



**TOMS RIVER REGIONAL SCHOOL DISTRICT
COUNTY OF OCEAN**

**MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2017**

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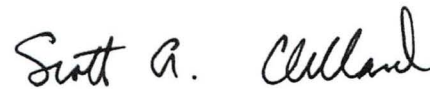
INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Education
Toms River Township Board of Education
County of Ocean, 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 Toms River Regional School District, County of Ocean as of and for the year ended June 30, 2017, and have issued our report thereon dated December 4, 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 solely for the information and use of the Toms River Regional School District's management, Board of Education members, others within the entity and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



Scott A. Clelland
Licensed Public School Accountant

No. 1049



WISS & COMPANY, LLP

Livingston, New Jersey
December 4, 2017

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Scope of Audit

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

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

Official Bonds *N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13*

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Matt K. Varley	Treasurer of School Monies	\$ 725,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than or less than estimated costs. The District made a proper adjustment to the billings to sending Districts for the increase (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period did not indicate any discrepancies with respect to signatures, certification or supporting documentation. No discrepancies or exceptions were noted.

Payroll Account and Position Control Roster

The net salaries of all employees of the Board were deposited in the payroll account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the payroll agency account. All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/Business Administrator.

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

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

An inquiry and subsequent review of the Position Control Roster did not identify any inconsistencies between the payroll records, employee benefit records, the general ledger accounts to where wages are posted, and the Position Control Roster.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

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. No exceptions were noted.

Classification of Expenditures

The coding of expenditures were 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, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records and Treasurer's Records

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

Elementary and Secondary Education Act (ESEA)/Improving America's Schools Act (IASA) as reauthorized by the No Child Left Behind Act of 2001

The ESEA/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 of the Elementary and Secondary School Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. /I.A.S.A. /N.C.L.B. indicated no exceptions.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (K-4) 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 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.

TPAF Reimbursement 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 Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Non-Public State Aid

Our review of non-public state aid did not disclose any exceptions.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2015 and thereafter, 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.

The District 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.

Procedures were performed on a test basis, to indicate if any individual payments, contracts, or agreements were 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*, as 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. No exceptions were noted.

The cash receipts and bank records were reviewed on a test basis for timely deposits without exception.

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.

Net cash resources did not exceed three months average expenditures.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

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

The number of meals claimed for reimbursement was compared to sales and meal count records on a test basis. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner. No exceptions were noted.

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 and/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 is uniformly administered 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. No exceptions were noted.

USDA Food Donation program commodities were received and a separate inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The Statement of Revenues, Expenses and Changes in Net Position (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, Section B of the CAFR.

During our audit, we noted the following exception:

Finding 2017-001

Finding:

The U.S. Department of Agriculture (USDA) regulations at 7 CFR 210.14 (e) requires all school food authorities participating in the National School Lunch Program to ensure sufficient funds are provided to the school food service account for meals served to students not eligible for free or reduced price meals. Under these regulations, all school food authorities are required to annually calculate their weighted average price (WAP) for paid lunches. The District did not perform this calculation in a timely manner, and therefore did not complete the compliance requirement to ensure that paid lunch prices were adequate.

Recommendation:

We suggest the District perform the annual weighted average price calculation in a timely fashion prior to the start of each school year, as required by the USDA.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Student Body Activities

During our audit of the student activity funds, we did not identify any exceptions.

Application for State School Aid

Our audit procedures included a test of information reported in the October 14, 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 on the A.S.S.A. was compared to the District workpapers without exception. The information that was included on the workpapers was verified as presented in the Schedule of Audited Enrollments. 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 2016-17 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, with minor differences identified.

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. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

There were no transactions with SDA during the 2017 fiscal year and therefore this section is not applicable.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Follow-up on Prior Year's Findings

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations including findings. Corrective action has been taken on all prior year findings.

There were no audit reports issued by the Office of Fiscal Accountability and Compliance (OFAC) during the 2017 fiscal year.

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.

