

**HAINESPORT TOWNSHIP
SCHOOL DISTRICT**

HAINESPORT SCHOOL DISTRICT
Hainesport, New Jersey
County of Burlington

**Auditor's Management Report on Administrative Findings -
Financial, Compliance and Performance
for The Year Ended June 30, 2018**

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

TABLE OF CONTENTS

	PAGE
Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance	1
Scope of Audit	3
Administrative Practices and Procedures:	
Insurance	3
Official Bonds	3
Financial Planning, Accounting and Reporting:	
Examination of Claims	3
Payroll Account	4
Employee Position Control Roster	4
Reserve for Encumbrances and Accounts Payable	4
Classification of Expenditures	4
Board Secretary's Records	4
Treasurer's Records	4
Elementary & Secondary School Education Act (E.S.E.A.), as amended by the Improving America's Schools Act of 1994 (I.A.S.A.)	5
Other Special Federal and/or State Project	5
T.P.A.F. Reimbursement	5
School Purchasing Programs:	
Contracts & Agreements Requiring Advertisement for Bids	6
School Food Service	6
Student Body Activities	6
Application for State School Aid	8
Pupil Transportation	8
Testing for Lead of All Drinking Water in Educational Facilities	8
Follow-up on Prior Year Findings	9
Office of Fiscal Accountability and Compliance (OFAC) Findings	9
Acknowledgment	9
Additional Information:	
Schedule of Audited Enrollments	11
Excess Surplus Calculation	14
Audit Recommendation Summary	18

This page intentionally left blank.



HOLMAN | FRENIA
ALLISON, P.C.

Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Toms River, NJ 08753 • Tel: 732.797.1333
618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612
912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010

www.hfacpas.com

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

Honorable President and Members
of the Board of Education
Hainesport Township School District
County of Burlington
Hainesport, 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 Hainesport Township School District in the County of Burlington for the year ended June 30, 2018, and have issued our report thereon dated February 23, 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 Hainesport 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.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1101

Medford, New Jersey
February 23, 2019

This page intentionally left blank.

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

Scope of Audit

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

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the School 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>
Michael Blake	Board Secretary/School Business Administrator	\$300,000
Sharon Deviney	Treasurer	\$200,000

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

A sample examination of claims paid during the period under the review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Financial Planning, Accounting and Reporting (continued)

Payroll Account

The net salaries of sampled employees of the board were deposited in the Payroll Account. Employee's payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

Sampled payrolls were approved by the Superintendent and were certified by the President of the Board and the School Business Administrator/Board Secretary.

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

Payrolls were delivered to the treasurer of school moneys with a warrant made to their order for the full amount of each payroll.

Employee Position Control Roster

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

Reserve for Encumbrances and Accounts Payable

A sample 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 was tested for proper classification in accordance with *N.J.A.C. 6A:23 A-16.29(f)* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of a sample of 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 0.0 percent overall 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 were found to be in satisfactory condition.

Treasurer's Records

Our review of the financial and accounting records maintained by the Treasurer of School Monies were found to be in satisfactory condition.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind Act of 2001.

The E.S.E.A. / N.C.L.B. 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 II of the Elementary and Secondary Education Act as amended and reauthorized.

Other Special Federal and/or State Projects

The School 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 sample 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 sample test of the biweekly reimbursements 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. 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.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A.18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general is available on the website: <http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>

Current statute is posted on the New Jersey Legislature website at: http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headigswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_Pg42

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 \$18,800 for 2016-17.

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

Based on the results of our tests on sample basis, we did not note any individual payments, contracts, or agreements 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*.

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

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.

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 costs of goods sold.

Student Body Activities

Our review of the financial and accounting records for student activities indicated they were in satisfactory condition.

Application for State School Aid (ASSA)

Our audit procedures included a sample 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 and low-income, and bilingual. We also performed a review on a sample basis of the School District's procedures related to its completion. The information on the ASSA was compared to the School District workpapers without exception. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments

The School District maintained workpapers on the prescribed state forms of their equivalent.

The School District written procedures appear to be adequate for the recording of student enrollment data

Pupil Transportation

Our audit procedures included a sample test of on roll status reported in 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 results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a sample of transportation contracts and purchases. Based on our sample, the School 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 sampling of transportation related purchases of goods and services.

