

**BOARD OF EDUCATION
OF THE
GREATER EGG HARBOR REGIONAL
HIGH SCHOOL DISTRICT**

**Auditors' Management Report
For the Fiscal Year Ended June 30, 2017**

AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE

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District Federal Tax ID: 21-6007349

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Greater Egg Harbor Regional High School District
County of Atlantic, 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 Education of the Greater Egg Harbor Regional High School District, in the County of Atlantic, for the year ended June 30, 2017, and have issued our report thereon dated November 27, 2017.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of the management of the Greater Egg Harbor Regional High School District 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.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia

Certified Public Accountant

Licensed Public School Accountant

No. 2080

November 27, 2017

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the Treasurer of School Moneys, the activities of the Board of Education, and the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

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

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Thomas Grossi	Board Secretary/Business Administrator	150,000.00
Kimberly Howells	Treasurer	340,000.00

Tuition Charges

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

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

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 Board Secretary/School Business Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits premium Amounts withheld 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.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection 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, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

- A. *General Classification Findings*
- B. *Administrative Classification Findings*

Board Secretary's Records

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

Treasurer's Records

The review of the Treasurer's records disclosed no discrepancies.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2016-2017 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also include 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.

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./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.

The study of compliance for E.S.E.A. revealed no areas of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on 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.

The study of compliance for Special Federal and/or State Projects revealed no instances of noncompliance.

TPAF 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.

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 school district to reimburse the State for the TPAF/FICA Payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made subsequent to the end of the 90 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.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 for 2016-2017.

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

Based on the results of my examination, I 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 provision 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*.

School Food Service

The financial transactions and statistical records of the school food service fund were reviewed. 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.

The district utilizes a food service management company (Sodexo Inc.) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the Sodexo contract were reviewed and audited. The Sodexo contract includes an operating results provision which guarantees that the food service program will return a profit of at least \$65,000.00. The operating results provision has not been met.

Expenditures should be 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.

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.

School Food Service- Continued

Net cash resources did not exceed three months average expenditures.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education/board of trustees. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

Applications for free and reduced-price meals were reviewed for completeness and accuracy. The number of free and reduced-price meals claimed as served was compared to the number of valid applications /or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced-price meal and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced-price applications were completed and available for review.

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (CAFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

The school district did provide 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.

Student Body Activities

Our review of the student activity funds records disclosed no discrepancies.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2016 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low income and bilingual. We also performed a review of the district procedures related to its completion. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

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.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreement 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. During fieldwork, we noted that the District had an outstanding receivable relating to the Oakcrest Boiler Replacement project in the amount of \$279,162.00 due from SDA. However, to-date, the required supporting documentation has not been submitted by the District.

Follow-up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. There were no prior year findings.

Acknowledgment

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

Respectfully submitted,

Ford, Scott & Associates, L.L.C.

**FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS**

Michael S. Garcia

**Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080**

November 27, 2017

SCHEDULE OF MEAL COUNT ACTIVITY
GREATER EGG HARBOR REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Verified</u>	<u>Diff.</u>	<u>Rate</u>	<u>(Over) Under Claim</u>
National School Lunch (Regular Rate)	Paid	69,298	69,298	-	0.3200	\$ -
	Reduced	22,238	22,238	-	2.7800	-
	Free	149,687	149,687	-	3.2400	-
Total		<u>241,223</u>	<u>241,223</u>	<u>-</u>		<u>\$ -</u>
School Breakfast Program (Severe Rate)	Paid	6,587	6,587	-	0.2900	\$ -
	Reduced	4,666	4,666	-	1.7400	-
	Free	54,918	54,918	-	2.0400	-
Total		<u>66,171</u>	<u>66,171</u>	<u>-</u>		<u>\$ -</u>
TOTAL NET OVERCLAIM						<u>\$ -</u>

