

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

of the

**Township of Hillsborough Board of Education
Hillsborough, New Jersey**

For the Fiscal Year Ended June 30, 2017

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

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report	1
Scope of Audit	2
Administrative Practices and Procedures	2
Insurance	2
Official Bonds	2
Tuition Charges	2
Financial Planning, Accounting and Reporting	2-5
Examination of Claims	2
Payroll Account and Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures:	3
General Classification Findings	3
Administrative Classification Finding	3
Board Secretary's Records	4
Treasurer's Records	4
Elementary and Secondary Education Act of 1965 (E.S.E.A.), as amended by the No Child Left Behind Act of 2001	4
Other Special Federal and/or State Projects	5
T.P.A.F. Reimbursement	5
School Purchasing Programs	5-6
Contracts and Agreements Requiring Advertisement for Bids	5-6
School Food Service	6
Student Activity Funds	6
Athletic Account	7
Application for State School Aid	7
Pupil Transportation	7
Facilities and Capital Assets	7
Status of Prior Year's Audit Findings/Recommendations	7
Acknowledgment	7
Summary of Recommendations	8
Schedule of Meal Count Activity	N/A
Schedule of Audited Enrollments	9-12
Excess Surplus Calculation	13-15
Net Cash Resource Schedule	N/A

T. M. Vrabel & Associates, LLC
Accountants and Auditors

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

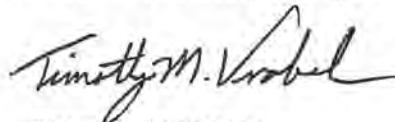
Report of Independent Auditors

Honorable President and
Members of the Board of Education
Township of Hillsborough Board of Education
County of Somerset, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Township of Hillsborough School District in the County of Somerset for the year ended June 30, 2017 and have issued our report thereon dated August 1, 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 Township of Hillsborough 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.



Timothy M. Vrabel
Public School Accountant
License No. CS000698



Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

Dated: August 1, 2017

350 Main Road, Suite 104
Montville, NJ 07045
973-953-7769, Fax: 973-625-8733
Email: tmvrabeldvc@optonline.net

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>
Nancy Costa	Treasurer of School Monies	\$470,000.00
Aiman Mahmoud	Board Secy./Business Admin.	450,000.00

Treasurer of School Moneys was bonded in accordance with provisions of Title 18A:17-32 within the minimum limits of State Board promulgated schedules.

There is Employee Dishonesty Coverage with the Utica National Insurance Company covering all other employees with multiple coverage of \$100,000.00

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges for the school year 2015-2016 was made. The actual costs were more than estimated costs. The Board did not make an adjustment in the school year 2016-2017 in accordance with N.J.A.C. 6A:23A-13.1 (f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

Claims paid during the period under review were examined on a test basis to determine that they are submitted on Board vouchers, itemized, signed by the officials as to approval for payment, endorsement for receipt of materials, allocated to the proper accounts, charged to the proper fiscal period and in agreement with bill list set forth in the approved minutes of the Board.

The review and inquiry indicate good scrutiny on the part of the Board and Board Officials regarding expenditures.

Financial Planning, Accounting and Reporting (Continued)

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and the Board's required payroll contributions 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.

An inquiry and subsequent review of the Position Control Roster found no inconsistencies between the payroll records, employee benefit records (e.g. pension reports and health benefit coverage reports), the general ledger accounts to where wages are posted (administrative versus instruction), and the Position Control Roster.

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 errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. General Classification Findings

Not Applicable

B. Administrative Classification Finding

Not Applicable

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records

The prescribed contractual order system was followed.

Monthly certifications of line-item appropriations and fund status were filed in accordance with N.J.A.C. 6A:23A-16.10(c) and Division of Finance Policy Bulletin 200-11.

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

The school district's double entry system of accounting records were maintained in accordance with the Department of Education's prescribed GAAP Technical Systems Manual, pursuant to N.J.S.A. 18A:4-14 and N.J.A.C. 6A:23-2.1.

The general fixed asset records were updated for the additions and disposals of general fixed assets made during the year.

