

HARDYSTON TOWNSHIP SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017

HARDYSTON TOWNSHIP SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017
TABLE OF CONTENTS

Cover Letter	1
Scope of Audit	2
Administrative Practices and Procedures.....	2
Insurance.....	2
Officials in Office and Surety Bonds.....	2
Tuition Charges	2
Financial Planning, Accounting and Reporting	2
Examination of Claims.....	2
Payroll Account and Position Control Roster	2
Reserve for Encumbrances and Accounts Payable.....	3
Classification of Expenditures	3
Board Secretary's Records.....	3
Treasurer's Records	3
No Child Left Behind (NCLB)	4
Other Special Federal and/or State Projects.....	4
T.P.A.F. Reimbursement.....	4
School Purchasing Programs	4
Contracts and Agreements Requiring Advertisement for Bids.....	4
School Food Service.....	5
Student Body Activities	6
Application for State School Aid	6
Pupil Transportation.....	6
Facilities and Capital Assets	6
Travel Expenses and Travel Reimbursement Policy.....	7
Management Suggestions	7
Status of Prior Year's Findings/Recommendations	7
Schedule of Meal Count Activity (Not Applicable)	
Schedule of Net Cash Resources (Not Applicable)	
Schedule of Audited Enrollments	8
Excess Surplus Calculation.....	13
Summary of Recommendations.....	15



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November 28, 2017

The Honorable President and Members
of the Board of Education
Hardyston Township School District
County of Sussex, 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 financial statements of the Board of Education of the Hardyston Township School District in the County of Sussex for the year ended June 30, 2017, and have issued our report thereon dated November 28, 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 letter does not affect our report dated November 28, 2017, on the financial statements of the Board.

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

This report is intended for the information of the Hardyston Township School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

NISIVOCCIA LLP

Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

HARDYSTON TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and 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

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>
Grant W. Rome	Treasurer of School Monies	\$ 200,000
James Sekelsky	Business Administrator/Board Secretary	200,000

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review 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 tested were approved by the Chief School Administrator and certified by the President of the Board and the School Business Administrator and the Chief School Administrator.

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

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendents, assistant superintendents and business administrator) to the New Jersey Department of Treasury was filed by March 15th due date.

Finding

During our review of the analysis of the Payroll Agency account balance at June 30, 2017, we noted that a significant effort was made to review and resolve the older withholding balances. However, there were certain withholding balances which remained and should be reviewed and resolved. As the District has already made an effort to resolve these balances in the current fiscal year and will ensure that all balances are reviewed and resolved in a timely manner in the future, no formal recommendation is judged to be warranted.

HARDYSTON TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017

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

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6:23A-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-8.2. 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 below under Treasurer's Records.

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 below.

Finding

During our review of the June 2017 Treasurer's report, we noted that the bank reconciliation for the General operating account contained a number of older reconciling items. After reviewing these items, some older deposits in transit were cancelled at the direction of the Business Administrator. However, there are several older reconciling items which need to be reviewed and cancelled, as necessary.

Recommendation

It is recommended that reconciling items on the General operating account bank reconciliation included in the Treasurer's report be reviewed on a monthly basis to determine whether the items are valid or should be cancelled.

Management's Response

The District will ensure that a review of all of the reconciling items on the Treasurer's report for the General operating account is done on a monthly basis to ensure the validity of the reconciling items.

HARDYSTON TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017

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

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

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

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 not remitted to the State of New Jersey prior to the required deadline of October 1, 2017 but was filed relatively timely. As, the reimbursement form was reviewed, and no exceptions were noted, no formal recommendation is deemed to be warranted.

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"

HARDYSTON TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017

School Purchasing Programs (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, the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$18,800.

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

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

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 program was not selected as a major federal and/or state program. 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.

We also 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.

Non-program foods were purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the CAFR Schedule B-5 does separate program and non-program revenue and program and non-program cost of goods sold.

HARDYSTON TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

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.

Application for State School Aid

Our audit procedures included a test of enrollments and related services reported in the October 14, 2016 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 the District workpapers without exception. The information that was included on the workpapers was verified on a test basis without exception.

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

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.

