

**RIDGEFIELD PARK BOARD OF EDUCATION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2017**

**RIDGEFIELD PARK BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Honorable President and Members
of the Board of Education
Ridgefield Park Board of Education
Ridgefield Park, 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 Ridgefield Park Board of Education in the County of Bergen for the fiscal year ended June 30, 2017, and have issued our report thereon dated November 8, 2017.

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

This report is intended solely for the information and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
November 8, 2017

**RIDGEFIELD PARK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Scope of Audit

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

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the district's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael Steinmetz	Business Administrator/ Board Secretary (8/17/16-6/30/17)	\$250,000
Marlene Wendolowski	Interim Business Administrator/ Board Secretary (7/1/16-8/31/16)	\$250,000

There is Public Employee Dishonesty with Faithful Performance coverage for all other employees in the amount of \$100,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The sending/receiving tuition contract procedures set forth no certified tuition adjustment for 2016-17 school year.

Financial Planning, Accounting and Reporting

The office of Fiscal Accountability and Compliance (OFAC) completed a review of the lease and loan which was entered into by the District and the Saint Francis of Assisi's Church of Ridgefield Park dated June 9, 2017. The District publicly reviewed and discussed the findings at a public meeting and adopted a resolution certifying that the findings were discussed and a corrective action plan was approved. The findings of the report and the Board's corrective action were posted on the District's website.

The office of Fiscal Accountability and Compliance (OFAC) completed a review of the Ridgefield Park School District – Extended Day Aftercare Program dated March 28, 2017. The District publicly reviewed and discussed the findings at a public meeting and adopted a resolution certifying that the findings were discussed and a corrective action plan was approved. The findings of the report and the Board's corrective action plan were posted on the District's website.

Examination of Claims

An examination of claims paid during the period under review indicated that the required signatures and certifications were obtained on the respective purchase orders and/or vouchers.

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 payroll taxes were deposited in the payroll agency account.

Salary withholdings tested were promptly remitted to the proper agencies, including health benefits withholdings due to the General Fund, if any.

Finding – The audit indicated that there was no independent verification of employee payroll deductions remitted by the District's third party payroll provider.

Recommendation – The District implement procedures to verify the payment of employee payroll deductions by its third party payroll provider.

**RIDGEFIELD PARK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

Finding – Our audit revealed that the net payroll account has an excess balance at June 30, 2017.

Recommendation – The excess balance in the net payroll account be reviewed and cleared of record.

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

Payrolls were delivered to the Secretary of the Board who then deposited with warrants in separate bank accounts for net payrolls and withholdings.

The Board has implemented and maintains a personnel tracking and accounting (Position Control) system.

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.

Travel

Finding – The audit of certain travel related expenditures indicated post travel reports as required by Board policy were not available for audit.

Recommendation – Post travel reports required pursuant to Board policy be submitted prior to receiving reimbursement for expenses.

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-8.2. 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

The financial records, books of account and minutes maintained by the Board Secretary were in good condition.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

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

Finding – Our audit revealed the original budget included in the District's appropriation report for the Special Revenue Fund was not in agreement with the adopted budget. Additionally, certain General Fund appropriations in the budget report were not in agreement with the adopted budget.

Recommendation – The original budget included in the District's appropriation report be in agreement with the adopted budget.

Finding – Our audit revealed an overexpenditure of appropriation was incurred in the amount of \$174,259 as a result of an audit adjustment to accrue certain sick payouts payable to retired staff.

Recommendation – Sufficient appropriations be made available to fund all year end contractual commitments.

**RIDGEFIELD PARK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records (Continued)

Finding (CAFR Finding 2017-001) – Pursuant to State statute, if the Chief School Administrator does not reconcile the District's bank accounts and prepare a monthly cash report, the Board of Trustees shall designate an employee other than the Board Secretary to perform said duties. The Board designee to prepare the District's bank reconciliations retired during the 2016/17 fiscal year; however, a new designee was not appointed and the Board Secretary only prepared monthly outstanding checklists and cash reports. Formal bank reconciliations were not prepared.

Recommendation – The Board designate an employee other than the Board Secretary to perform formal monthly bank reconciliations for all District accounts and the monthly cash report.

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

Our examination 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.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibit K-3 and K-4 located in the CAFR.

The financial exhibits contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms 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. Reimbursements to the State for Federal Salary Expenditures

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 prior to the end of the 90 day grant liquidation period required by the Offices of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 school business administrator has been designated as the qualified purchasing agent and the Board has approved by resolution the bid threshold at \$40,000. This law regulating bidding for public school transportation contracts under NJSA 18A:39-3 is currently \$18,800.

