

BOARD OF EDUCATION
TEWKSBURY TOWNSHIP SCHOOL DISTRICT
COUNTY OF HUNTERDON
STATE OF NEW JERSEY

REPORT OF ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE

JUNE 30, 2018

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

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Tewksbury Township School District
County of Hunterdon, 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 Tewksbury Township School District in the County of Hunterdon for the year ended June 30, 2018, and have issued our report thereon dated January 16, 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 Tewksbury Township School District Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in cursive script, appearing to read 'Anthony Ardito'.

Date: January 16, 2019

Licensed Public School Accountant No. 2369
ARDITO & CO., LLP

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, 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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Joanne Black	Business Administrator/Board Secretary	\$195,000

There is Public Employees' Faithful Performance Blanket Position Bond with the New Jersey Schools Insurance Group covering all other employees with coverage of \$500,000.

Financial Planning, Accounting and Reporting

Examination of Claims

The State purchase order system is fully operational in that purchase orders are issued for the financial transactions of the Board.

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

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

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

The Board, at present, processes the payroll through an approved off-site computer system.

Reserve for Encumbrances Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-16.2f 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, no transaction error rate was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's/Treasurer's Records

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

The Treasurer's records were examined and were found to be in agreement with the records of the 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 Title I and VI of the Elementary and Secondary Education Act, as amended.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Schedule A and Schedule B located on pages 9 and 10 of this report.

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 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 reimbursements filed with the Department of Education for district school employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

There were no TPAF employee salaries charged to federal award expenditures that would require reimbursement to the State of New Jersey for TPAF Pension or FICA paid on-behalf of the district.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective April 17, 2000, N.J.S.A. 18A:18A (Public School Contracts Law) was revised by P.L.1999,c.440 (originally known as Assembly Bill No. 3519). Rules and regulations pertaining to the amended law are to be promulgated by the Division of Local Government Services, with consultation from the Commissioner of Education.

School Purchasing Programs-(Continued)

N.J.S.A. 18A:18A-3 is amended to read as follows:

- a.** When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in the 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. (pending before the Legislature as section 15 of this bill) of section 9 of P.L.1971,c.198(C.40A:11-9) the board of education may establish that the bid threshold may be up to \$36,000. 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.18A:18A-2(pending before the Legislature as section 50 of this bill), 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.

Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection **a.** of N.J.S.18A:18A-5 may be awarded for a period not exceeding 12 consecutive months.

N.J.S.A.18A:18A-4 (as amended) states, "Every contract or agreement 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 currently \$19,000.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal 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.

Within the state budgeting structure and general ledger accounting system, payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies are not accumulated by category type. As such, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provisions of N.J.S.A.8A:18A-4.

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

School Purchasing Programs-(Continued)

Within the state budgeting structure and general ledger accounting system, payments are not accumulated for purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal, however, that the following purchases were made through the use of State contracts:

General/Teaching/School Supplies
Custodial Supplies

School Food Service

The financial transactions and statistical records of the school food services fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test check basis.

No meals were claimed for reimbursement as the district did not participate in the Federal or State Child Nutrition Program.

Cash receipts and bank records were reviewed for timely deposit.

The district utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has been met. The loss incurred on CAFR schedule B-5 relates to board of education approved expenditures outside of the food service management company contract. 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.

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.

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

Since the district did not participate in the federal or state child nutrition program, the district did not maintain the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool on an annual basis. Accordingly, the Statement of Revenues, Expenses, and Changes in Fund Net Assets (CAFR Schedule B-5) does not separate program and non-program revenue and program and non-program cost of goods sold.

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

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the CAFR.

Student Body Activities

Cash receipts and disbursements records were maintained on the student activity account.

All receipts appear to be promptly deposited in the bank.

Payment authorizations, invoices and other supporting data were presented and available for audit.

Application for State School Aid

Our audit procedures included a test of the information reported in the October 15, 2017, 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 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 procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a 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 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 agreement 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 our review, the District complied with these procedures.

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 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 Years' Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings.

Summary of Recommendations

None

Acknowledgement

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.