SCHEDULE OF MEAL COUNT ACTIVITY

TOMS RIVER REGIONAL SCHOOL DISTRICT

FOOD SERVICE FUND

NUMBER OF MEALS SERVED - FEDERAL

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Lunch (Regular Rate)	Paid	308,103	308,103	308,103	-	\$ 0.30	\$ -
National School Lunch (Regular Rate)	Reduced	56,020	56,020	56,020	-	2.76	-
National School Lunch (Regular Rate)	Free	27,521	27,521	27,521	-	3.16	-
	TOTAL	391,644	391,644	391,644			-
National School Lunch	HHFKA	753,968	753,968	753,968	-	\$ 0.06	\$ -
School Breakfast (Regular Rate)	Paid	1,511	1,511	1,511	-	\$ 0.29	\$ -
	Reduced	386	386	386	-	1.41	-
	Free	6,932	6,932	6,932	-	1.71	-
	TOTAL	8,829	8,829	8,829			-
School Breakfast (Severe Needs)	Paid	91,428	91,428	91,428	-	\$ 0.29	\$ -
	Reduced	16,335	16,335	16,335	-	1.74	-
	Free	178,212	178,212	178,212	-	2.04	-
	TOTAL	285,975	285,975	285,975			-
	Total Net Underclaim						\$ -

SCHEDULE OF MEAL COUNT ACTIVITY

TOMS RIVER REGIONAL SCHOOL DISTRICT

FOOD SERVICE FUND

NUMBER OF MEALS SERVED - STATE

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
State Reimbursement - National School Lunch (Regular Rate)	Paid	308,103	308,103	308,103	-	\$ 0.04	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	56,020	56,020	56,020	-	0.055	-
State Reimbursement - National School Lunch (Regular Rate)	Free	27,521	27,521	27,521	-	0.055	-
	TOTAL	<u>391,644</u>	<u>391,644</u>	<u>391,644</u>			<u>-</u>

Total Net Underclaim

\$ -

NET CASH RESOURCE SCHEDULE

TOMS RIVER REGIONAL SCHOOL DISTRICT

**Net cash resources did not exceed three months of expenditures
Proprietary Funds - Food Service
Year ended June 30, 2017**

<u>Net Cash Resources:</u>		Food Service B - 4/5	
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 177,104
B-4		Due from Other Gov'ts	11,208
B-4		Accounts Receivable	237,377
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(490)
B-4		Less Accruals	(9,558)
B-4		Less Interfund Payable	
B-4		Less Compensated Absences	(130,127)
B-4		Less Unearned Revenue	(89,954)
		Net Cash Resources	<u>\$ 195,560</u> (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.		4,344,472	
B-5	Less Depreciation		(53,851)	
		Adj. Tot. Oper. Exp.	<u>\$ 4,290,621</u>	(B)

Average Monthly Operating Expense:

	B / 10		<u>\$ 429,062.10</u>	(C)
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Three times monthly Average:

	3 X C		<u>\$ 1,287,186.30</u>	(D)
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TOTAL IN BOX A	\$	195,560.00	
LESS TOTAL IN BOX D	\$	1,287,186.30	
NET	\$	<u>(1,091,626.30)</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.			

SCHEDULE OF AUDITED ENROLLMENTS

**TOMS RIVER REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 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 Verifi-cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	25.0	-	25.0	-	-	-	25.0	-	25	-	-	-	-	-	-	-
Full Day Preschool	15.0	-	15.0	-	-	-	15.0	-	15	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	968.0	-	968.0	-	-	-	93.0	-	93.0	-	-	-	-	-	-	-
One	1,015.0	-	1,015.0	-	-	-	60.0	-	60.0	-	-	-	-	-	-	-
Two	967.0	-	967.0	-	-	-	96.0	-	96.0	-	-	-	-	-	-	-
Three	991.0	-	991.0	-	-	-	68.0	-	68.0	-	-	-	-	-	-	-
Four	1,046.0	-	1,046.0	-	-	-	83.0	-	83.0	-	-	-	-	-	-	-
Five	1,040.0	-	1,040.0	-	-	-	80.0	-	80.0	-	-	-	-	-	-	-
Six	1,023.0	-	1,023.0	-	-	-	401.0	-	401.0	-	-	-	-	-	-	-
Seven	1,092.0	-	1,092.0	-	-	-	304.0	-	304.0	-	-	-	-	-	-	-
Eight	1,046.0	-	1,046.0	-	-	-	378.0	-	378.0	-	-	-	-	-	-	-
Nine	1,034.0	-	1,034.0	-	-	-	430.0	-	430.0	-	-	-	-	-	-	-
Ten	1,071.0	-	1,071.0	-	-	-	310.0	-	310.0	-	-	-	-	-	-	-
Eleven	977.0	104.0	977.0	104.0	-	-	244.0	46.0	244.0	46.0	-	-	-	-	-	-
Twelve	987.0	105.0	987.0	105.0	-	-	238.0	33.0	238.0	33.0	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	13,297.0	209	13,297.0	209.0	-	-	2,825.0	79.0	2,825.0	79.0	-	-	-	-	-	-
Special Ed - Elementary	1,018.0	-	1,018.0	-	-	-	16.0	-	16.0	-	-	-	19.0	16.0	16.0	-
Special Ed - Middle School	554.0	-	554.0	-	-	-	14.0	-	14.0	-	-	-	18.0	15.0	15.0	-
Special Ed - High School	586.0	122.0	586.0	122.0	-	-	-	-	-	-	-	-	39.5	28.0	28.0	-
Subtotal	2,158.0	122.0	2,158.0	122.0	-	-	30.0	-	30.0	-	-	-	76.5	59.0	59.0	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	15,455.0	331.0	15,455.0	331.0	-	-	2,855.0	79.0	2,855.0	79.0	-	-	76.5	59.0	59.0	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%