All budget appropriation transfers and appropriation of Fund Balance/Additional Revenues were in accordance with N.J.A.C. 6A:23A.

Treasurer's Records

The Treasurer performed cash reconciliations for the general operating account, capital projects fund, payroll account and payroll agency account in accordance with N.J.S.A. 18A:17-36.

All cash receipts tested were promptly deposited.

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

Elementary and Secondary Education Act of 1965 (E.S.E.A.), as amended by the No Child Left Behind Act of 2001

The E.S.E.A. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I, II, and III of the Elementary and Secondary Education Act as amended.

Financial Planning, Accounting and Reporting (Continued)

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 I.D.E.A. Part B, Basic and Preschool 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 I.D.E.A. Part B, Basic and Preschool Projects indicated no areas of noncompliance and/or questionable costs.

T.P.A.F. Reimbursement

Our audit procedures included a test of the amount claimed for reimbursement filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective April 17, 2000, N.J.S.A. 18A:18A (Public School Contracts Law) was revised by P.L. 1999, c. 440 (originally known as Assembly bill No. 35190). The associated rules were drafted by the Division of Local Government Services in the Department of Community Affairs, with consultation from the Commissioner of Education.

Effective July 1, 2013 and thereafter the bid threshold in accordance with N.J.S.A. 18A:39-3 (Transportation) is \$18,300.00.

Effective July 1, 2015 and thereafter the bid threshold in accordance with N.J.S.A. 18A:18A-3 (as amended) is \$29,000.00 or \$40,000.00 with a Qualified Purchasing Agent.

In accordance with N.J.S.A. 18A:18A-3a., The Board of Education has increased the bid threshold from \$36,000.00 to \$40,000.00.

It is pointed out that the Board of Education has the responsibility of determining whether the commitments and expenditures are in compliance with the statutes and, where question arises as to whether any contract or agreement might result in violation of these statutes the Board attorney's opinion should be sought before commitment is made.

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

Inasmuch as the system of records is not required to provide and therefore did not provide for an accumulation of payments by categories for the performance of any work or the furnishings 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. None were disclosed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the provision or performance of any goods or services," in excess of the statutory limit 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 is not required to provide and therefore did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal however, that the following purchases were made through the use of State contracts: Copier, Copier Supplies, Communication/Network Equipment and Services, Projectors, Computers.

School Food Service

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

Student Activity Funds

A cash receipts and disbursement records were maintained in satisfactory condition.

All receipts were promptly deposited in the bank.

Payment authorizations were presented for audit and vendor invoices were available for examination.

The Board adopted a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices.

Athletic Account

A cash receipts and disbursement records was maintained in satisfactory condition.

All receipts were promptly deposited in the bank.

Bills and invoices were available for comparison with the cash disbursements record.

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 disabled, low-income and bilingual education. 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 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.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2016-2017 District Report of Transported Resident Student (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 review of the prior years' SDA grant agreements disclosed that the recording of SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction were performed subsequent to the authorization of the agreements by the SDA.

Status of Prior Years' Audit Findings/Recommendations

Not Applicable

Acknowledgment

We wish to express our appreciation for the assistance and courtesies extended to us by Board officials and employees during the course of our audit.

SUMMARY OF RECOMMENDATIONS

1. Administrative Practices and Procedures – NONE
2. Financial Planning, Accounting and Reporting – NONE
3. School Purchasing Program – NONE
4. School Food Service – NONE
5. Student Activity Funds – NONE
6. Athletic Account – NONE
7. Application for State School Aid – NONE
8. Pupil Transportation – NONE
9. Facilities and Capital Assets – NONE
10. Miscellaneous – NONE
11. Status of Prior Years' Audit Findings/Recommendations-Not Applicable

