

**TOWNSHIP OF DENNIS  
SCHOOL DISTRICT**

**AUDITOR'S MANAGEMENT REPORT  
ON ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2018**



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

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# FORD - SCOTT

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## REPORT OF INDEPENDENT AUDITORS

Honorable President and  
Members of the Board of Education  
Township of Dennis School District  
County of Cape May, New Jersey

We have audited, in accordance with generally accepted audit standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Dennis Township School District in the County of Cape May for the year ended June 30, 2018, and have issued our report thereon dated January 28, 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 report is intended for the information of the Dennis Township Board of Education's management and the New Jersey Department of Education, other state and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Ford, Scott & Associates, L.L.C.*

**FORD, SCOTT & ASSOCIATES, L.L.C.**

**CERTIFIED PUBLIC ACCOUNTANTS**

*Leon P. Costello*

**Leon P. Costello**

**Certified Public Accountant**

**Licensed Public School Accountant**

**No. 767**

**January 28, 2019**

**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING**

**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 (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Paige Rumaker	Board Secretary / School Business Administrator	\$ 10,000.00
Kelly Brazelton	Treasurer	210,000.00

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made proper adjustments to the billings to sending districts for the actual per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f) 3. We noted no exceptions in regards with the receiving tuition revenue. We did however note exceptions with the sending districts tuition expenditures. We noted differences between what the district paid private school districts and what the tuition contract on file stated was due. We recommend the district review their procedures over the payment to sending districts and take corrective action in fiscal year 2019. No formal finding deemed necessary

Dennis Township is a sending district to Middle Township High School. All tuition contracts were available for inspection.

**Financial Planning, Accounting and Reporting**

Examination of Claims

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures or certification. We did however note three instances where mileage supporting documentation was lacking. We recommend the required supporting documentation be attached to all purchase orders made prior to payment of claim. No formal finding deemed necessary.

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 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/School Business Administrator.

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

### **Finding 2018-01 AMR:**

During our testing of payroll, we noted seven instances in which the district did not properly deduct health insurance withholdings from employees and one instance in which an employee was paid the wrong rate.

### **Recommendation 2018-01 AMR:**

We recommend that the District review their procedures over inputting employee salaries and health insurance withholdings into their payroll system and establish procedures to review this process.

### **Employee Position Control Roster**

An inquiry and subsequent review of the Position Control Roster found no inconsistencies between the payroll records, employee benefit records, the general ledger accounts to where wages are posted, 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. No discrepancies were noted.

### **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, a transaction error rate of zero was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

### **Board Secretary's Records**

Our review of the financial and accounting records maintained by the Board Secretary disclosed the following items:

- Acknowledgement of the Board's receipt of the Board Secretary's and the Treasurer's monthly financial reports were included in the minutes.
- Budget appropriations were not greater than realized revenues and Board authorized use of surplus.
- No budgetary line accounts were over-expended during the fiscal year end at June 30 (N.J.A.C. 6A:23A-16.10)
- Payments made to vendors were not made until the receipt of goods.
- Capital asset records were updated for the additions and disposals of capital assets made during the year. However, we noted the following; three instances in which assets we selected for testing were not tagged, three instances in which new 2018 assets were not properly added, two instances in which assets selected for testing could not be located for examination and one instance in which the proper historical cost amount was not used to add the asset. No formal finding deemed necessary.
- The district is not maximizing its efforts under the Special Education Medicaid Initiative (SEMI) Program for obtaining federal funding for special education services. An overall parental consent rate of 87% was noted.
- Budget transfers were approved by two-thirds affirmative vote of the authorized membership of the school board (N.J.A.C. 6A:23A-13.3(f))

- Purchase orders were charged to the appropriate line accounts in accordance with State prescribed Uniform Minimum Chart of Accounts (Handbook 2R2), for New Jersey Public Schools.

### **Finding 2018-02 AMR:**

Several year-end adjustments were necessary to properly reflect revenues, expenditures and account balances in the Board's financial statements at year-end.

### **Recommendation 2018-02 AMR:**

That year-end closing procedures be reviewed by management to ensure all revenues, expenditures and account balances are properly reflected on year-end reports.

### **Treasurer's Records**

The following items were noted during our review of the records of the Treasurer:

- The Treasurer's records were in satisfactory condition.
- All required reconciliations were performed. We recommend that old reconciling items noted on the bank reconciliations be reviewed in fiscal year 2019.
- Cash receipts were promptly deposited. (*N.J.A.C. 18A:17-34, 18A:17-9.1*)
- The Treasurer's records were not in agreement with those of the Board Secretary.

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

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 and VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. revealed no areas of noncompliance and/or questionable costs.

### **Other Special Federal and/or State Projects**

The district's Special Projects were approved as listed on the Schedule A and Schedule B 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.

The study of compliance for Special Federal and/or State Projects revealed no areas of noncompliance and/or questionable costs.

### **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 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.



## **School Purchasing Programs**

### **Contracts and Agreements Requiring Advertisement for Bids**

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. Dennis Township Board of Education does not have a Qualified Purchasing Agent therefore the bid threshold was \$29,000 for fiscal year 2018. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$19,000.