SCHEDULE OF AUDITED ENROLLMENTS

**TOMS RIVER REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2016**

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	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 as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
	Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	245.0	245.0	-	15.0	15.0	-	14.0	14.0	-	10.0	10.0	-
One	327.0	327.0	-	25.0	25.0	-	35.0	35.0	-	25.0	25.0	-
Two	300.0	300.0	-	22.0	22.0	-	21.0	21.0	-	15.0	15.0	-
Three	315.0	315.0	-	22.0	22.0	-	10.0	10.0	-	4.0	4.0	-
Four	325.0	325.0	-	22.0	22.0	-	4.0	4.0	-	2.0	2.0	-
Five	306.0	306.0	-	19.0	19.0	-	3.0	3.0	-	2.0	2.0	-
Six	283.0	283.0	-	20.0	20.0	-	3.0	3.0	-	2.0	2.0	-
Seven	281.0	281.0	-	17.0	17.0	-	2.0	2.0	-	1.0	1.0	-
Eight	281.0	281.0	-	21.0	21.0	-	3.0	3.0	-	2.0	2.0	-
Nine	264.0	264.0	-	17.0	17.0	-	2.0	2.0	-	2.0	2.0	-
Ten	250.0	250.0	-	17.0	17.0	-	3.0	3.0	-	2.0	2.0	-
Eleven	204.5	204.5	-	14.0	14.0	-	3.0	3.0	-	2.0	2.0	-
Twelve	194.5	194.5	-	14.0	14.0	-	5.0	5.0	-	3.0	3.0	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>3,576.0</u>	<u>3,576.0</u>	<u>-</u>	<u>245.0</u>	<u>245.0</u>	<u>-</u>	<u>108.0</u>	<u>108.0</u>	<u>-</u>	<u>72.0</u>	<u>72.0</u>	<u>-</u>
Special Ed - Elementary	449.0	449.0	-	27.0	27.0	-	5.0	5.0	-	2.0	2.0	-
Special Ed - Middle	233.0	233.0	-	15.0	15.0	-	-	-	-	-	-	-
Special Ed - High	258.5	258.5	-	16.0	16.0	-	-	-	-	-	-	-
Subtotal	<u>940.5</u>	<u>940.50</u>	<u>-</u>	<u>58.0</u>	<u>58.00</u>	<u>-</u>	<u>5.0</u>	<u>5.0</u>	<u>-</u>	<u>2.0</u>	<u>2.0</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>4,516.5</u>	<u>4,516.5</u>	<u>-</u>	<u>303.0</u>	<u>303.0</u>	<u>-</u>	<u>113.0</u>	<u>113.0</u>	<u>-</u>	<u>74.0</u>	<u>74.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>					
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	5,027.0	5,027.0	-	216.0	216.0	-
Reg -SpEd, col. 4	850.0	850.0	-	37.0	37.0	-
Transported - AIL, col.2 & Non-Public, col. 3	785.0	785.0	-	34.0	32.0	2
Special Ed Spec, col. 6	600.0	600.0	-	25.0	25.0	-
Totals	<u>7,262.0</u>	<u>7,262.0</u>	<u>-</u>	<u>312.0</u>	<u>310.0</u>	<u>2</u>
Percentage Error			<u>0.00%</u>			<u>0.64%</u>

Reg Avg.(Mileage) = Regular Including Grade PK students (Part A)	4.1	4.1
Reg Avg.(Mileage) = Regular Excluding Grade PK students (Part B)	4.1	4.1
Spec Avg. = Special Ed with Special Needs	7.0	7.0

