

BOARD OF TRUSTEE'S
CAMDEN ACADEMY CHARTER HIGH SCHOOL, INC.
COUNTY OF CAMDEN
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS-
FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED
JUNE 30, 2016

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NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

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November 3, 2016

AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE, AND PERFORMANCE

Honorable President and
Members of the Board of Trustee's
Camden Academy Charter High School, Inc.
County of Camden, New Jersey

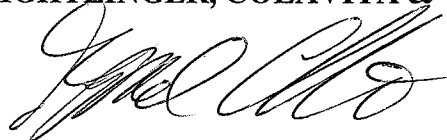
We have audited, in accordance with generally accepted audit standards and **Government Auditing Standards** issued by the Comptroller General of the United States, the basic financial statements of the Board of Trustee's of the Camden Academy Charter High School, Inc. in the County of Camden for the 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 Division of Administration and Finance, 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 issued in conjunction with the Comprehensive Annual Financial Report of the Board of Trustee's of the Camden Academy Charter High School, Inc. for the fiscal year ending June 30, 2016 and is intended for the information of the Charter School's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

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 Trustees, the records of the Student Activity Fund, Food Service Fund and Special Revenue Fund under the auspices of the Board of Trustees.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule, contained in the district's **CAFR**

Official's Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Richelle H. Baughn	Business Administrator/Board Secretary	\$ 50,000
Wayne Scott	Treasurer of School Monies	

There is a Public Employees' Faithful Performance Blanket Position Bond covering all other employees with multiple coverage of \$100,000. The Treasurer of School Monies is to be bonded in accordance with provisions of Title 18A:17-32 within the minimum limits of the schedule promulgated by the State Board of Trustees.

Finding 2016-1 (CAFR Finding 2016-1)

The Treasurer's surety bond coverage, for the 2015-16 School Year, was not updated to reflect the new Treasurer.

Recommendation

A review of the Charter School's surety bonds should be conducted, in order to ensure the Treasurer's information is up to date.

Tuition Charges

A review of the financial statements indicated that the charter school charged no tuition for any student attending the charter school. In addition, there were no proceeds for a before/after school program to be accounted for in the Enterprise Fund.

District Internal Control Policies

District boards of education and administration are responsible for developing internal controls policies and procedures and maintaining a strong internal control environment. NJAC 6A:23A-6.4 requires that the district's internal control policies include specific requirements at NJAC 6A:23A-6.5 through 6.13.

All Internal Control Policies were found in accordance with NJAC6A:23A-6.5 through 6.13.

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 Account and Position Control Roster

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

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

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

Certification of Income Tax Compliance

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (Superintendent and Business Administrator) to the N.J. Department of Treasury appeared to be filed by the March 15 due date.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2016 for proper classification of orders as reserve for encumbrances or accounts payable. This was accomplished by reviewing open purchase orders to determine whether goods were received or services were rendered as of June 30, 2016 and that no blanket purchase orders were included.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with **N.J.A.C. 6A:23A-16.2(f)** and line item details as described in the Budget Summary Key as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. General Classification Findings None

B. Administrative Classification Findings None

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records

The financial records, books of accounts maintained by the Secretary were in satisfactory condition with the following exception.

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

Monthly financial certificates of the Board Secretary and Board of Trustee's for positive line item account status certifications (**N.J.A.C. 6:2-2.13**) were performed. Budgetary line item account transfers were approved monthly to cover any anticipated deficits.

Purchase orders were charged to the appropriate line item accounts in accordance with the State prescribed **Uniform Minimum Chart of Accounts (2R2) for New Jersey Public Charter School**.

Treasurer's / Designee Records

The Treasurer prepared cash reconciliation's for the general operating account, payroll account and payroll agency account per **N.J.S.A. 18A:17-9**.

All cash receipts were promptly deposited.

The Treasurer's records were in agreement with the records of the Board Secretary.

The Treasurer filed her reports in a timely manner.

Finding 2016-2

The June 30, 2016 Bank Reconciliation for the Unemployment Account did not reflect one deposit in transit, thus requiring an audit adjustment.

No recommendation is warranted, as this was considered an isolated and unintentional error.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for charter school employees who are members of the Teachers Pension and Annuity Fund.

Financial Planning, Accounting and Reporting (Continued)

TPAF Reimbursement to the State for Federal Salary Expenditures

The reimbursement to the State for the amount of the expenditure charged to the current year's Final Report(s) for all federal awards for the charter school to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the charter school or for those employees whose salaries are identified as being paid from federal funds was made subsequent to the end of the 60 day grant liquidation period, but prior to the 90 days required by N.J.S.A. 18A:66-90. Accordingly, the expenditure was made in accordance with State law (90 days) and properly reported as obligated and not expended and as an unliquidated balance in the current year's Final Report(s) for all federal awards.

