

CITY OF WOODBURY PUBLIC SCHOOL DISTRICT

Woodbury, New Jersey
County of Gloucester

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

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**MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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

Honorable President and Members
of the Board of Education
City of Woodbury Public School District
County of Gloucester
Woodbury, 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 City of Woodbury Public School District in the County of Gloucester for the year ended June 30, 2018, and have issued our report thereon dated February 15, 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 City of Woodbury Public 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.

Michael Holt
Certified Public Accountant
Public School Accountant
No. 1148

Medford, New Jersey
February 15, 2019

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

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, 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>
Nancy McCabe	Business Administrator/Board Secretary	\$ 250,000

There is a Public Employee's Faithful Performance Blanket Position Bond covering all other employees with coverage of \$25,000.

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 School Business Administrator/Board Secretary who then deposited with warrants in separate bank accounts for net payroll and withholdings.

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% 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. 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, II and III of the Elementary and Secondary Education Act as amended and reauthorized.

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

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

School Purchasing Programs (continued)

regulating bidding for public school student transportation contracts under *N.J.S.A.* 18A:39-3 is \$19,000 for 2017-18.

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

Cash receipts and bank records were reviewed for timely deposit.

The district school 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.

Expenditures should be separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

Net cash resources did not exceed three months average expenditures.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education/board of trustees. No exceptions were 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/certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications /or

School Food Service (continued):

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. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review.

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

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

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 November 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. There were no 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.

Michael Holt
Certified Public Accountant
Public School Accountant
No. 1148

Medford, New Jersey
February 15, 2019

ADDITIONAL INFORMATION

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SCHEDULE OF MEAL COUNT ACTIVITY - FEDERAL

**CITY OF WOODBURY PUBLIC SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - FEDERAL
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(MEMORANDUM ONLY)**

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE	(OVER)/ UNDER CLAIM
School Lunch Program	Paid	29,936	9,144	9,144	-	\$ 0.33	-
	Reduced	10,504	3,134	3,134	-	2.85	-
	Free	121,794	36,129	36,129	-	3.25	-
	Total	162,234	48,407	48,407	-	\$ 6.43	-
School Breakfast Program	Paid	49,414	14,888	14,888	-	\$ 0.30	-
	Reduced	8,705	2,533	2,533	-	1.79	-
	Free	92,568	27,183	27,183	-	2.09	-
	Total	150,687	44,604	44,604	-	\$ 4.18	-

SCHEDULE OF MEAL COUNT ACTIVITY - STATE

CITY OF WOODBURY PUBLIC SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - STATE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(MEMORANDUM ONLY)

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE	(OVER)/ UNDER CLAIM
School Lunch Program	Paid	29,936	9,144	9,144	-	\$ 0.04	-
	Reduced	10,504	3,134	3,134	-	0.055	-
	Free	121,794	36,129	36,129	-	0.055	-
	Total	162,234	48,407	48,407	-	\$ 0.15	-

SCHEDULE OF AUDITED ENROLLMENTS (1)

**CITY OF WOODBURY PUBLIC SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2017**

	2017-2018 Application for State School Aid				Sample for Verification				Private Schools for Disabled					
	Reported on		Workpapers		Sample		Registers		Errors per		Reported on		Sample	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool 3 Year	55	-	55	-	17	-	17	-	-	-	-	-	-	-
Full Day Preschool-4 Year	89	-	89	-	17	-	17	-	-	-	-	-	-	-
Full Day Kindergarten	117	-	117	-	16	-	16	-	-	-	-	-	-	-
One	113	-	113	-	16	-	16	-	-	-	-	-	-	-
Two	93	-	93	-	16	-	16	-	-	-	-	-	-	-
Three	104	-	104	-	16	-	16	-	-	-	-	-	-	-
Four	100	-	100	-	16	-	16	-	-	-	-	-	-	-
Five	92	-	92	-	16	-	16	-	-	-	-	-	-	-
Six	77	-	77	-	16	-	16	-	-	-	-	-	-	-
Seven	89	-	89	-	16	-	16	-	-	-	-	-	-	-
Eight	75	-	75	-	16	-	16	-	-	-	-	-	-	-
Nine	84	-	84	-	16	-	16	-	-	-	-	-	-	-
Ten	83	-	83	-	16	-	16	-	-	-	-	-	-	-
Eleven	66	-	66	-	16	-	16	-	-	-	-	-	-	-
Twelve	75	-	75	-	16	-	16	-	-	-	-	-	-	-
Subtotal	1,312	-	1,312	-	242	-	242	-	-	-	-	-	-	-
Special Ed - Elementary	89	-	89	-	11	-	11	-	-	-	4	-	3	3
Special Ed - Middle School	75	-	75	-	9	-	9	-	-	-	3	-	3	3
Special Ed - High School	85	-	85	-	10	-	10	-	-	-	8	-	7	7
Subtotal	249	-	249	-	30	-	30	-	-	-	15	-	13	13
Totals	1,561	-	1,561	-	272	-	272	-	-	-	15	-	13	13

