

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2018

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
COUNTY OF ESSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2018
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January 18, 2019

The Honorable President and Members
of the Board of Education
Bloomfield Township School District
County of Essex, NJ

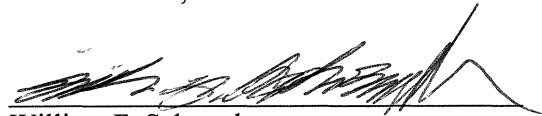
We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Board of Education of the Bloomfield Township School District in the County of Essex for the fiscal year ended June 30, 2018, and have issued our report thereon dated January 18, 2019.

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 January 18, 2019, on the financial statement 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 recommendations.

This report is intended for the information of the Bloomfield 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



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2018

Scope of Audit

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

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>
Robert Renna	Treasurer	\$ 500,000
Vicky Guo	Business Administrator/Board Secretary	500,000

Finding:

The District appointed a new Treasurer of School Money as of January 2, 2018 but did not update its surety bond coverage to replace the previous treasurer as of the end of the fiscal year. However, as the surety bond coverage was obtained for the new Treasurer as of July 1, 2018, a formal recommendation is not deemed necessary.

Tuition Charges

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

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

All payrolls were approved by the Superintendent and were certified by the President of the Board, the Board Secretary/Business Administrators and the Superintendent.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

Payroll Account and Position Control Roster (Cont'd)

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

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 – General and Administrative

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, we also reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. Overall compliance was noted.

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.

Finding:

During our review of the Summer Arts and Innovation Summer Institute programs, we noted that fees collected by the program coordinators and/or teachers were not always turned over to the Board Office for deposit in a timely manner.

Recommendation:

It is recommended that the program coordinators/teachers who collect the fees for the Summer Arts and Innovation Summer Institute Programs turned over all receipts to the Board Office in a timely manner.

Management's Response:

The District will implement procedures to ensure that all funds collected for the Summer Arts and Innovation Summer Institute programs are turned over to the Board Office for deposit in a timely manner.

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. No exceptions were noted.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act (E.S.S.A.)

The E.S.E.A. financial exhibits are contained herein 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, Title II, Title III, Title III Immigrant and Title IV of the Elementary and Secondary Education Act.

The study of compliance for the E.S.E.A. did not indicate any area of noncompliance.

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 remitted to the State of New Jersey prior to the required deadline of October 1, 2018. The reimbursement form was reviewed and no exceptions were noted.

Other Special Federal and/or State Projects

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 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.

Findings:

- a.) The District did not obtain the required 90% return rate of parental consent forms for the Special Education Medicaid Initiative ("SEMI") Medicaid Program.
- b.) During our review of the District's Extraordinary Aid application, we noted that the additional support costs reported on the application for certain students were not calculated correctly. A certain cost was inadvertently duplicated in the calculation based on the review of the supporting worksheets maintained by the District. As a result, the additional support costs reported for certain students in the Extraordinary Aid application were overstated by approximately \$13,716.

Recommendations:

It is recommended that:

- a.) The District make every effort to obtain the required 90% return rate of parental consent forms for the Special Education Medicaid Initiative Medicaid Program in accordance with N.J.A.C.6A:23A-5.3(d).
- b.) The additional qualified support costs reported on the Extraordinary Aid application are correctly calculated and reviewed for accuracy.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

Other Special Federal and/or State Projects (Cont'd)

Management's Responses:

The District will make every effort to ensure that the required 90% parental consent threshold for the SEMI Medicaid Program is met and that the additional support costs reported on the Extraordinary Aid application are calculated correctly and reviewed for accuracy.

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"

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 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 \$19,000 for 2017-2018.

As per N.J.S.A. 18A:18A-3, 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.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

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. No exceptions were noted.

Based upon the results of our examination, we did not note any individual payments, contracts, or agreements for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, amended.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

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.

Finding:

We noted that the District's students' negative (receivable) balances have increased from the previous year. This has resulted from the state regulations that require public schools to serve meals to all students regardless of their ability to pay. The District is in the process of reviewing its policies and procedures to reduce or eliminate these balances. Therefore, a formal recommendation is not deemed necessary.

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.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

Application for State School Aid

Our audit procedures included a test of information reported in the October 13, 2017 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low income and bilingual education students. 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 minor exceptions. The information that was included on the workpapers was verified on a test basis with minor exceptions. 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's written procedures for the recording of student enrollment data appear to be adequate.

Pupil Transportation

Our audit procedures included a test of on-roll status reported on the 2017-2018 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 information that was included on the workpapers was verified on a test basis with minor exceptions. 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 agreements 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. Based on these procedures, we have no comments except as noted herein.

Travel Expense and 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 require the District to establish maximum travel for the year and to account separately that the maximum is not exceeded. The regulations also require that all travel be approved prior by the Board of Education and that the approval must be itemized by event, event total cost, and individuals attending.