Finding

The District has \$140,220 and \$63,967 in SDA receivables for the Retaining Wall Repairs and the Floor Tile and Stairway Replacement projects, respectively. These projects appear to be materially complete. The reimbursement request has been recently submitted for the \$63,967 for the Floor Tile and Stairway Replacement project; however, the District should be submitting the reimbursement request for the other project as soon as possible to ensure collection of these funds and to allow for the close-out of the projects. As the District has initiated the process and has made an effort to get the assistance needed to file the reimbursement request for the other project, no formal recommendation is judged to be warranted.

HARDYSTON TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2017
(Continued)

Travel Expenses and Travel 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. No exceptions were noted in our review of travel expenses.

Management Suggestions:

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*, 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.

Student Activities

It has recently been determined that personnel in certain School Districts may not be completely aware of the limitations and restrictions on the use of Student Activity Funds. We believe it is important that the District be aware that any pupil organization which is part of the activity program of the School District, places at least indirect responsibility for supervision and control of that organization with the Board of Education. We suggest that the Board formally approve each school club or activity. As directed by the New Jersey Department of Education, collections related to fund raising for outside organizations should not be maintained in the District’s Student Activity Funds.

Additionally, the District should ensure that District-wide standard policies and procedures are implemented for all Student Activity Funds. These policies should indicate the student activities funds are to be utilized for the benefit of the student activity or club and not to be utilized for enhancement of instructional programs or school facilities. The District should at least at a minimum communicate to school personnel on an annual basis the District’s policies and procedures regarding Student Activity Funds. We suggest that these policies include guidance regarding timely deposits of funds and the safeguarding of funds prior to deposit as well as the appropriate purchasing guidelines for student activities disbursements.

Arbitrage – Outstanding Bonds

The District has bond issues outstanding. The District should explore the need for an arbitrage calculation. This calculation will determine whether or not the District is subject to the arbitrage payable to the federal government. If a liability does exist, it would be required to be raised by the District in the budget year the liability is payable.

Status of Prior Year's Findings/Recommendations

There were no prior year recommendations.

HARDYSTON TOWNSHIP SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 14, 2016

	2017-2018 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool 3 yrs.	11		11				11		11			
Half Day Preschool 4 yrs.	6		6				6		6			
Full Day Kindergarten	70		70				70		70			
Grade One	56		56				56		56			
Grade Two	58		58				58		58			
Grade Three	66		66				66		66			
Grade Four	67		67				67		67			
Grade Five	75		75				75		75			
Grade Six	56		56				56		56			
Grade Seven	59		59				59		59			
Grade Eight	63		63				63		63			
Subtotal	587		587				587		587			
Special Ed - Elementary	89		89				89		89			
Special Ed - Middle School	45		45				45		45			
Subtotal	134		134				134		134			
Totals	721		721		-0-		721		721			
Percentage Error					0.00%							0.00%

HARDYSTON TOWNSHIP SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 14, 2016

	Private Schools for Disabled				Resident Low Income				
	Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten									
Grade One					7	7	1	1	
Grade Two					7	7	1	1	
Grade Three					9	9	2	2	
Grade Four					6	6	1	1	
Grade Five					7	7	1	1	
Grade Six					3	3	1	1	
Grade Seven					2	2	1	1	
Grade Eight					3	3			
Grade Eight					3	3	1	1	
Subtotal					47	47	9	9	
Special Ed - Elementary	2	1	1		12	12	1	1	
Special Ed - Middle School					10	10	1	1	
Subtotal	2	1	1		22	22	2	2	
Totals	2	1	1		69	69	11	11	
Percentage Error					0.00%		0.00%		0.00%

HARDYSTON TOWNSHIP SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS - RESIDENT LEP LOW INCOME
ENROLLMENT AS OF OCTOBER 14, 2016

	Resident LEP Low Income				
	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers LEP Low Income	Sample Selected from Workpapers Errors	Verified to Test Scores, Application and Register	Sample Errors
Grade Two	1	1		1	
Subtotal	1	1		1	
Totals	1	1		1	
Percentage Error			0.00%		0.00%

HARDYSTON TOWNSHIP SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS - RESIDENT LEP NOT LOW INCOME
ENROLLMENT AS OF OCTOBER 14, 2016