Testing for Lead of All Drinking Water in Educational Facilities

The school district submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Follow-up on Prior Year Findings

In accordance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, our procedures included a review of all prior year findings reported in the prior year's Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance. Corrective action had been taken on all prior year findings.

Office of Fiscal Accountability and Compliance (OFAC) Findings

There were no Office of Fiscal Accountability and Compliance (OFAC) audit reports issued during the fiscal year ended June 30, 2018.

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,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1101

Medford, New Jersey
February 23, 2019

This page intentionally left blank.

ADDITIONAL INFORMATION

This page intentionally left blank

SCHEDULE OF AUDITED ENROLLMENTS (1)

**HAINESPORT TOWNSHIP SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2017**

	2018-2019 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.A. On Roll		Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.A. as Private Schools	Sample for Verification	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool - 3 YR	2	-	2	-	-	-	1	-	1	-	-	-	-	-	-	-
Half Day Preschool - 4 YR	8	-	8	-	-	-	3	-	3	-	-	-	1	1	1	-
Full Day Kindergarten	44	-	44	-	-	-	14	-	14	-	-	-	1	1	1	-
One	43	-	43	-	-	-	14	-	14	-	-	-	-	-	-	-
Two	47	-	47	-	-	-	15	-	15	-	-	-	-	-	-	-
Three	54	-	54	-	-	-	18	-	18	-	-	-	-	-	-	-
Four	51	-	51	-	-	-	17	-	17	-	-	-	-	-	-	-
Five	41	-	41	-	-	-	13	-	13	-	-	-	-	-	-	-
Six	71	-	71	-	-	-	23	-	23	-	-	-	-	-	-	-
Seven	58	-	58	-	-	-	19	-	19	-	-	-	-	-	-	-
Eight	82	-	82	-	-	-	27	-	27	-	-	-	-	-	-	-
Subtotal	501	-	501	-	-	-	164	-	164	-	-	-	2	2	2	-
Special Ed - Elementary	54	-	54	-	-	-	18	-	18	-	-	-	4	3	3	-
Special Ed - Middle School	44	-	44	-	-	-	14	-	14	-	-	-	5	4	4	-
Subtotal	98	-	98	-	-	-	32	-	32	-	-	-	9	7	7	-
Totals	599	-	599	-	-	-	196	-	196	-	-	-	11	9	9	-
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SCHEDULE OF AUDITED ENROLLMENTS (2)

HAINESPORT TOWNSHIP SCHOOL DISTRICT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2017

	Resident Low Income			Resident LEP Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Test Score Verified to & Register	Sample Errors	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Application Verified to & Register	Sample Errors
Half Day Preschool - 3 YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4 YR	5	5	-	1	1	-	4	4	-	1	-	-	1	1	-
Full Day Kindergarten	7	7	-	-	-	-	4	4	-	-	-	-	-	-	-
One	5	5	-	-	-	-	4	4	-	-	-	-	-	-	-
Two	7	7	-	-	-	-	5	5	-	-	-	-	-	-	-
Three	6	6	-	-	-	-	5	5	-	-	-	-	-	-	-
Four	10	10	-	-	-	-	8	8	-	-	-	-	-	-	-
Five	5	5	-	-	-	-	4	4	-	1	-	-	1	1	-
Six	9	9	-	-	-	-	7	7	-	-	-	-	-	-	-
Seven	6	6	-	-	-	-	5	5	-	-	-	-	-	-	-
Eight	12	12	-	-	-	-	9	9	-	-	-	-	-	-	-
Subtotal	65	65	-	2	2	-	51	51	-	2	-	-	2	2	-
Special Ed - Elementary	20	20	-	-	-	-	15	15	-	-	-	-	-	-	-
Special Ed - Middle School	12	12	-	-	-	-	9	9	-	-	-	-	-	-	-
Subtotal	32	32	-	-	-	-	24	24	-	-	-	-	-	-	-
Totals	97	97	-	2	2	-	75	75	-	2	-	-	2	2	-

Percentage Error

-

Transportation

	Reported on DRTRS by DOE/County			Reported on DRTRS by District			Verified		
	Reported on DRTRS by DOE/County	Reported on District	Errors	Reported on District	Reported on Tested	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	81	81	-	50	50	-	50	50	-
AIL Non-Public	5	5	-	3	3	-	3	3	-
Reg -SpEd, col. 4	20	20	-	12	12	-	12	12	-
Transported - Non-Public, col. 3	69	69	-	43	43	-	43	43	-
Special Ed Spec, col. 6	6	6	-	4	4	-	4	4	-
Totals	181	181	-	112	112	-	112	112	-