Our review of the travel policies and records revealed that the District is in general compliance with the travel regulations.

Testing for Lead of All Drinking Water in Educational Facilities

The District did submit the annual Statement of Assurance to the NJ Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

Management Suggestions

SDA Expenditure Requests

One Capital Projects Fund project that was partially funded with a Schools Development Authority (“SDA”) grant has been completed. The District should ensure that SDA grant reimbursement is requested and collected and return the remaining funds to the appropriate fund. As a number of School Districts have experienced difficulties in receiving reimbursement from the Schools Development Authority (SDA), we suggest that the District apply for reimbursement for any funds that are available for reimbursement as soon as possible.

Food Service Management Service

Many school districts contract with a service provider to perform functions such as the provision of food service management services. In conjunction with this service, the service provider will engage an auditor to perform a SOC 1 (System and Organization Controls) engagement which results in a SOC 1 report. There are two different types of SOC 1 reports - a Type 1 and a Type 2 report. Both report on the fairness of the presentation of management’s description of the service organization’s system and the design of the controls to achieve the related control objectives. The Type 1 report is through a specific period. The Type 2 report also reviews the operating effectiveness of the controls included in the description throughout a specified period. Included in the Type 2 report will be the individual controls, what was tested and the results of the testing.

We suggest that the District review these SOC 1 reports to determine if there are any exceptions noted in the opinion in the Independent Auditors’ Report. Additionally, for SOC 1 Type 2 reports, we suggest that the District review the test results related to the individual control testing to determine if there were any exceptions noted. If exceptions are noted in the report the District should contact the service provider and inquire what steps the service provider is taking to address these exceptions.

Follow-up on Prior Year Findings

The prior year recommendations regarding approval of payroll registers, proper classification of open purchase orders, timely deposits, accuracy of the District’s A.S.S.A., tagging of capital assets and update of the capital assets inventory records were resolved in the current year.

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 13, 2017

	2018-2019 Application for State School Aid				Sample for Verification			
	Reported on		Reported on		Sample		Verified per	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool 3 Years Old	19		19		19		19	
Half Day Preschool 4 Years Old	45		45		45		45	
Full Day Preschool 4 Years Old	11		11		11		11	
Full Day Kindergarten	423		423		423		423	
Grade One	434		434		434		434	
Grade Two	462		463	(1)	463		463	
Grade Three	434		433	1	433		433	
Grade Four	458		459	(1)	459		459	
Grade Five	429		429		429		429	
Grade Six	426		427	(1)	427		427	
Grade Seven	405		405		405		405	
Grade Eight	410		410		410		410	
Grade Nine	387		387		387		387	
Grade Ten	398		398		398		398	
Grade Eleven	449		449		449		449	
Grade Twelve	422		422		422		422	
Subtotal	5,612		5,614	(2)	5,614		5,614	
Special Education:								
Elementary	371		371		10		10	
Middle	196		200	(4)	5		5	
High	313		307	6	10		8	2
Subtotal	880		878	2	25		23	2
Totals	6,492	-0-	6,492	-0-	5,639	-0-	5,637	-0-
Percentage Error				0.00%				0.04%

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 13, 2017

	Private Schools for Disabled				Resident Low Income						
	Reported on ASOA as Private Schools	Reported on Workpapers as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Sample	Reported on ASOA as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified Application and Register	Sample Errors
Full Day Kindergarten											
Grade One							113	113			
Grade Two							166	166	4	4	4
Grade Three							194	194	4	4	4
Grade Four							181	181	3	3	3
Grade Five							197	197	3	3	3
Grade Six							174	174	3	3	3
Grade Seven							164	164	2	2	2
Grade Eight							174	174	5	5	5
Grade Nine							176	176	5	5	5
Grade Ten							156	156	7	7	7
Grade Eleven							172	172	5	5	5
Grade Twelve							201	201	5	5	5
Subtotal							178	178	4	4	4
							2,246	2,246	50	50	50
Special Education:											
Elementary School	8	8	1	1			160	160	2	2	2
Middle School	8	8					127	127	4	4	4
High School	24	24	2	2			155	155	1	1	1
Subtotal	40	40	3	3			441	442	10	9	1
Totals	40	40	-0-	3	-0-		2,687	2,688	1	60	59
Percentage Error			0.00%		0.00%				0.04%		1.67%

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF AUDITED ENROLLMENT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 13, 2017