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 (NCLB)

The E.S.E.A./NCLB 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 I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

Our audit of E.S.E.A. 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 study of compliance for E.S.E.A. indicated no areas of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

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

Our audit of 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 special projects indicated no areas of noncompliance. There is, however a balance in a Tech-Prep Grant of \$6,517 that is labeled as Unearned as of June 30, 2016.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general are available on the website: http://www.state.nj.us/dca/divisions/dlgs/programs/ps_contracts.html.

The current statute is posted on the New Jersey Legislature website at: http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_pg42

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 for 2015-16.

The Charter School 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.

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.

Based on the results of our examination, we did not note any individual payments, contracts, or agreements 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 provisions of N.J.S.A. 18A:18A-4, amended.

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 charter school 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 not reveal any exceptions for purchases from vendors through state contract.

The review of contracts and agreements did not disclose any areas of statutory noncompliance.

Although a particular contract is exempt from the formal requirements of public advertising and competitive bidding, N.J.S.A. 18A:18A-37 requires that quotations be obtained, whenever practical, for any contract under the statutory bid threshold but 15 percent or more of the amount, except for contracts for professional services. All contracts and agreements, which are subject to quotations, shall be awarded on the basis of the lowest responsible quotation received, which is most advantageous to the Board of Trustees, price and other factors considered. Our examination indicated that the Board of Trustees complied with these provisions.

School Food Service

The financial transactions and statistical records of the School Food Service Fund were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. The meal service was operated on a satellite basis, whereby costs as submitted by the food service management company were allocated between the Camden's Promise Charter School and the Camden Academy Charter High School. Camden's Promise Charter School, Inc. is the lead school in maintaining expenditure records and filing for federal and state reimbursements.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

The charter school food service management company is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-4.1. Provisions of the FSMC contract /addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program shall receive an annual financial return of \$70,000 for the 2015 - 2016 school year. If the annual financial return for the food service program falls short of the aforementioned amount, the FSMC shall pay the difference to the District in an amount not to exceed 100% of the annual Management Fee. The FSMC reserves the right to recover any such reimbursement made during the current contract year from that year's Surplus on a monthly basis. This operating results provision has been met.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used by an outside food service management company which provides all necessary food and materials needed to serve the daily meals. No exceptions were noted.

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, however, net cash resources exceeded three months average expenditures, as of June 30, 2016. The food service operations are maintained as a shared service by Camden's Promise Charter School and therefore, provisions of an FSMC contract/addendum were not applicable.

Food service employees are provided by the outside food service management company and, therefore, no time sheets are required by the Board of Trustees. In accordance with AICPA Statement on Auditing Standards (SAS) #70, as amended by SAS #88 and SSAE No. 16, a report on the Food Service Management Company's control structure, policies and procedures was received. This audit was performed by an independent audit firm.

The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process, the edit check worksheet was completed. Reimbursement vouchers appeared to be filed in a timely manner. No exceptions were noted.

School Food Service (Continued)

Applications for free and reduced price meals and free milks were reviewed for completeness and accuracy. The number of free and reduced price meals and free milks claimed as served for the entire school year did not exceed the number of valid applications on file, times the number of operating days, on a school by school basis. The free and reduced price meal policy is uniformly administered throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

USDA Food Distribution Program commodities allocated to the Camden's Academy School, Inc. was received and a single inventory was maintained by the food service management company on a first in, first out basis. No exceptions were noted.

The charter school maintains the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool at least annually.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the **CAFR**. The board is currently evaluating any food service enhancements or additions that will benefit the students in the future.

During the 2015-16 school year, the Charter School subsidized the food service program, in the amount of \$23,298.

Student Body Activities

The Board has a policy, which clearly established the regulation of student activity funds. A monthly report of student activity funds is being submitted to the Board.

Monthly bank reconciliations of the Student Activity Fund account were properly prepared and available for audit.

Enrollment counts and submission to the Department

Our audit procedures included a test of information reported on October 15 and the last day of school for on-roll, special education, bilingual and low income. The details of our test results are included in this report in the *Schedule of Audited Enrollments*. We also performed a review of the School's procedures related to its completion.

Internal controls as they relate to the collection and submission of enrollment counts were documented and deemed sufficient.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreements, if any, 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.

There were no SDA grant agreements for the fiscal year ending June 30, 2016.

Follow-up on Prior Years' Findings

In accordance with Government Auditing Standards, which are applicable to NJ Charter Schools, our procedures included a review of all prior year audit recommendations and corrective action has been taken on all prior year audit findings.

Acknowledgment

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.

A handwritten signature in black ink, appearing to read 'Raymond Colavita', written in a cursive style.

Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915

CAMDEN'S ACADEMY CHARTER SCHOOL, INC.
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM-FEDERAL
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/Under Claim</u>	
National School Lunch	Paid	7,396	7,396	7,396	0	\$ 0.31	\$ 0.00	
	Reduced	7,003	7,003	7,003	0	2.69	0.00	
	Free	49,116	49,116	49,116	0	3.09	0.00	
TOTAL		<u>63,515</u>	<u>63,515</u>	<u>63,515</u>	<u>0</u>		<u>\$0.00</u>	
National School Lunch	HHFKA - PB Lunch Only	<u>63,515</u>	<u>63,515</u>	<u>63,515</u>	<u>0</u>	0.06	0.00	
School Breakfast	Paid	2,566	2,566	2,566	0	0.29	0.00	
	Reduced	2,162	2,162	2,162	0	1.69	0.00	
	Free	16,610	16,610	16,610	0	1.99	0.00	
TOTAL		<u>21,338</u>	<u>21,338</u>	<u>21,338</u>	<u>0</u>		<u>\$0.00</u>	
After School Snacks	Paid				0	0.07	0.00	
	Reduced				0	0.42	0.00	
	Free	23,385	23,385	23,385	0	0.84	0.00	
TOTAL		<u>23,385</u>	<u>23,385</u>	<u>23,385</u>	<u>0</u>		<u>\$0.00</u>	
TOTAL NET UNDERCLAIM/(OVERCLAIM)							\$	<u>\$0.00</u>

CAMDEN'S ACADEMY CHARTER SCHOOL, INC.
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM-STATE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/Under Claim</u>
State Reimbursement - National School Lunch	Paid	7,396	7,396	7,396	0	\$ 0.055	\$ 0.00
	Reduced	7,003	7,003	7,003	0	0.055	0.00
	Free	49,116	49,116	49,116	0	0.04	0.00
TOTAL		<u>63,515</u>	<u>63,515</u>	<u>63,515</u>	<u>0</u>		<u>\$0.00</u>
TOTAL NET UNDERCLAIM/(OVERCLAIM)							\$ <u>0.00</u>

NET CASH RESOURCE SCHEDULE
CAMDEN'S ACADEMY CHARTER HIGH SCHOOL
Net cash resources did/did not exceed three months of expenditures
Proprietary Funds - Food Service
FYE 2016

<u>Net Cash Resources:</u>			Food Service B - 4/5	
CAFR	*	Current Assets		
B-4		Cash & Cash Equiv.	\$ 36,688	
B-4		Due from Other Gov'ts		
B-4		Accounts Receivable	29,927	
B-4		Investments		
CAFR		Current Liabilities		
B-4		Less Accounts Payable	(56,888)	
B-4		Less Accruals		
B-4		Less Due to Other Funds		
B-4		Less Deferred Revenue		
		Net Cash Resources	<u>\$ 9,727</u>	(A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	\$ 355,554	
B-5	Less Depreciation	<u>0</u>	
	Adj. Tot. Oper. Exp.	<u>\$ 355,554</u>	(B)

Average Monthly Operating Expense:

B / 10	\$ <u>35,555</u>	(C)
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Three times monthly Average:

3 X C	\$ <u>106,666</u>	(D)
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TOTAL IN BOX A	\$ <u>9,727.00</u>
LESS TOTAL IN BOX D	\$ <u>106,666.20</u>
NET	\$ <u>(96,939.20)</u>
From above:	
A is greater than D, cash exceeds 3 X average monthly operating expenses.	
D is greater than A, cash does not exceed 3 X average monthly operating expenses.	

* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

SCHEDULE OF AUDITED ENROLLMENTS

**CAMDEN ACADEMY CHARTER HIGH SCHOOL, INC.
APPLICATION FOR CHARTER SCHOOL AID
ENROLLMENT COUNT AS OF OCTOBER 15, 2015**

Grades	TOTAL			50% Verification Req'd 10/15/15	Verified Signed Registration Forms	Errors	Verified # days Enrolled	Errors	Special Ed and/or Bilingual	Verified Documen- tation	Errors	Verified # days Service Provided	Errors	Low Income	Verified Documen- tation	Errors	
	Submission to DOE Reported on Roll	Reported on Workpapers	Errors														
Kindergarten																	
One																	
Two																	
Three																	
Four																	
Five																	
Six																	
Seven																	
Eight																	
Nine	148	148	0	74	74	0	74	0	8	8	0	8	0	65	65	0	0
Ten	122	122	0	61	61	0	61	0	6	6	0	6	0	53	53	0	0
Eleven	119	119	0	60	60	0	60	0	3	3	0	3	0	46	46	0	0
Twelve	108	108	0	54	54	0	54	0	9	9	0	9	0	53	53	0	0
Total	497	497	0	249	249	0	249	0	26	26	0	26	0	217	217	0	0
Percentage							<u>0.00%</u>					<u>0.00%</u>		<u>0.00%</u>			<u>0.00%</u>