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

	<u>2018-2019 Application for State School Aid</u>						<u>Sample for Verification</u>				<u>On Roll-Related Services</u>			<u>Private Schools for Handicapped</u>				<u>Private Schools-Related Services</u>				
	Reported on A.S.S.A. <u>On Roll</u>		Reported on Workpapers <u>On Roll</u>		<u>Errors</u>		Sample Selected from <u>Workpapers</u>		Verified per Registers <u>On Roll</u>		Errors per Registers <u>On Roll</u>		Sample for Verifi- <u>cation</u>	Sample <u>Verified</u>	Sample <u>Errors</u>	Reported on A.S.S.A. as <u>Private School</u>	Sample for Verifi- <u>cation</u>	Sample <u>Verified</u>	Sample <u>Errors</u>	Sample for Verifi- <u>cation</u>	Sample <u>Verified</u>	Sample <u>Errors</u>
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared										
Full Day Preschool-3 Yrs	3		3					1		1												
Full Day Preschool-4 Yrs	7		7					2		2												
Full Day Kindergarten	39		39					13		13												
One	43		43					15		15												
Two	47		47					16		16												
Three	51		51					18		18												
Four	50		50					17		17												
Five	64		64					22		22												
Six	61		61					21		21												
Seven	68		68					24		24												
Eight	69		69					24		24												
Subtotal	502	0	502	0	0	0	173	0	173	0	0	0	0	0	0	0	0	0	0	0	0	0
Sp. Ed. - Elementary	49		49					17		17												
Sp. Ed. - Middle	19		19					7		7												
Subtotal	68	0	68	0	0	0	24	0	24	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals	570	0	570	0	0	0	197	0	197	0	0	0	0	0	0	0	0	0	0	0	0	0
Percentage Error					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>	<u>0.00%</u>			<u>0.00%</u>				<u>0.00%</u>			<u>0.00%</u>	

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

	<u>Low Income</u>			<u>Sample for Verification</u>			<u>Bilingual Education</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 Bilingual Education	Reported on Workpapers as Bilingual Education	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Kindergarten	3	3		3	3		0	0	0	0	0	0
One	1	1		1	1							
Two	2	2		2	2							
Three	1	1		1	1							
Four	2	2		2	2							
Five	1	1		1	1							
Six	2	2		2	2							
Seven	1	1		1	1							
Eight	4	4		4	4							
Sp. Ed. - Elementary	4	4		4	4							
Sp. Ed. - Middle	0	0		0	0							
Totals	21	21		21	21	0						
Percentage Error			<u>0.00%</u>			<u>0.00%</u>						

	<u>Transportation</u>					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular	408	408		188	188	
NP Transportation	4	4		2	2	
Spec Ed - Special Needs	16	16		7	7	
Totals	428	428	0	197	197	0
Percentage Error					<u>0.00%</u>	

TEWKSBURY TOWNSHIP SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2018

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2017	Carryover/ Walkover Amount	Cash Received	Budget Expenditures	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2018			Cumulative Total Expenditures
					From	To							Accounts Receiv.	Deferred Revenue	Due to Grantor	
U.S. Dept. of Education Passed- Through State Dept. of Education: Special Revenue Fund:																
Title I	84.010	S010A170030	N/A	\$ 27,915	7/1/17	6/30/18			\$ 27,915	\$ (27,915)						\$ 27,915
Title I	84.010	S010A160030	N/A	32,772	7/1/16	6/30/17	\$ (32,772)		32,772	-						32,772
Title II Part A	84.367A	S367B170027	N/A	8,256	7/1/17	6/30/18			3,125	(3,125)		\$ (5,131)	\$ 5,131			3,125
Title II Part A	84.367A	S367B160027	N/A	8,548	7/1/16	6/30/17	(8,548)		8,548	-						8,548
Title IV	84.424A	S424B170027	N/A	10,000	7/1/17	6/30/18			10,000	(10,000)						10,000
Rural Education Achievement Program	84.358A	S358B170030	S358A173489	44,629	7/1/17	6/30/18			44,629	(44,629)						44,629
I.D.E.A. Part B, Basic Regular	84.027	H027A170100	N/A	114,421	7/1/17	6/30/18			114,421	(114,421)						114,421
I.D.E.A. Part B, Preschool Special Education Cluster	84.173A	H173A170114	N/A	7,685	7/1/17	6/30/18			7,685	(7,685)						7,685
									122,106	(122,106)						122,106
Total Special Revenue Fund							(41,320)		249,095	(207,775)			(5,131)	5,131		249,095
TOTAL FEDERAL ASSISTANCE							\$ (41,320)		\$ 249,095	\$ (207,775)			\$ (5,131)	\$ 5,131		\$ 249,095