	Resident LEP Low Income				Resident LEP Not Low Income			
	Reported on ASHA as LEP Low Income	Reported on Workpapers as LEP Low Income	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Reported on ASHA as LEP Low Income	Reported on Workpapers as LEP Low Income	Sample Selected from Workpapers	Verified to Test Scores and Register
Half Day Preschool (3 Yrs)	10	10			16	16		
Half Day Preschool (4 Yrs)	16	16			12	12		
Full Day Kindergarten	16	16			7	8	1	
Grade One	14	14			7	7		
Grade Two	8	8	1	1	2	2		
Grade Three	8	8			4	4		
Grade Four	6	6			6	6		
Grade Five	7	7	3	3	9	8	(1)	2
Grade Six	10	10	3	3	3	3		2
Grade Seven	5	5	2	2	9	9		2
Grade Eight	16	16	2	2	4	4		2
Grade Nine	9	9	2	2	7	7		1
Grade Ten	12	12	2	2	9	9		1
Grade Eleven	137	137	15	15	95	95	10	10
Grade Twelve								
Subtotal								

Half Day Preschool (3 Yrs)
 Half Day Preschool (4 Yrs)
 Full Day Kindergarten

Special Education:

Elementary School	10	11	1		2	2		
Middle School	4	3	(1)					
High School		1	1		1		1	
Subtotal	14	15	1		3	2	1	
Totals	151	152	1	15	98	97	1	10

Percentage Error 0.66% 1.02% 0.00%

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 13, 2017

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	832	832		30	30	
AIL - Non Public	370	370		20	19	1
Special Needs - Public	14	14		10	8	2
Totals	1,216	1,216	-0-	60	57	3
Percentage Error			0.00%			5.00%

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	4.1	4.1
Average Mileage - Regular Excluding Grade PK Students	4.1	4.1
Average Mileage - Special Education with Special Needs	1.4	1.4

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2018

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2017-18 Total General Fund Expenditures per the CAFR, Ex. C-1	<u>\$ 105,458,601</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ 1,943,500</u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ 5,092,000</u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	<u>\$ -0-</u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	<u>\$ -0-</u>	(B1d)
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>\$ 12,873,264</u>	(B2a)
Assets Acquired Under Capital Leases	<u>\$ 873,931</u>	(B2b)
Adjusted 17-18 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 98,746,906</u>	(B3)
2% of Adjusted 2017-18 General Fund Expenditures [(B3) times .02]	<u>\$ 1,974,938</u>	(B4)
Enter Greater of (B4) or \$250,000	<u>\$ 1,974,938</u>	(B5)
Increased by: Allowable Adjustment	<u>\$ 967,646</u>	(K)
Maximum Unassigned Fund Balance [(B5)+(K)]		<u>\$ 2,942,584</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/18 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 18,771,850</u>	(C)
Decreased by:		
Year End Encumbrances	<u>\$ 224,516</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u>	(C2)
Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 1,748,998</u>	(C3)
Other Restricted Fund Balances	<u>\$ 12,106,754</u>	(C4)
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u>	(C5)
Additional Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures 7/1/18-8/1/18	<u>\$ -0-</u>	(C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]		<u>\$ 4,691,582</u> (U1)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2018
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE, ENTER -0- \$ 1,748,998 (E)

Recapitulation of Excess Surplus as of June 30, 2018

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ 1,748,998 (C3)

Restricted Excess Surplus [(E)] \$ 1,748,998 (E)

Total [(C3)+(E)+(F)] \$ 3,497,996 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale and Lease Back \$ -0- (I)

Extraordinary Aid \$ 860,346 (J1)

Additional Nonpublic School Transportation Aid \$ 107,300 (J2)

Current Year School Bus Advertising Revenue Recognized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Total Adjustments ((H)+(I)+(J1)+(J2)+(J3)+(J4)) \$ 967,646 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal \$ -0-

Sale/lease-back reserve \$ -0-

Capital reserve \$12,106,754

Maintenance reserve \$ -0-

Emergency reserve \$ -0-

Tuition reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve – current year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve – prior year \$ -0-

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-

Impact Aid Capital Fund Reserve (Sections 8007 and 8008) \$ -0-

Other state/governmental mandated reserve \$ -0-

Other Restricted Fund Balance not noted above \$ -0-

Total Other Restricted Fund Balance \$12,106,754 (C4)

BLOOMFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2018

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
 - a.) The program coordinators/teachers who collect the fees for the Summer Arts and Innovation Summer Institute Programs turns over all receipts to the Board Office in a timely manner.
 - b.) The District make every effort to obtain the required 90% return rate of parental consent forms for the Special Education Medicaid Initiative Medicaid Program in accordance with N.J.A.C.6A:23A-5.3(d).
 - c.) The additional qualified support costs reported on the Extraordinary Aid application are correctly calculated and reviewed for accuracy.
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. Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding approval of payroll registers, proper classification of open purchase orders, timely deposits, accuracy of the District's A.S.S.A., tagging of capital assets and update of the capital assets inventory records were resolved in the current year.