SCHEDULE OF AUDITED ENROLLMENTS

CAMDEN ACADEMY CHARTER HIGH SCHOOL, INC.
 APPLICATION FOR CHARTER SCHOOL AID
ENROLLMENT COUNT AS OF LAST DAY OF SCHOOL YEAR - JUNE 10, 2016

Grades	TOTAL			50% Verification Req'd 6/30/16	Verified Signed Registration Forms	Verified Errors	Verified # days Enrolled	Verified Errors	Special Ed and/or Bilingual	Verified Document- ation	Verified Errors	Verified # days Service Provided	Verified Errors	Low Income	Verified Document- ation	Verified Errors	
	Submission to DOE Reported on Roll	Reported on Workpapers	Errors														
Kindergarten																	
One																	
Two																	
Three																	
Four																	
Five																	
Six																	
Seven																	
Eight																	
Nine	151	151	0	76	76	0	76	0	9	9	0	9	0	66	66	0	
Ten	126	126	0	66	66	0	66	0	7	7	0	7	0	58	58	0	
Eleven	113	113	0	59	59	0	59	0	7	7	0	8	0	49	49	0	
Twelve	103	103	0	53	53	0	53	0	9	9	0	9	0	48	48	0	
Total	493	493	0	254	254	0	254	0	32	32	0	33	0	221	221	0	
Percentage						<u>0.00%</u>		<u>0.00%</u>			<u>0.00%</u>		<u>0.00%</u>			<u>0.00%</u>	

CAMDEN ACADEMY CHARTER HIGH SCHOOL, INC.
EXCESS SURPLUS CALCULATION

SECTION 1

A. 2% Calculation of Excess Surplus

2015-16 Total General Fund Expenditures per the CAFR	\$ <u>9,270,243</u>	(B)	
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	<u> </u>	(B1a)	
Transfer from Capital Reserve to Capital Projects Fund	<u> </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 & Social Security	<u>739,479</u>	(B2a)	
Assets Acquired Under Capital Leases	<u> </u>	(B2b)	
 Adjusted 15-16 General Fund Expenditures [(B)+(B1s)-(B2s)]	 <u>8,530,764</u>	 (B3)	
 2% of Adjusted 2015-16 General Fund Expenditures			
[(B3) times .02]	<u>170,615</u>	(B4)	
Enter Greater of (B4) or \$250,000	<u>250,000</u>	(B5)	
Increased by: Allowable Adjustment*	<u> </u>	(K)	
 Maximum Unassigned/Undesignated-Unreserved Fund Balance[(B5)+(K)]			 \$ <u>250,000</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-16 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>153,143</u>	(C)	
Decreased by:			
Year-end Encumbrances	<u> </u>	(C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	<u> </u>	(C2)	Capital
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	<u> </u>	(C3)	Surplus
Other Restricted Fund Balances****	<u>153,143</u>	(C4)	
Assigned Fund balance Unreserved - Designated for Subsequent Year's Expenditures	<u> </u>	(C5)	Other
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]			 \$ <u> </u> (U1)

CAMDEN ACADEMY CHARTER HIGH SCHOOL, INC.
EXCESS SURPLUS CALCULATION

SECTION 3

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

Recapitulation of Excess Surplus as of June 30, 2016

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures**	-	(C3)
Reserved Excess Surplus ***[(E)]	-	(E)
Total Excess Surplus [(C3) + (E)]	\$	<u> -</u> (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, 2016 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 & 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.
- Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$	<u> </u> (H)
Sale & Lease-Back		<u> </u> (I)
Extraordinary Aid		<u> </u> (J1)
Additional Nonpublic School Transportation Aid		<u> </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) + (J4)]	\$	<u> -</u> (K)

- ** This amount represents the June 30, 2015 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.
- *** Amounts must agree to the June 30, 2016 CAFR and must agree to Audit Summary Worksheet 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 an other type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Finance and Regulatory Compliance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:		
Approved unspent separate proposal	\$	<u> </u>
Sale/lease-back reserve		<u> </u>
Capital reserve		<u> 78,143</u>
Maintenance reserve		<u> </u>
Emergency Reserve		<u> </u>
Tuition reserve		<u> </u>
School Bus Advertising 50% Fuel Offset Reserve - Current Year		<u> </u>
School Bus Advertising 50% Fuel Offset Reserve - Prior Year		<u> </u>
Impact Aid General Fund Reserve (Sections 8007 and 8008)		<u> </u>
Impact Aid General Fund Reserve (Sections 8002 and 8003)		<u> </u>
Other state/government mandated reserve		<u> </u>
[Other Restricted Fund Balance not noted above] **** Escrow Fund		<u> 75,000</u>
Total Other Restricted Fund Balance	\$	<u> 153,143</u> (C4)

SIGNATURE OF PUBLIC SCHOOL ACCOUNTANT No. 915