Percentage Error

-

SCHEDULE OF AUDITED ENROLLMENTS (3)

**HAINESPORT TOWNSHIP SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2017**

	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 & Register	Sample Errors
Half Day Preschool - 3 YR	-	-	-	-	-	-
Half Day Preschool - 4 YR						
Full Day Kindergarten	-	-	-	-	-	-
One	1	1	-	1	1	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Subtotal	1	1	-	1	1	-
Special Ed - Elementary	1	1	-	1	1	-
Special Ed - Middle	-	-	-	-	-	-
Subtotal	1	1	-	1	1	-
Totals	2	2	-	2	2	-
Percentage Error		<u><u>-</u></u>			<u><u>-</u></u>	

EXCESS SURPLUS CALCULATION

REGULAR DISTRICTS

SECTION 1

A. 2% Calculation of Excess Surplus

2017-2018 Total General Fund Expenditures per the CAFR, Ex. C-1	\$	<u>10,676,904</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>	(B1d)
Decreased by:			
On-Behalf TPAF Pension & Social Security	\$	<u>1,356,842</u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u>-</u>	(B2b)
Adjusted 2017-201 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$	<u><u>9,320,062</u></u>	(B3)
2% of adjusted 2017-2018 General Fund Expenditures [(B3) times .02]	\$	<u>186,402</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>250,000</u>	(B5)
Increased by: Allowable Adjustment *	\$	<u>59,846</u>	(K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]	\$	<u><u>309,846</u></u>	(M)

SECTION 2

Total General Fund - Fund Balances @ 06/30/2018 (Per CAFR Budgetary Comparison Schedule C-1)	\$	<u>2,033,124</u>	(C)
Decreased by:			
Year-End Encumbrances	\$	<u>-</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$	<u>-</u>	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$	<u>388,231</u>	(C3)
Other Restricted Fund Balances ****	\$	<u>922,425</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$	<u>35,481</u>	(C5)
Additional Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures (July 1, 2018 - August 1, 2018)	\$	<u>-</u>	(C6)*****
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]	\$	<u><u>686,987</u></u>	(U1)

REGULAR DISTRICTS (continued):

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 377,141 (E)

Recapitulation of Excess Surplus as of June 30, 2018

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures ** \$ 388,231 (C3)

Reserved Excess Surplus *** [(E)] \$ 377,141 (E)

Total Excess Surplus [(C3) + (E)] \$ 765,372 (D)

Footnotes:

* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

(H) Federal Impact Aid. The passage of P.L. 2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year endin June 30, 2016, the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 of 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);

(I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);

(J1) Extraordinary Aid;

(J2) Additional Nonpublic School Transportation Aid;

(J3) Recognized current year School Bus Advertising Revenue; and

(J4) Family Crisis Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ <u>35,718</u>	(J1)
Additional Nonpublic School Transportation Aid	\$ <u>24,128</u>	(J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____	(J3)
Family Crisis Transportation Aid	\$ _____	(J4)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	 \$ <u>59,846</u>	 (K)

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

*** Amount must agree to the June 30, 2018 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 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.

***** 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	\$ _____
Sale/Lease-Back Reserve	\$ _____
Capital Reserve	\$ <u>839,525</u>
Maintenance Reserve	\$ <u>82,900</u>
Emergency Reserve	\$ _____
Tuition Reserve	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$ _____
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ _____
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserve	\$ _____
[Other Restricted Fund Balance Not Noted Above] *****	\$ _____
 Total Other Restricted Fund Balance	 \$ <u>922,425</u> (C4)

SYNOPSIS OF AUDIT REPORT FOR PUBLIC DISTRIBUTION

**HAINESPORT TOWNSHIP SCHOOL DISTRICT
COUNTY OF BURLINGTON**

As required by Title 18A:23-4, the following is a synopsis of the audit of the financial statements and supplementary data of the Governmental Activities for the year ended June 30, 2018.

