workpapers		On Roll		on Roll	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool:												
3 Years Old	59		59				59		59			
4 Years Old	45		45				45		45			
Kindergarten:												
Half Day	344		344				344		344			
Full Day	29		29				29		29			
Grade One	463		463				463		463			
Grade Two	483		483				483		483			
Grade Three	541		542		-1		542		542			
Grade Four	498		499		-1		499		499			
Grade Five	538		538				538		538			
Grade Six	555		556		-1		556		556			
Grade Seven	578		579		-1		579		579			
Grade Eight	545		546		-1		546		546			
Grade Nine	564		564				564		564			
Grade Ten	599		598		1		598		598			
Grade Eleven	581		581				581		581			
Grade Twelve	606		605		1		605		605			
Subtotal	7,028		7,031		(3)		7,031		7,031			
Special Education:												
Elementary School	390		389		1		20		20			
Middle School	266		263		3		10		10			
High School	337	13	334	13	3		10	2	10	2		
Subtotal	993	13	986	13	7		40	2	40	2		
Totals	8,021	13	8,017	13	4	-0-	7,071	2	7,071	2	-0-	-0-
Percentage Error					0.05%	0.00%					0.00%	0.00%

	Private Schools for Disabled			
	Reported on		Sample	
	ASSA as		for	
	Private	Verifi-	Sample	Sample
	Schools	cation	Verified	Errors
Special Education:				
Elementary School	14	2	2	
Middle School	20	2	2	
High School	40	4	4	
Subtotals	74	8	8	
Totals	74	8	8	-0-
Percentage Error			0.00%	

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2015

	Resident Low Income			Sample for Verification		
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Kindergarten:						
Half Day	25	25				
Full Day	8	7		1	1	
Grade One	41	42	-1	3	3	
Grade Two	47	48	-1	10	10	
Grade Three	61	61		6	6	
Grade Four	59	59		5	5	
Grade Five	54	54		8	8	
Grade Six	39	39		3	3	
Grade Seven	48	48		8	8	
Grade Eight	47	47		3	3	
Grade Nine	40	40		2	2	
Grade Ten	51	51		6	6	
Grade Eleven	43	43		7	7	
Grade Twelve	32	32		1	1	
Subtotal	<u>595</u>	<u>596</u>	<u>-2</u>	<u>63</u>	<u>63</u>	<u>-0-</u>
Special Education:						
Elementary School	75	73	2	7	7	
Middle School	55	53	2	9	9	
High School	53	51	2	7	7	
Subtotal	<u>183</u>	<u>177</u>	<u>6</u>	<u>23</u>	<u>23</u>	<u>-0-</u>
Totals	<u>778</u>	<u>773</u>	<u>4</u>	<u>86</u>	<u>86</u>	<u>-0-</u>
Percentage Error			<u>0.51%</u>			<u>0.00%</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2015

	Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Kindergarten:						
Half Day	1	1				
Full Day	3	3				
Grade One	5	5				
Grade Two	11	11				
Grade Three	7	7		1	1	
Grade Four	5	5				
Grade Five	4	4		1	1	
Grade Six	1	1				
Grade Seven	5	5				
Grade Eight	3	3				
Grade Nine	2	2		2	2	
Grade Ten	2	2				
Grade Eleven	3	3		1	1	
Grade Twelve	3	3				
Totals	55	55	-0-	5	5	-0-
Special Education:						
Elementary School	1	1		1	1	
Subtotal						
Totals	55	55	-0-	6	6	-0-
Percentage Error			0.00%			0.00%

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2015

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on ASSA as LEP NOT Low Income	Reported on Workpapers as LEP NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Kindergarten:						
Half Day	13	13				
Full Day	9	9		1	1	
Grade One	19	20	1	1	1	
Grade Two	18	18		1	1	
Grade Three	14	14		2	2	
Grade Four	8	8		2	2	
Grade Five	3	3		2	2	
Grade Six	2	2				
Grade Seven	1	1				
Grade Eight	3	3				
Grade Nine	3	3		2	2	
Grade Eleven	1	1				
Grade Twelve	4	4				
Totals	<u>98</u>	<u>99</u>	<u>1</u>	<u>11</u>	<u>11</u>	
Special Education:						
Elementary School	3	3		2	2	
Subtotal						
Totals	<u>101</u>	<u>102</u>	<u>1</u>	<u>13</u>	<u>13</u>	
Percentage Error			<u>0.99%</u>		<u>0.00%</u>	