NET CASH RESOURCE SCHEDULE

**Net cash resources DID NOT exceed three months of expenditures
Proprietary Funds - Food Service
FYE 2017**

<u>Net Cash Resources:</u>		Food Service B - 4/5	
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	124,652.07
B-4		Due from Other Gov'ts	115,218.56
B-4		Accounts Receivable	198,904.90
B-4		Investments	-
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(391,478.90)
B-4		Less Accruals	-
B-4		Less Due to Other Funds	-
B-4		Less Deferred Revenue	-
		Net Cash Resources	<u><u>47,296.63</u></u> (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	1,423,140.91	
B-5	Less Depreciation	<u>(33,479.24)</u>	
	Adj. Tot. Oper. Exp.	<u><u>1,389,661.67</u></u>	(B)

Average Monthly Operating Expense:

B / 10 138,966.17 (C)

Three times monthly Average:

3 X C 416,898.50 (D)

TOTAL IN BOX A	\$ 47,296.63
LESS TOTAL IN BOX D	\$ 416,898.50
NET	<u><u>\$ (369,601.87)</u></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

**GREATER EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2016**

	2016-2017 Application for State School Aid						Sample for Verification						Private Schools for Disabled									
	Reported on A.S.S.A. On Roll		Workpapers		Errors		Selected from Workpapers		Registers On Roll		Registers On Roll		Reported on Private Schools		Workpapers		Registers On Roll		Sample for Verification			
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared		
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
One	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Two	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Three	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Four	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Five	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Six	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Nine	-	-	638	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ten	-	-	667	-	-	-	-	59	-	-	-	-	-	-	-	-	-	-	-	-	-	
Eleven	-	-	669	-	-	-	-	62	-	-	-	-	-	-	-	-	-	-	-	-	-	
Twelve	-	-	640	-	-	-	-	62	-	-	-	-	-	-	-	-	-	-	-	-	-	
Post-Graduate	-	-	-	-	-	-	-	59	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Subtotal	2,614	-	2,614	-	-	-	-	242	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special Ed - Elementary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special Ed - Middle School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special Ed - High School	570	6	570	6	-	-	1	52	1	-	-	-	-	-	-	-	-	-	-	-	-	
Subtotal	570	6	570	6	-	-	1	52	1	-	-	-	-	-	-	-	-	-	-	-	-	
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Totals	3,184	6	3,184	6	-	-	1	294	1	-	-	-	-	-	-	-	-	-	-	-	-	
Percentage Error					0.00%			0.00%														0.00%

**GREATER EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2016**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A as LEP Low Income	Reported on Workpapers LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Lunch App. and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-
Nine	266.0	266	-	52	52	-	5	5	-	5	5	-
Ten	262.0	262	-	52	52	-	10	10	-	9	9	-
Eleven	238.0	238	-	47	47	-	7	7	-	6	6	-
Twelve	228.0	228	-	45	45	-	5	5	-	4	4	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	994	994	-	196	196	-	27	27	-	24	24	-
Special Ed - Elementary	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - Middle School	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - High School	344.0	344.0	-	68	68	-	1	1	-	1	1	-
Subtotal	344.0	344.0	-	68	68	-	1	1	-	1	1	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	1,338.0	1,338.0	-	264	264	-	28	28	-	25	25	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

	Transportation			(from dtrs)			
	Reported on DRTS by DOE/County	Reported on DRTS by District	Sample Tested	Verified to Register	Errors	Reported	Recalculated
Reg. - Public Schools, col. 1	2,204	2,204	233	233	-	6.1	6.1
Reg. - Sp Ed, col. 4	319	319.0	34	34	-	6.1	6.1
Transported - Non-Public, col. 3	64	64	7	7	-	13.6	13.6
Transported - Non-Public, ALL	65	65	7	7	-		
Special Ed Special Needs, col. 6	92	92.0	10	10	-		
Totals	2,744	2,744	291	291	-		
Percentage Error							
							0.00%