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 solicitor's opinion should be sought before a commitment is made.

### **Finding 2018-03 AMR:**

Our examination of professional service contracts revealed four instances in which the award of the professional service was not published in the official newspaper. We were also unable to inspect required documentation on several contracts awarded by the district.

### **Recommendation 2018-03 AMR:**

That the district establish internal control procedures that are designed to ensure compliance with New Jersey School Contract Law.

## **School Food Service**

We inquired of the School Business Administrator, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

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.

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 noted.

Cash receipts and bank records were reviewed for timely deposit. No exceptions noted.

The school 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 were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

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. No exceptions noted.

The cash disbursement 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. No exceptions noted.

Net cash resources did not exceed three months' average expenditures.

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 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 and certified in a timely manner. No exceptions noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed was compared to the number of valid applications on file 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 and free milk policy was reviewed for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review. During our testing of lunch applications, we noted one instance in which an application status was changed to free and should have remained reduced. No formal finding deemed necessary.

USDA Food Distribution 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 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 Proprietary Funds, Section B.

### **Student Body Activities and Community Education**

The records of the Student Activity and Community Education Funds were in satisfactory condition.

### **Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2017 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low income, and bilingual. We also performed a review of the districts procedures related to its completion. The information on the ASSA was compared to the district workpapers without exceptions noted. 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 2017-18 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without any exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

## **Miscellaneous**

- The school district has complied with continuing disclosure agreements made in relation to prior year bond issuances. No exceptions noted.
- Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The school district did submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12(g).

## **Follow-Up on Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action has not been taken on all prior year findings.

## **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.

Respectfully submitted,

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Leon P. Costello*  
**Leon P. Costello**  
**Certified Public Accountant**  
**Licensed Public School Accountant**  
**No. 767**

January 28, 2019



**DENNIS TWP BOARD OF EDUCATION  
SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 13, 2017**

	Resident Low Income		Sample for Verification		Resident LEP Low Income		Sample for Verification	
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Reported on A.S.S.A as LEP Low Income	Reported on Workpapers LEP Low Income	Sample Selected from Workpapers	Verified to Test Score, Register, & Application
Full Day Preschool								
Half Day Preschool								
Full Day Kindergarten								
One	10.00	10.00	6.00	6.00	-	-	-	-
Two	19.00	19.00	12.00	12.00	-	-	-	-
Three	18.00	18.00	11.00	11.00	-	-	-	-
Four	16.00	16.00	10.00	10.00	-	-	-	-
Five	12.00	12.00	7.00	7.00	-	-	-	-
Six	13.00	13.00	8.00	8.00	-	-	-	-
Seven	13.00	13.00	9.00	9.00	-	-	-	-
Eight	12.00	12.00	7.00	7.00	-	-	-	-
Nine	8.00	8.00	5.00	5.00	-	-	-	-
Ten								
Eleven								
Twelve								
Post-Graduate								
Adult H.S. (15+CR.)								
Adult H.S. (1-14+CR.)								
Subtotal	121.00	121.00	75.00	75.00	-	-	-	-
Special Ed - Elementary	28.00	28.00	17.00	17.00	-	-	-	-
Special Ed - Middle School	14.00	14.00	9.00	9.00	-	-	-	-
Special Ed - High School								
Subtotal	42.00	42.00	26.00	26.00	-	-	-	-
Co. Voc. - Regular								
Co. Voc. - FT Post Sec.								
Totals	163.00	163.00	101.00	101.00	-	-	-	-
Percentage Error								

**Transportation**

	Reported on DRTS by DOE/County		Reported on DRTS by District		Transportation	
	Errors	Verified	Errors	Verified	Errors	Verified
Reg. - Public Schools, col. 1						
Reg - Sp Ed, col. 4	576.00	576.00	172.00	172.00	-	-
Transported - Non-Public, col. 3	84.00	84.00	25.00	25.00	-	-
AIL Non-Public Schools	15.00	15.00	4.00	4.00	-	-
Special Ed Spec, col. 6	14.00	14.00	4.00	4.00	-	-
Totals	90.00	90.00	27.00	27.00	-	-
	779.00	779.00	232.00	232.00	-	-
Percentage Error						

**Reported** 6.7  
**Recalculated** 6.7

Reg Avg. (Mileage) = Regular Including Grade PK Students 6.7  
Reg Avg. (Mileage) = Regular Excluding Grade PK Students 6.7  
Spec Avg. = Special Ed with Special Needs 8.0

**DENNIS TWP BOARD OF EDUCATION  
 SCHEDULE OF AUDITED ENROLLMENTS  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 13, 2017**

	<b>Resident LEP NOT Low Income</b>			<b>Sample for Verification</b>		
	Reported on	Reported on		Sample	Verified to	Sample
	A.S.A as	Workpapers		Selected from	Test Score	Errors
	LEP Not Low	LEP Not Low	Errors	Workpapers	and Register	
	Income	Income				
Full Day Preschool	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle School	-	-	-	-	-	-
Special Ed - High School	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-
Totals	-	-	-	-	-	-
Percentage Error	-	-	-	-	-	-