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

Note: This Schedule was not subject to an audit in accordance with OMB Uniform Guidance.

TEWKSBURY TOWNSHIP SCHOOL DISTRICT

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2018

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2017	CARRY- OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2018			MEMO			
										(ACCTS. RECEIV.)	DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPEND.		
State Department of Education																
General Fund:																
School Choice Aid	18-495-034-5120-068	7/1/17-6/30/18	\$ 335,270			\$ 335,270	\$ (335,270)							*	\$ 31,508	\$ 335,270
Transportation Aid	18-495-034-5120-014	7/1/17-6/30/18	101,537			101,537	(101,537)							*	9,542	101,537
Special Education Aid	18-495-034-5120-089	7/1/17-6/30/18	356,903			356,903	(356,903)							*	33,541	356,903
Security Aid	18-495-034-5120-084	7/1/17-6/30/18	56,555			56,555	(56,555)							*	5,315	56,555
Additional Adjustment Aid	18-495-034-5120-085	7/1/17-6/30/18	38,685			38,685	(38,685)							*	3,636	38,685
PARCC Readiness Aid	18-495-034-5120-098	7/1/17-6/30/18	6,530			6,530	(6,530)							*	541	6,530
Per Pupil Growth Aid	18-495-034-5120-097	7/1/17-6/30/18	6,530			6,530	(6,530)							*	614	6,530
Prof. Learning Comm Aid	18-495-034-5120-101	7/1/17-6/30/18	5,760			5,760	(5,760)							*	614	5,760
Non-Public Transportation Aid	18-100-034-5120-068	7/1/17-6/30/18	25,520				(25,520)			\$ (25,520)				*		25,520
Non-Public Transportation Aid	17-100-034-5120-068	7/1/16-6/30/17	19,461	\$ (19,461)		19,461								*		19,461
Extraordinary Aid	17-495-034-5120-057	7/1/16-6/30/17	50,330	(50,330)		50,330								*		50,330
Extraordinary Aid	18-495-034-5120-057	7/1/17-6/30/18	61,696				(61,696)			(61,696)				*		61,696
On-Behalf TPAF Pension	18-495-034-5094-002	7/1/17-6/30/18	857,703			857,703	(857,703)							*		857,703
On-Behalf TPAF Pension PMR	18-495-034-5094-001	7/1/17-6/30/18	553,972			553,972	(553,972)							*		553,972
On-Behalf TPAF Pension LTD Ins	18-495-034-5094-004	7/1/17-6/30/18	1,167			1,167	(1,167)							*		1,167
Reimbursed TPAF Soc.Secur.Contrib.	18-495-034-5094-003	7/1/17-6/30/18	403,905			403,905	(403,905)							*		403,905
Total General Fund				(69,791)		2,794,308	(2,811,733)	-		(87,216)				*	85,311	2,881,524
Total State Financial Assistance				(69,791)		2,794,308	(2,811,733)	-		(87,216)				*	85,311	2,881,524

Less: On-behalf TPAF Pension Amounts 1,412,842

Total State Expenditures Subject to Major Program Determination \$ (1,398,891)

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

TEWKSBURY TOWNSHIP SCHOOL DISTRICT

ANALYSIS OF EXCESS GENERAL FUND FREE BALANCE
June 30, 2018

THE CALCULATION OF THE 2% EXCESS AT JUNE 30, 2018 IS AS FOLLOWS :