ASSETS & OTHER DEBITS	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	2018	2017
Assets:					
Cash & Cash Equivalents	\$ 926,585	\$ -	\$ 641	\$ 927,226	\$ 935,315
Interfund Receivable	39	-	-	39	-
Receivables, Net	64,385	76,409	-	140,794	82,992
Restricted Cash & Cash Equivalents	922,425	-	-	922,425	871,300
	<hr/>				
Total Assets	\$ 1,913,434	\$ 76,409	\$ 641	\$ 1,990,484	\$ 1,889,607
	<hr/>				
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 40,347	\$ -	\$ 40,347	\$ -
Accounts Payable	4,631	26,249	-	30,880	17,063
Interfund Payable	-	39	-	39	-
Unearned Revenue	-	9,774	-	9,774	15,506
	<hr/>				
Total Liabilities	4,631	76,409	-	81,040	32,569
	<hr/>				
Fund Balances:					
Restricted for:					
Capital Reserve	839,525	-	-	839,525	871,300
Maintenance Reserve	82,900	-	-	82,900	-
Excess Surplus - Current year	377,141	-	-	377,141	388,231
Excess Surplus Designated for Subsequent Year's Expenditures	388,231	-	-	388,231	349,536
Debt Service	-	-	641	641	641
Assigned to:					
Designated for Subsequent Year's Expenditures	35,481	-	-	35,481	65,177
Other Purposes	-	-	-	-	14,807
Unassigned	185,525	-	-	185,525	167,346
	<hr/>				
Total Fund Balances	1,908,803	-	641	1,909,444	1,857,038
	<hr/>				
Total Liabilities & Fund Balances	\$ 1,913,434	\$ 76,409	\$ 641	\$ 1,990,484	\$ 1,889,607
	<hr/>				

HAINESPORT TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPES
FOR FISCAL YEAR ENDED JUNE 30, 2018
(With Comparative Totals for June 30, 2017)

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	2018	2017
Revenues:					
Local Sources:					
Local Tax Levy	\$ 7,860,580	\$ -	\$ 790,862	\$ 8,651,442	\$ 8,239,914
Tuition	18,976	-	-	18,976	49,442
Interest on Capital Reserve	-	-	-	-	-
Miscellaneous	27,850	14,667	-	42,517	18,384
Total Local Sources	7,907,406	14,667	790,862	8,712,935	8,307,740
State Sources	2,807,538	-	9,087	2,816,625	2,666,268
Federal Sources	14,366	265,741	-	280,107	256,826
Total Revenues	10,729,310	280,408	799,949	11,809,667	11,230,834
Expenditures:					
Current Expense:					
Regular Instruction	2,729,255	250,788	-	2,980,043	3,027,301
Special Education Instruction	1,137,371	-	-	1,137,371	1,068,957
Other Instruction	174,878	-	-	174,878	220,131
Support Services:					
Tuition	348,837	-	-	348,837	213,358
Student & Instruction Related Services	1,034,390	29,620	-	1,064,010	1,064,864
General Administrative Services	355,719	-	-	355,719	314,938
School Administrative Services	175,427	-	-	175,427	170,154
Central Services	258,611	-	-	258,611	235,382
Plant Operations & Maintenance	735,043	-	-	735,043	756,812
Pupil Transportation	486,468	-	-	486,468	445,489
Unallocated Employee Benefits	1,579,103	-	-	1,579,103	1,456,908
On Behalf TPAF Pension and Social Security Contributions	1,356,842	-	-	1,356,842	1,149,440
Capital Outlay	237,864	-	-	237,864	13,514
Special Schools	26,348	-	-	26,348	27,995
Debt Service:					
Principal	-	-	595,000	595,000	647,041
Interest & Other Charges	40,748	-	204,949	245,697	270,597
Total Expenditures	10,676,904	280,408	799,949	11,757,261	11,082,881
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	52,406	-	-	52,406	147,953
Other Financing Sources/(Uses):					
Transfer From Other Funds	-	-	-	-	178,128
Transfer To Other Funds	-	-	-	-	(178,128)
Total Other Financing Sources/(Uses)	-	-	-	-	-
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing & Other Financing Uses	52,406	-	-	52,406	147,953
Fund Balance - July 1	1,856,397	-	641	1,857,038	1,709,085
Fund Balance - June 30	\$ 1,908,803	\$ -	\$ 641	\$ 1,909,444	\$ 1,857,038

**HAINESPORT TOWNSHIP SCHOOL DISTRICT
AUDIT RECOMMENDATIONS SUMMARY
YEAR ENDED JUNE 30, 2018**

SCHOOL DISTRICT

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

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. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

No Prior Year Audit Findings/Recommendations