**DENNIS TOWNSHIP BOARD OF EDUCATION  
EXCESS SURPLUS CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2018**

**REGULAR DISTRICT**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2017-18 Total General Fund Expenditures per the CAFR, Ex. C-1	\$	<u>17,794,466.28</u>	(B)
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	\$	<u>                    </u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$	<u>                    </u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$	<u>                    </u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$	<u>                    </u>	(B1c)
Decreased By:			
On-Behalf TPAF Pension & Social Security	\$	<u>1,484,642.79</u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u>177,369.65</u>	(B2b)
Adjusted 2017-18 General Fund Expenditures [(B)+(B1's)-(B2's)]	\$	<u><u>16,132,453.84</u></u>	(B3)
2% of Adjusted 2017-18 General Fund Expenditures [(B3) times .02]	\$	<u>322,649.08</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>322,649.08</u>	(B5)
Increased by: Allowable Adjustment*	\$	<u>51,779.00</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		<u><u>374,428.08</u></u>	(M)

**DENNIS TOWNSHIP BOARD OF EDUCATION  
EXCESS SURPLUS CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2018**

**SECTION 2**

Total General Fund - Fund Balances @ 06/30/18 (Per CAFR Budgetary Comparison schedule/statement C-1)	\$ <u>2,624,913.39</u> (C)
Decreased by:	
Year-end Encumbrances	\$ <u>463,446.62</u> (C1)
Legally Restricted-Designated for Subsequent Year's Expenditures	\$ _____ (C2)
Legally Restricted-Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>314,065.00</u> (C3)
Other Restricted Fund Balances ****	\$ <u>1,064,659.94</u> (C4)
Assigned Fund Balance-Unreserved Designated for Subsequent Year's Expenditures	\$ <u>77,623.00</u> (C5)
Additional Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures July 1, 2018 - August 1, 2018	\$ _____ - (C6) *****
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]	\$ <u>705,118.83</u> (U1)

**SECTION 3**

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER - 0 -	\$ <u>330,690.75</u> (E)
<b><u>Recapitulation of Excess Surplus as of June 30, 2018:</u></b>	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>314,065.00</u> (C3)
Reserved Excess Surplus ***	\$ <u>330,690.75</u> (E)
Total [(C3) + (E)]	\$ <u>644,755.75</u> (D)

\* This adjustment line (as detailed below) is to be utilized for Impact Aid (when applicable), Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), and Extraordinary Aid, Additional Nonpublic School Transportation Aid and Unbudgeted TPAF Wage Freeze Grant Funding. (Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion Extraordinary Aid and Additional Nonpublic School Transportation Aid.)

**Detail of Allowable Adjustment**

Impact Aid	\$ _____ (H)
Sale & Lease-back	\$ _____ (I)
Extraordinary Aid	\$ <u>47,719.00</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>4,060.00</u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____ (J3)
Family Crisis Transportation Aid	\$ _____ (J4)
Total Adjustments [(H)+(I)+(J1) + (J2)]	\$ <u>51,779.00</u> (K)

\*\* This amount represents the June 30, 2018 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

\*\*\* Amounts must agree to the June 30, 2018 CAFR and the sum of the two lines must agree to Audit Summary Worksheet Line 90030.



**DENNIS TOWNSHIP BOARD OF EDUCATION  
EXCESS SURPLUS CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2018**

\*\*\*\* Amount for Other Reserved 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 Finance prior to September 30.

\*\*\*\*\* Increase in Assigned Fund Balance-Unreserved-Designated for Subsequent Year's expenditures July 1, 2018 to August 1, 2018 resulting from decrease in state aid after adoption of 2018-19 district budget.

**Detail of Other Restricted Fund Balance**

Statutory restrictions:

Approved unspent separate proposal	\$ _____
Capital outlay for a district with a capital outlay cap waiver	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ 364,659.94
Maintenance reserve	\$ 475,000.00
Emergency reserve	\$ 225,000.00
Waiver offset reserve	\$ _____
Tuition reserve	\$ _____
Other state/government mandated reserve	\$ _____
[Other Restricted Fund Balance not noted above]****	\$ _____
 Total Other Restricted Fund Balance	 \$ 1,064,659.94 (C4)

**AUDIT RECOMMENDATIONS SUMMARY  
For the Fiscal Year Ended June 30, 2018  
DENNIS TOWNSHIP SCHOOL DISTRICT**

**RECOMMENDATIONS**

1. Administrative Practices and Procedures  
None

2. Financial Planning, Accounting and Reporting

**Recommendation 2018-01 AMR:**

We recommend that the District review their procedures over inputting employee salaries and health insurance withholdings into their payroll system and establish procedures to review this process.

**Recommendation 2018-02 AMR:**

That year-end closing procedures be reviewed by management to ensure all revenues, expenditures and account balances are properly reflected on year-end reports.

3. School Purchasing Program

**Recommendation 2018-03 AMR:**

That the district establish internal control procedures that are designed to ensure compliance with New Jersey School Contract Law.

4. School Food Service  
None

5. After School Program  
None

6. Student Body Activities  
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 Year Audit Findings/Recommendations  
Corrective action has not been taken on all prior year findings.