BOARD OF EDUCATION
TOWNSHIP OF HILLSBOROUGH

APPLICATION FOR STATE SCHOOL AID SUMMARY ENROLLMENT AS OF OCTOBER 15, 2016

	2017-2018 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool 3 Years Old	8		8		-	-	7		7		-	-				
Full Day Preschool 3 Years Old					-	-					-	-				
Half Day Preschool 4 Years Old	16		16		-	-	16		16		-	-				
Full Day Preschool 4 Years Old					-	-					-	-				
Half Day Kindergarten	377		377		-	-	41		41		-	-				
Full Day Kindergarten					-	-					-	-				
One	469		469		-	-	38		38		-	-				
Two	460		460		-	-	32		32		-	-				
Three	471		471		-	-	35		35		-	-				
Four	454		454		-	-	41		41		-	-				
Five	483		483		-	-	43		43		-	-				
Six	479		479		-	-	38		38		-	-				
Seven	494		494		-	-	39		39		-	-				
Eight	523		523		-	-	35		35		-	-				
Nine	512	3	512	3	-	-	36	3	36	3	-	-				
Ten	462	16	462	16	-	-	41	10	41	10	-	-				
Eleven	491	6	491	6	-	-	36	6	36	6	-	-				
Twelve	445	9	445	9	-	-	42	9	42	9	-	-				
Post-Graduate					-	-					-	-				
Adult H.S. (15+CR.)					-	-					-	-				
Adult H.S. (1-14CR.)					-	-					-	-				
Subtotal	6,144	34	6,144	34	-	-	520	28	520	28	-	-				
Sp Ed - Elementary	492		492		-	-	25		25		-	-	6	6	6	-
Sp Ed - Middle School	270		270		-	-	28		28		-	-	17	17	17	-
Sp Ed - High School	325	10	325	10	-	-	30	5	30	5	-	-	20	20	20	-
Subtotal	1,087	10	1,087	10	-	-	83	5	83	5	-	-	43	43	43	-
Co. Voc. - Regular					-	-					-	-				-
Co. Voc. Ft. Post Sec.					-	-					-	-				-
Totals	7,231	44	7,231	44	-	-	603	33	603	33	-	-	43.0	43.0	43.0	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%

SCHEDULE OF AUDITED ENROLLMENTS (CONTINUED)

BOARD OF EDUCATION
TOWNSHIP OF HILLSBOROUGH

APPLICATION FOR STATE SCHOOL AID SUMMARY ENROLLMENT AS OF OCTOBER 15, 2016

Resident Low Income

	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool			-			-
Full Day Preschool			-			-
Half Day Kindergarten	31	31	-	10	10	-
Full Day Kindergarten			-			-
One	47	47	-	25	25	-
Two	42	42	-	22	22	-
Three	46	46	-	26	26	-
Four	33	33	-	18	18	-
Five	30	30	-	16	16	-
Six	39	39	-	21	21	-
Seven	33	33	-	18	18	-
Eight	45	45	-	19	19	-
Nine	37	37	-	18	18	-
Ten	23.5	24	-	16	16	-
Eleven	32	32	-	11	11	-
Twelve	20	20.0	-	12	12	-
Post-Graduate			-			-
Adult H.S. (15+CR.)			-			-
Adult H.S. (1-14CR.)			-			-
	-	-	-	-	-	-
Subtotal	458.5	458.5	-	232.0	232.0	-
Special Education - Elementary	94	94	-	35	35	-
Special Education - Middle School	52	52	-	22	22	-
Special Education - High School	46.5	46.5	-	15	15	-
Subtotal	192.5	192.5	-	72.0	72.0	-
Sp Ed Alt Voc High			-			-
Co. Voc. - Regular			-			-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	651	651	-	304	304	-
Percentage Error			0.00%			0.00%