**RIDGEFIELD PARK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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 Board 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 goods or service, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

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 threshold 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. 18-A: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. Our examination did reveal, however, that purchases were made through the use of State contracts.

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.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served 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 was completed and available for review.

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.

The District utilizes a food service management company (FSMC) 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 FSMC contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return a profit of at least \$38,000. The 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 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.

Net cash resources did not exceed three months average expenditures.

**RIDGEFIELD PARK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

School Food Service (Continued)

Food distribution program commodities were received and a separate inventory was maintained on a first-in, first-out basis.

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.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds.

The District has contracted with Pomptonian, Inc. to operate its school food service program.

The New Jersey Department of Agriculture conducted an administrative review of the Ridgefield Park Board of Education's child nutrition program during the 2016/17 school year. The District approved and submitted a corrective action plan (CAP) in response to the report issued and the State of New Jersey Department of Agriculture and has approved the CAP and closed the review.

Student Body Activities

The Board has a policy which clearly establishes the regulation of student activity funds.

All cash receipts were promptly deposited.

All cash disbursements had proper supporting documentation.

Finding – Our audit of the Student Activity accounts revealed the following:

- Old outstanding checks exist on the Athletic bank reconciliation.
- Pre-numbered receipts were not always utilized at the Elementary Schools.
- Withdrawal authorization forms were not utilized at the Lincoln School.
- Athletic officials' payroll listing forms are not approved by a supervisor.

Recommendation – Internal controls over the Student Activity funds be reviewed and enhanced.

Application for State School Aid

Our audit procedures included a test of information reported in the October 14, 2016 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, related services, low income and bilingual. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers with immaterial exceptions. The information that was included on the workpapers was verified with exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District did maintain 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 with an immaterial exception.

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

The District had no SDA grant projects during the year.

**RIDGEFIELD PARK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Suggestions to Management

- The interfund between the District's Agency Fund and the Scholarship Fund of \$2,075 be cleared of record.
- Continued efforts be made to ensure contributions for employees eligible to participate in DCRP are properly funded for both prior and current years.

**RIDGEFIELD PARK BOARD OF EDUCATION
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SCHEDULE OF MEAL COUNT ACTIVITY

<u>Program</u>	<u>Meals Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Under (Over) Claim</u>
National School Lunch (Regular Rate)	Paid	102,193	35,963	35,963	-	0.30	-
	Reduced	21,326	7,375	7,375	-	2.76	-
	Free	<u>88,701</u>	<u>31,695</u>	<u>31,695</u>	-	3.16	-
		<u>212,220</u>	<u>75,033</u>	<u>75,033</u>	-		-
National School Lunch	HHFKA-PB Lunch Only	<u>212,220</u>	<u>75,033</u>	<u>75,033</u>	-	0.60	-
National School Breakfast (Regular Rate)	Paid	13,498	4,658	4,658	-	0.29	-
	Reduced	2,671	904	904	-	1.41	-
	Free	<u>26,442</u>	<u>9,042</u>	<u>9,042</u>	-	1.71	-
		<u>42,611</u>	<u>14,604</u>	<u>14,604</u>	-		-

**RIDGEFIELD PARK BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
CALCULATION OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Net Cash Resources

Current Assets

Cash and Cash Equivalents	\$	59,946
Due from Other Governments		20,727
Accounts Receivable		61,861
		<hr/>

Current Liabilities

Less:

Accounts Payable		<hr/> -
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Net Cash Resources	\$	142,534
		<hr/> <hr/>

Adjusted Total Operating Expense:

Total Operating Expenses	\$	1,000,552
Less Depreciation		<hr/> (20,599)
Adjusted Total Operating Expense	\$	979,953
		<hr/> <hr/>

<u>Average Monthly Operating Expense:</u>	\$	97,995
		<hr/> <hr/>

<u>Three Times Monthly Average:</u>	\$	293,986
		<hr/> <hr/>

Total Net Cash Resources	\$	142,534
Three Times Monthly Average		<hr/> 293,986

Excess(Deficit) Cash Resources	\$	<hr/> (151,452) <hr/>
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**RIDGEFIELD PARK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016
SCHEDULE OF AUDITED ENROLLMENTS**