TOMS RIVER REGIONAL SCHOOL DISTRICT

SCHEDULE OF AUDITED ENROLLMENTS

APPLICATION FOR STATE SCHOOL AID SUMMARY

ENROLLMENT AS OF OCTOBER 14, 2016

	Resident LEP NOT Low Income			Sample for Verification		
	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	-	-	-	-	-	-
Full Day Kindergarten	15.0	15.0	-	8.0	8.0	-
One	7.0	7.0	-	5.0	5.0	-
Two	7.0	7.0	-	4.0	4.0	-
Three	3.0	3.0	-	2.0	2.0	-
Four	2.0	2.0	-	1.0	1.0	-
Five	2.0	2.0	-	1.0	1.0	-
Six	-	-	-	-	-	-
Seven	1.0	1.0	-	-	-	-
Eight	2.0	2.0	-	1.0	1.0	-
Nine	3.0	3.0	-	1.0	1.0	-
Ten	5.0	5.0	-	3.0	3.0	-
Eleven	5.0	5.0	-	3.0	3.0	-
Twelve	4.5	4.5	-	3.0	3.0	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>56.5</u>	<u>56.5</u>	<u>-</u>	<u>32.0</u>	<u>32.0</u>	<u>-</u>
Special Ed - Elementary	1.0	1.0	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>1.0</u>	<u>1.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>57.5</u>	<u>57.5</u>	<u>-</u>	<u>32.0</u>	<u>32.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

TOMS RIVER REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2017

SECTION 1

A. 2% Calculation of Excess Surplus

2016-17 Total General Fund Expenditures per the CAFR, Ex. C-1	<u>\$ 243,987,589</u> (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, PRM, LTD and Social Security	<u>\$ 25,341,737</u> (B2a)
Assets Acquired Under Capital Leases	<u>\$ 2,206,838</u> (B2b)
Adjusted 2016-17 General Fund Expenditures [(B) + (B1s) - (B2s)]	<u>\$ 216,439,014</u> (B3)
2% of Adjusted 2016-17 General Fund Expenditures [(B3) times .02]	<u>\$ 4,328,780</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 4,328,780</u> (B5)
Increased by: Allowable Adjustment*	<u>\$ 757,186</u> (K)
Maximum Unassigned/Undesignated - Unreserved Fund Balance [(B5) + (K)]	<u>\$ 5,085,966</u> (M)

SECTION 2

Total General Fund - Fund Balances at 6-30-17 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 23,721,747</u> (C)
Decreased by:	
Assigned Year End Encumbrances	<u>\$ 2,619,605</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ 20,629</u> (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	<u>\$ 159,120</u> (C3)
Other Restricted Fund Balances****	<u>\$ 13,242,652</u> (C4)
Assigned Fund Balance-Unreserved- Designated for Subsequent Year's Expenditures	<u>\$ 1,020,251</u> (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>\$ 6,659,490</u> (U1)

TOMS RIVER REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2017

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	<u>\$ 1,573,524</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>\$ 159,120</u> (C3)
Reserved Excess Surplus *** [(E)]	<u>\$ 1,573,524</u> (E)
 Total Excess Surplus [(C3)+(E)]	 <u>\$ 1,732,644</u> (D)

Detail of Allowable Adjustments

Impact Aid	<u>\$ -</u> (H)
Sales & Lease-back	<u>\$ -</u> (I)
Extraordinary Aid	<u>\$ 718,558</u> (J1)
Additional Nonpublic School Transportation Aid	<u>\$ 38,628</u> (J2)
Current Year School Bus Advertising Revenue Recognized	<u>\$ -</u> (J3)
Family Crisis Transportation Aid	<u>\$ -</u> (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	<u>\$ 757,186</u> (K)

** This amount represents the June 30, 2016 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amount must agree to the June 30, 2017 CAFR and must agree to Audit Summary 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 another 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.

TOMS RIVER REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2017

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 5,847,517
Emergency reserve	\$ 707,415
Maintenance reserve	\$ 6,687,720
Tuition reserve	\$ -
School Bus Advertising 50% Fuel Offset-current year	\$ -
School Bus Advertising 50% Fuel Offset-prior year	\$ -
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ -
Impact Aid General Fund Reserve (Sections 8007 and 8008)	\$ -
Other State / government madated reserve	\$ -
[Other Restricted Fund Balance not noted above]****	\$ -
 Total Other Restricted Fund Balance	 \$ 13,242,652 (C4)

Toms River Regional School District

Audit Recommendations Summary

June 30, 2017

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

2017-001 - We suggest the District perform the annual weighted average price calculation in a timely manner prior to the start of each school year, as required by the United States Department of Agriculture.

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 Audit Findings/Recommendations

Corrective action has been taken on all prior year findings.