	Resident LEP <i>NOT</i> Low Income					
	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 Test Scores and Register	Sample Errors
Grade One	1	1		1	1	
Grade Two	1	1		1	1	
Grade Eight	1	1		1	1	
Subtotal	<u>3</u>	<u>3</u>		<u>3</u>	<u>3</u>	
Totals	<u>3</u>	<u>3</u>		<u>3</u>	<u>3</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

HARDYSTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	490	490		12	12	
Regular - Special Education	151	151		5	5	
Transported - Non Public	18	18		3	3	
AIL - Non Public	37	37		2	2	
Special Needs - Public	18	18		1	1	
Special Needs - Private	3	3		2	2	
Totals	<u>717</u>	<u>717</u>		<u>25</u>	<u>25</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>
				<u>Reported</u>	<u>Re- calculated</u>	
Average Mileage - Regular Including Grade PK Students				5.5	5.5	
Average Mileage - Regular Excluding Grade PK Students				5.5	5.5	
Average Mileage - Special Education with Special Needs				6.4	6.4	

HARDYSTON TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2017

EXCESS SURPLUS CALCULATION

Section 1 - REGULAR DISTRICT

2016-2017 Total General Fund Expenditures per the CAFR	\$ 12,448,360 (B)	
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ -0- (B1a)	
Transfer from Capital Reserve to Capital Projects Fund	\$ -0- (B1b)	
Transfer from General Fund to SRF for PreK-Regular	\$ -0- (B1c)	
Transfer from General Fund to SRF for PreK-Inclusion	\$ -0- (B1d)	
Decreased by:		
On-Behalf TPAF Pension and Social Security	\$ 1,271,954 (B2a)	
Assets Acquired Under Capital Leases	\$ -0- (B2b)	
Adjusted 16-17 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 11,176,406 (B3)</u>	
2% of Adjusted 2016-17 General Fund Expenditures [(B5) times .02]	\$ 223,528 (B4)	
Enter Greater of (B4) or \$250,000	\$ 250,000 (B5)	
Increased by: Allowable Adjustment	<u>\$ 50,156 (K)</u>	
Maximum Unassigned Fund Balance [(B5)+(K)]		<u>\$ 300,156 (M)</u>

Section 2

Total General Fund - Fund Balances @ 6/30/17 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 3,216,324 (C)</u>	
Decreased by:		
Assigned for Year End Encumbrances	\$ 139,837 (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ -0- (C2)	
Excess Surplus - Designated for Subsequent Year's Expenditures	\$ -0- (C3)	
Other Restricted Fund Balances	<u>\$ 2,700,957 (C4)</u>	
Assigned - Designated for Subsequent Year's Expenditures	\$ 75,374 (C5)	
Additional Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures 7/1/17-8/1/17	<u>\$ -0- (C6)</u>	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]		<u>\$ 300,156 (U1)</u>

Section 3

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

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

HARDYSTON TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2017

Detail of Allowable Adjustments

Impact Aid	\$ -0- (H)
Sale and Lease Back	<u>\$ -0- (I)</u>
Extraordinary Aid	<u>\$ 42,060 (J1)</u>
Additional Nonpublic School Transportation Aid	<u>\$ 8,096 (J2)</u>
Current Year School Bus Advertising Revenue Recognized	<u>\$ -0- (J3)</u>
Family Crisis Transportation Aid	<u>\$ -0- (J4)</u>
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	 <u><u>\$ 50,156 (K)</u></u>

Detail of Other Restricted Fund Balance

Statutory Restrictions	<u>\$ -0-</u>
Approved Unspent Separate Proposal	<u>\$ -0-</u>
Sale/Lease-Back Reserve	<u>\$ -0-</u>
Capital Reserve	<u>\$ 1,860,394</u>
Maintenance Reserve	<u>\$ 828,637</u>
Emergency Reserve	<u>\$ 11,926</u>
Tuition Reserve	<u>\$ -0-</u>
Other State/Governmental Mandated Reserve	<u>\$ -0-</u>
Other Reserved Fund Balance not Noted Above	<u>\$ -0-</u>
 Total Other Restricted Fund Balance	 <u><u>\$ 2,700,957</u></u>

HARDYSTON TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2017

It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

Reconciling items on the General operating account bank reconciliation included in the Treasurer's report be reviewed on a monthly basis to determine whether the items are valid or should be cancelled.

3. School Purchasing Program

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year's Findings/Recommendations

There were no prior year recommendations.