	2016-17 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 Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool					-	-										
Full Day Preschool - 3yr					-	-										
Full Day Preschool - 4yr					-	-										
Half Day Kindergarten					-	-										
Full Day Kindergarten	119.0	-	119.0	-	-	-	119.0	-	119.0	-	-	-				
One	135.0	-	135.0	-	-	-	135.0	-	135.0	-	-	-				
Two	140.0	-	140.0	-	-	-	48.0	-	48.0	-	-	-				
Three	143.0	-	143.0	-	-	-	45.0	-	45.0	-	-	-				
Four	143.0	-	143.0	-	-	-	31.0	-	31.0	-	-	-				
Five	150.0	-	150.0	-	-	-	43.0	-	43.0	-	-	-				
Six	137.0	-	137.0	-	-	-	54.0	-	54.0	-	-	-				
Seven	132.0	-	132.0	-	-	-	132.0	-	132.0	-	-	-				
Eight	106.0	-	106.0	-	-	-	106.0	-	106.0	-	-	-				
Nine	200.0	4.0	200.0	4.0	-	-	200.0	4.0	200.0	4.0	-	-				
Ten	217.0	6.0	217.0	6.0	-	-	217.0	6.0	217.0	6.0	-	-				
Eleven	228.0	2.0	228.0	2.0	-	-	228.0	2.0	228.0	2.0	-	-				
Twelve	199.0	3.0	199.0	3.0	-	-	199.0	3.0	199.0	3.0	-	-				
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	2,049.0	15.0	2,049.0	15.0	-	-	1,557.0	15.0	1,557.0	15.0	-	-	-	-	-	-
Special Ed - Elementary	112.0	-	112.0	-	-	-	21.0	-	21.0	-	-	-	5.0	5.0	5.0	-
Special Ed - Middle School	61.0	-	61.0	-	-	-	11.0	-	11.0	-	-	-	2.0	2.0	2.0	-
Special Ed - High School	103.0	6.0	103.0	6.0	-	-	19.0	1.0	19.0	1.0	-	-	7.5	5.0	5.0	-
Subtotal	276.0	6.0	276.0	6.0	-	-	51.0	1.0	51.0	1.0	-	-	14.5	12.0	12.0	-
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	2,325.0	21.0	2,325.0	21.0	-	-	1,608.0	16.0	1,608.0	16.0	-	-	14.5	12.0	12.0	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%

**RIDGEFIELD PARK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016
SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>	<u>Reported on A.S.S.A. as LEP low Income</u>	<u>Reported on Workpapers as LEP low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten												
One	39.0	39.0	-	3.0	3.0	-	6.0	6.0	-	6.0	6.0	-
Two	44.0	44.0	-	5.0	4.0	1.0	5.0	5.0	-	5.0	5.0	-
Three	66.0	66.0	-	6.0	6.0	-	7.0	7.0	-	7.0	7.0	-
Four	45.0	45.0	-	5.0	4.0	1.0	3.0	3.0	-	3.0	3.0	-
Five	56.0	56.0	-	6.0	6.0	-	3.0	3.0	-	3.0	3.0	-
Six	59.0	59.0	-	6.0	6.0	-	-	-	-	-	-	-
Seven	43.0	43.0	-	4.0	4.0	-	-	-	-	-	-	-
Eight	47.0	47.0	-	4.0	4.0	-	4.0	4.0	-	4.0	4.0	-
Nine	28.0	28.0	-	2.0	2.0	-	-	-	-	-	-	-
Ten	54.0	54.0	-	4.0	4.0	-	6.0	6.0	-	6.0	6.0	-
Eleven	50.0	50.0	-	4.0	4.0	-	2.0	2.0	-	2.0	2.0	-
Twelve	47.0	47.0	-	4.0	4.0	-	1.0	1.0	-	1.0	1.0	-
Post-Graduate	43.5	43.5	-	3.0	3.0	-	3.0	3.0	-	3.0	3.0	-
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>621.5</u>	<u>621.5</u>	<u>-</u>	<u>56.0</u>	<u>54.0</u>	<u>2.0</u>	<u>40.0</u>	<u>40.0</u>	<u>-</u>	<u>40.0</u>	<u>40.0</u>	<u>-</u>
Special Ed - Elementary	48.0	48.0	-	4.0	4.0	-	-	-	-	-	-	-
Special Ed - Middle	24.0	24.0	-	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
Special Ed - High	38.0	38.0	-	3.0	3.0	-	0.5	0.5	-	0.5	0.5	-
Subtotal	<u>110.0</u>	<u>110.0</u>	<u>-</u>	<u>10.0</u>	<u>10.0</u>	<u>-</u>	<u>1.5</u>	<u>1.5</u>	<u>-</u>	<u>1.5</u>	<u>1.5</u>	<u>-</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>731.5</u>	<u>731.5</u>	<u>-</u>	<u>66.0</u>	<u>64.0</u>	<u>2.0</u>	<u>41.5</u>	<u>41.5</u>	<u>-</u>	<u>41.5</u>	<u>41.5</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>3.03%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>					
	<u>Reported on DRTRS by DOE/county</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Reg. - Public Schools, col. 1	18.0	18.0	-	8.0	8.0	-
Reg -SpEd, col. 4	35.0	35.0	-	15.0	14.0	1.0
Transported - Non-Public, col. 3			-			-
Special Ed Spec, col. 6	69.0	69.0	-	29.0	29.0	-
Totals	<u>122.0</u>	<u>122.0</u>	<u>-</u>	<u>52.0</u>	<u>51.0</u>	<u>1.0</u>
Percentage Error						<u>1.92%</u>