	Transportation					Errors
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	
Regular - Public Schools	2,048	2,048		25	25	
Regular - Special Ed	152	152		40	40	
Transported - Non Public	47	47		5	4	1
AIL - Non Public	364	362	2	25	25	
Special Needs - Public	72	72		8	8	
Special Needs - Private	65	65		11	11	
Totals	2,748	2,746	2	114	113	1
Percentage Error			0.07%			0.88%

	Reported	Re- calculated
Average Mileage:		
Regular Including Grade PK Students	3.5	3.4
Regular Excluding Grade PK Students	3.5	3.4
Special Education with Special Needs	7.1	7.2

WAYNE TOWNSHIP PUBLIC SCHOOLS  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2016

**REGULAR DISTRICT**

**SECTION 1**

**2% Calculation of Excess Surplus**

2015-16 Total General Fund Expenditures per the CAFR, Ex. C-1	<u>\$ 163,420,859</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>\$ 347,900</u> (B1b)
Transfer from General Fund to SRF for PreK - Regular	<u>\$</u> (B1c)
Transfer from General Fund to SRF for PreK - Inclusion	<u>\$</u> (B1d)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 15,800,196</u> (B2a)
Assets Acquired Under Capital Leases	<u>\$ 1,700,000</u> (B2b)
Adjusted 2015-16 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u><u>\$ 146,268,563</u></u> (B3)
2% of Adjusted 2015-16 General Fund Expenditures [(B3) times .02]	<u>\$ 2,925,371</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 2,925,371</u> (B5)
Increased by: Allowable Adjustments	<u>\$ 518,225</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u><u>\$ 3,443,596</u></u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6/30/16 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 7,124,995</u> (C)
Decreased by:	
Year-End Encumbrances	<u>\$ 102,627</u> (C1)
Legally Restricted:	
Designated for Subsequent Year's Expenditures	<u>\$</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$</u> (C3)
Other Restricted Fund Balances	<u>\$ 1,761,901</u> (C4)
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	<u>\$ 1,300,000</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u><u>\$ 3,960,467</u></u> (U1)

WAYNE TOWNSHIP PUBLIC SCHOOLS  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2016  
(Continued)

**SECTION 3**

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 516,871 (E)

**Recapitulation of Excess Surplus as of June 30, 2016**

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ -0- (C3)  
Restricted Excess Surplus [(E)] \$ 516,871 (E)

Total [(C3)+(E)] \$ 516,871 (D)

**Detail of Allowable Adjustments**

Impact Aid \$ -0- (H)  
Sale & Lease-back \$ -0- (I)  
Extraordinary Aid \$ 518,225 (J1)  
Additional Nonpublic School Transportation Aid \$ -0- (J2)  
Current Year School Bus Advertising Revenue Realized \$ -0- (J3)  
Family Crisis Transportation Aid \$ -0- (J4)  
  
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)] \$ 518,225 (K)

**Detail of Other Restricted Fund Balances**

## Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-  
Sale/Lease-back Reserve \$ -0-  
Capital Reserve \$ 1,761,901  
Maintenance Reserve \$ -0-  
Emergency Reserve \$ -0-  
Tuition Reserve \$ -0-  
School Bus Advertising 50% Fuel Offset Reserve - Current Year \$ -0-  
School Bus Advertising 50% Fuel Offset Reserve - Prior Year \$ -0-  
Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-  
Impact Aid General Fund Reserve (Sections 8007 and 8008) \$ -0-  
Other State/Government Mandated Reserve \$ -0-  
Other Restricted Fund Balances Not Noted Above \$ -0-  
  
Total Other Restricted Fund Balances \$ 1,761,901 (C4)

WAYNE TOWNSHIP PUBLIC SCHOOLS  
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  
None
3. Other Special Federal and/or State Projects  
None
4. School Purchasing Program  
None
5. School Food Service  
None
6. Extended Day Program Enterprise Fund  
None
7. Student Body Activities  
None
8. Application for State School Aid  
None
9. Pupil Transportation  
None
10. Travel Expense and Reimbursement Policy  
None
11. Facilities and Capital Assets  
None
12. Status of Prior Year's Findings/Recommendations

The prior year recommendation was corrected during the current year.