	2017-2018 GENERAL FUND EXPENDITURES (per the CAFR, Exhibit C-1)		
B	TOTAL	\$	14,745,709
	INCREASED BY:		
B1a	TRANSFER TO FOOD SERVICE FUND		
B1b	TRANSFER FROM CAPITAL OUTLAY TO CAPITAL PROJECTS FUND		-
B1c	TRANSFER FROM CAPITAL RESERVE TO CAPITAL PROJECTS FUND		-
	DECREASED BY:		
B2a	ON-BEHALF TPAF PENSION/PRM & SOCIAL SECURITY		(1,816,747)
B2b	ASSETS ACQUIRED UNDER CAPITAL LEASES		
B3	ADJUSTED 2017-2018 GENERAL FUND EXPENDITURES	\$	<u>12,928,962</u>
B4	GREATER OF .02 OF EXPENDITURES OR \$250,000	\$	258,579
K	INCREASED BY: ALLOWABLE ADJUSTMENT		<u>87,216</u>
M	MAXIMUM UNRESERVED/UNDESIGNATED FUND BALANCE		2.67% \$ 345,795
C	GENERAL FUND FUND BALANCE AT 6-30-2018 (per CAFR Budgetary Schedule C-1)		4,528,721
	DECREASED BY:		
C1	YEAR END ENCUMBRANCES		(339,183)
C2	LEGALLY RESTRICTED - DESIGNATED FOR SUBSEQUENT YEARS' EXPENDITURES		
C3	LEGALLY RESTRICTED - EXCESS SURPLUS - DESIGNATED FOR SUBSEQUENT YEARS' EXPENDITURES		(495,304)
C4	OTHER RESERVED FUND BALANCES		(2,585,403)
C5	ASSIGNED FUND BALANCE - UNRESERVED - DESIGNATED FOR SUBSEQUENT YEARS' EXPENDITURES		<u>(69,791)</u>
U1	TOTAL UNASSIGNED FUND BALANCE		8.04% 1,039,040
U2	TOTAL UNRESERVED/UNDESIGNATED FUND BALANCE FOR EXCESS SURPLUS CALCULATION		<u>1,039,040</u>
E	EXCESS SURPLUS-RESERVED FUND BALANCE	\$	<u>693,245</u>
	(IF NEGATIVE, NO ADDITIONAL RESERVED AMOUNT)		

TEWKSBURY TOWNSHIP SCHOOL DISTRICT
ANALYSIS OF EXCESS GENERAL FUND FREE BALANCE
June 30, 2018

RECAPITULATION OF EXCESS SURPLUS AS OF JUNE 30, 2018

C3	RESERVED EXCESS SURPLUS - DESIGNATED FOR SUBSEQUENT YEARS' EXPENDITURES	\$ 495,304
E	RESERVED EXCESS SURPLUS	<u>693,245</u>
	TOTAL	<u><u>\$ 1,188,549</u></u>

DETAIL OF ALLOWABLE ADJUSTMENTS:

H	IMPACT AID	
I	SALE & LEASE-BACK	
J1	EXTRAORDINARY AID	\$ 61,696
J2	ADDITIONAL NON-PUBLIC SCHOOL TRANSPORTATION AID	<u>25,520</u>
K	TOTAL ADJUSTMENTS	<u><u>\$ 87,216</u></u>

DETAIL OF OTHER RESTRICTED FUND BALANCE:

STATUTORY RESTRICTIONS:

	APPROVED UNSPENT SEPARATE PROSAL	
	CAPITAL OUTLAY FOR A DISTRICT WITH A CAPITAL OUTLAY SGLA	
	SALE/LEASE-BACK RESERVE	
	CAPITAL RESERVE	\$ 2,000,051
	MAINTENANCE RESERVE	425,252
	EMERGENCY RESERVE	160,100
	OTHER STATE/GOV'T MANDATED RESERVES	
	OTHER RESERVES FUND BALANCE NOT NOTED ABOVE	<u>-</u>
C-4	TOTAL OTHER RESTRICTED FUND BALANCE	<u><u>\$ 2,585,403</u></u>

TEWKSBURY TOWNSHIP SCHOOL DISTRICT
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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

A review was performed on the prior year recommendations. All prior year recommendations were corrected in the current year.