Reg Avg. (Mileage) = Regular Including Grade PK Students (Part A)
 Reg Avg. (Mileage) = Regular Excluding Grade PK Students (Part B)
 Spec Avg. = Special Ed with Special Needs

GREATER EGG HARBOR TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2016

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to LEP Score and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Nine	3	3	-	3	3	-
Ten	2	2	-	2	2	-
Eleven	4	4	-	3	3	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-
Subtotal	9	9	-	8	8	-
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle School	-	-	-	-	-	-
Special Ed - High School	1	1	-	1	1	-
Subtotal	1	1	-	1	1	-
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-
Totals	10	10	-	9	9	-
Percentage Error			0.00%			0.00%

**GREATER EGG HARBOR BOARD OF EDUCATION
EXCESS SURPLUS CALCULATION
FOR THE YEAR ENDED JUNE 30, 2017**

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2016-17 Total General Fund Expenditures per the CAFR, Ex. C-1	\$	<u>73,737,652.61</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>6,611,537.98</u>	(B2a)
Assets Acquired Under Capital Leases		<u>-</u>	(B2b)
Adjusted 2016-17 General Fund Expenditures [(B)+(B1's)-(B2's)]	\$	<u>67,126,114.63</u>	(B3)
2% of Adjusted 2016-17 General Fund Expenditures [(B3) times .02]	\$	<u>1,342,522.29</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>1,342,522.29</u>	(B5)
Increased by: Allowable Adjustment*	\$	<u>38,342.00</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		<u>\$ 1,380,864.29</u>	(M)

SECTION 2

Total General Fund - Fund Balances @ 06/30/17 (Per CAFR Budgetary Comparison Schedule C-1)	\$	<u>1,046,629.97</u>	(C)
Decreased by:			
Year-end Encumbrances	\$	<u>57,552.54</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$	<u>-</u>	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$	<u>-</u>	(C3)
Other Restricted Fund Balances ****	\$	<u>-</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$	<u>300,000.00</u>	(C5)
Additional Assigned Fund Balance - Unreserved- Designated for Subsequent Year's Expenditures July 1, 2017 - August 1, 2017	\$	<u>-</u>	(C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]		<u>\$ 689,077.43</u>	(U1)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER - 0 -	\$	<u>-</u>	(E)
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Recapitulation of Excess Surplus as of June 30, 2017:

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

**GREATER EGG HARBOR BOARD OF EDUCATION
EXCESS SURPLUS CALCULATION
FOR THE YEAR ENDED JUNE 30, 2017**

* This adjustment line (as detailed below) is to be utilized for Impact Aid (when applicable), Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), and Extraordinary Aid, and Additional Nonpublic School Transportation Aid if applicable (Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid).

Detail of Allowable Adjustments

Impact Aid	\$	-	(H)
Sale & Lease-back	\$	-	(I)
Extraordinary Aid	\$	15,896.00	(J1)
Additional Nonpublic School Transportation Aid	\$	22,446.00	(J2)
Current Year School Bus Advertising Revenue Recognized	\$		(J3)
Family Crisis Transportation Aid	\$		(J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$	<u>38,342.00</u>	(K)

** This amount represents the June 30, 2017 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 10025.

*** Amounts must agree to the June 30, 2017 CAFR and the sum of the two lines must agree to Audit Summary Worksheet Line 10024.

**** 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 prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$	-	
Capital outlay for a district with a capital outlay cap waiver	\$	-	
Sale/lease-back reserve	\$	-	
Capital reserve	\$	-	
Maintenance reserve	\$	-	
Emergency reserve	\$	-	
Tuition reserve	\$	-	
School Bus Advertising 50% Fuel Offset Reserve – current year	\$	-	
School Bus Advertising 50% Fuel Offset Reserve –prior year	\$	-	
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$	-	
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$	-	
Other state/government mandated reserve	\$	-	
[Other Restricted Fund Balance not noted above] ****	\$		
Total Other Restricted Fund Balance	\$	-	(C4)

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