SCHEDULE OF AUDITED ENROLLMENTS (CONTINUED)												
BOARD OF EDUCATION TOWNSHIP OF HILLSBOROUGH												
APPLICATION FOR STATE SCHOOL AID SUMMARY ENROLLMENT AS OF OCTOBER 15, 2016												
	Resident LEP Low Income						Resident LEP NOT Low Income					
	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 Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool			-			-			-			-
Full Day Preschool			-			-			-			-
Half Day Kindergarten	9	9	-	9	9	-	36	36	-	36	36	-
Full Day Kindergarten			-			-			-			-
One	13	13	-	13	13	-	33	33	-	33	33	-
Two	3	3	-	3	3	-	7	7	-	7	7	-
Three	1	1	-	1	1	-	3	3	-	3	3	-
Four	1	1	-	1	1	-			-			-
Five			-			-			-			-
Six	3	3	-	3	3	-	3	3	-	3	3	-
Seven	2	2	-	2	2	-	2	2	-	2	2	-
Eight	2	2	-	2	2	-	3	3	-	3	3	-
Nine	2	2	-	2	2	-	1	1	-	1	1	-
Ten	1	1	-	1	1	-			-			-
Eleven	1	1	-	1	1	-	2	2	-	2	2	-
Twelve	2	2	-	2	2	-	1	1	-	1	1	-
Post-Graduate			-			-			-			-
Adult H.S. (15+CR.)			-			-			-			-
Adult H.S. (1-14CR.)			-			-			-			-
	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	40	40	-	40	40	-	91	91	-	91	91	-
Sp Ed - Elementary	7	7	-	7	7	-	1	1	-	1	1	-
Sp Ed - Middle School			-			-			-			-
Sp Ed - High School	1	1	-	1	1	-	-	-	-	-	-	-
Subtotal	8	8	-	8	8	-	1	1	-	1	1	-
Co. Voc. - Regular			-			-			-			-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	48	48	-	48	48	-	92	92	-	92	92	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2016-17 Total General Fund Expenditures per the CAFR, EX. C-1	\$ 124,511,494.69 (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	\$ _____ (B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____ (B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ _____ (B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ _____ (B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	\$ 9,392,305.90 (B2a)
Assets Acquired Under Capital Leases	\$ _____ (B2b)
Adjusted 2016-17 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ <u>115,119,188.79</u> (B3)
2% of Adjusted 2016-17 General Fund Expenditures [(B3) times .02]	\$ <u>2,302,383.78</u> (B4)
Enter Greater of (B4) or \$250,000	\$ _____ (B5)
Increased by: Allowable Adjustments*	\$ <u>159,668.00</u> (BK)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]	\$ <u>2,462,051.78</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2017 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>11,242,184.80</u> (C)
Decreased by:	
Year-end Encumbrances	\$ <u>38,892.00</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____ (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>2,650,667.00</u> (C3)
Other Restricted Fund Balances ****	\$ <u>3,382,788.20</u> (C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ _____ (C5)
Additional Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures July 1, 2017-August 1, 2017	\$ _____ (C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]	\$ <u>5,169,837.60</u> (U1)

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U1)-(M)] IF NEGATIVE ENTER-0- \$ 2,707,785.82 (E)

Recapitulation of Excess Surplus as of June 30, 2017

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>2,650,667.00</u> (C3)
Reserved Excess Surplus ***[(E)]	\$ <u>2,707,785.82</u> (E)
Total Excess surplus [(C3) + (E)]	\$ <u>5,358,452.82</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 and 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
 - (J4) Family Crisis Transportation Aid

Note 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	\$ _____ (H)
Sale & Lease-back	\$ _____ (I)
Extraordinary Aid	\$ <u>117,502.00</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>42,166.00</u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____ (J3)
Family Crisis Transportation Aid	\$ _____ (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>159,668.00</u> (K)

- ** This amount represents the June 30, 2017 Excess Surplus (C3 above) and must be included in the Audit Summary worksheet Line 90031.
- *** Amounts must agree to the June 30, 2017 CAFR and must agree to Audit Summary Worksheet Line 90030.
- **** Amount for Other Restricted 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 Administration and Finance prior to September 30.
- ***** Increase in Assigned Fund Balance-Unreserved-Designated for Subsequent Year's expenditures July 1, 2017 to August 1, 2017 resulting from decrease in state aid after adoption of 2017-18 district budget. Refer to Commissioner's Broadcast and to page I-4.2 of this Audit Program.

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ <u>3,382,788.20</u>
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 General Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserve	\$ _____
[Other Restricted Fund Balance not noted above]****	\$ _____
 Total Other Restricted Fund Balance	 \$ <u>3,382,788.20</u> (C4)