**RIDGEFIELD PARK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016
SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	10.0	10.0	-	10.0	10.0	-
One	12.0	12.0	-	12.0	12.0	-
Two	4.0	4.0	-	4.0	4.0	-
Three	3.0	3.0	-	3.0	3.0	-
Four	-	-	-	-	-	-
Five	1.0	1.0	-	1.0	1.0	-
Six	-	-	-	-	-	-
Seven	3.0	3.0	-	3.0	3.0	-
Eight	5.0	5.0	-	5.0	5.0	-
Nine	3.0	3.0	-	3.0	3.0	-
Ten	3.0	3.0	-	3.0	3.0	-
Eleven	3.0	3.0	-	3.0	3.0	-
Twelve	2.0	2.0	-	2.0	2.0	-
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>49.0</u>	<u>49.0</u>	<u>-</u>	<u>49.0</u>	<u>49.0</u>	<u>-</u>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>49.0</u>	<u>49.0</u>	<u>-</u>	<u>49.0</u>	<u>49.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**RIDGEFIELD PARK BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SECTION 1A - 1.5% Calculation of Excess Surplus

2016-2017 Total General Fund Expenditures per the CAFR		\$ 39,642,590
Decreased by:		
On-Behalf TPAF Pension & Social Security		<u>4,909,221</u>
Adjusted 2016-2017 General Fund Expenditures		<u>\$ 34,733,369</u>
1.5% of Adjusted 2016-2017 General Fund Expenditures		<u>\$ 521,001</u>
Enter Greater of 1.5% of Adjusted 2016-2017 General Fund Expenditures or \$250,000		<u>\$ 521,001</u>
Maximum Unassigned Fund Balance		<u>\$ 521,001</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2017		\$ 2,350,196
Decreased by:		
Restricted - Capital Reserve	\$ 1,452,778	
Restricted - Maintenance Reserve	100,000	
Assigned - ARRA/SEMI - Designated for Subsequent Year's Expenditures	1,964	
Assigned - Designated for Subsequent Year's Expenditures	204,240	
Assigned - Year End Encumbrances	<u>70,213</u>	
		<u>1,829,195</u>
Total Unassigned Fund Balance		<u>\$ 521,001</u>

SECTION 3

Excess Surplus		<u>\$ -</u>
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**RIDGEFIELD PARK BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practice and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. The District implement procedures to verify the payment of employee payroll deductions by its third party payroll provider.
2. The excess balance in the net payroll account be reviewed and cleared of record.
3. Post travel reports required pursuant to Board policy be submitted prior to receiving reimbursement for expenses..
- * 4. The original budget included in the District's appropriation report be in agreement with the adopted budget.
5. Sufficient appropriations be made available to fund all year end contractual commitments.
6. The Board designate an employee other than the Board Secretary to perform formal monthly bank reconciliations for all District accounts and the monthly cash report.

III. School Purchasing Program

There are none.

IV. School Food Service Program

There are none.

V. Student Body Activities

- * It is recommended that internal controls over the Student Activity funds be reviewed and enhanced.

VI. Application for State School

There are none.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

There are none.

IX. Miscellaneous

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

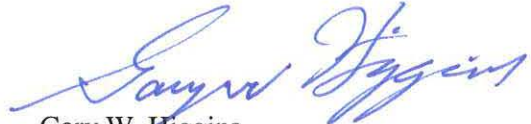
A review was performed on all prior years' recommendation and corrective action was taken on all, except those denoted with an asterisk (*).

ACKNOWLEDGEMENT

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

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP



Gary W. Higgins
Public School Accountant
Certified Public Accountant