Percentage Error

-

SCHEDULE OF AUDITED ENROLLMENTS (2)

CITY OF WOODBURY PUBLIC SCHOOL DISTRICT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 14, 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	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool	31	31	-	8	8	-	-	-	-	-	-	-
Full Day Preschool	52	52	-	14	14	-	-	-	-	-	-	-
Full Day Kindergarten	74	74	-	20	20	-	-	-	-	-	-	-
One	66	66	-	17	17	-	-	-	-	-	-	-
Two	61	61	-	16	16	-	-	-	-	-	-	-
Three	66	66	-	17	17	-	-	-	-	-	-	-
Four	72	72	-	19	19	-	-	-	-	-	-	-
Five	56	56	-	15	15	-	-	-	-	-	-	-
Six	42	42	-	11	11	-	-	-	-	-	-	-
Seven	54	54	-	14	14	-	-	-	-	-	-	-
Eight	37	37	-	10	10	-	-	-	-	-	-	-
Nine	49	49	-	13	13	-	-	-	-	-	-	-
Ten	42	42	-	11	11	-	-	-	-	-	-	-
Eleven	31	31	-	9	9	-	-	-	-	-	-	-
Twelve	35	35	-	9	9	-	-	-	-	-	-	-
Subtotal	768	768	-	203	203	-	-	-	-	-	-	-
Special Ed - Elementary	68	68	-	18	18	-	-	-	-	-	-	-
Special Ed - Middle School	61	61	-	16	16	-	-	-	-	-	-	-
Special Ed - High School	62	62	-	17	17	-	-	-	-	-	-	-
Subtotal	191	191	-	51	51	-	-	-	-	-	-	-
Totals	959	959	-	254	254	-	-	-	-	-	-	-
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-
Transportation												
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors						
Reg. - Public Schools, col. 1	65	65	-	44	44	-						
Reg - SpEd, col. 4	26	26	-	18	18	-						
Special Ed Spec, col. 6	39	39	-	21	21	-						
Totals	130	130	-	83	83	-						
Percentage Error	-	-	-	-	-	-						

SCHEDULE OF AUDITED ENROLLMENTS (3)

**CITY OF WOODBURY BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2017**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	2	2	-	2	2	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	1	1	-	1	1	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Subtotal	<u>3</u>	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Subtotal	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1.00</u>	<u>-</u>
Totals	<u><u>4</u></u>	<u><u>4</u></u>		<u><u>4</u></u>	<u><u>4</u></u>	
Percentage Error		<u><u>-</u></u>			<u><u>-</u></u>	

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CITY OF WOODBURY BOARD OF EDUCATION
NET CASH RESOURCE SCHEDULE
Net cash resources "DID NOT" exceed three months of expenditures
Proprietary Funds - Food Service
FYE 2017/18

<u>Net Cash Resources:</u>		Food Service B - 4/5
CAFR	*	Current Assets
B-4		Cash & Cash Equiv. \$ 228,103
B-4		Due from Other Gov'ts 47,432
B-4		Accounts Receivable -
B-4		Investments 6,014
		Current Liabilities
B-4		Less Accounts Payable -
B-4		Less Accruals -
B-4		Less Due to Other Funds (5,953)
B-4		Less Deferred Revenue (7,295)
		Net Cash Resources
		\$ 268,301 (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	\$ 971,488	
B-5	Less Depreciation	(12,069)	
		Adj. Tot. Oper. Exp.	
		\$ 959,419 (B)	

Average Monthly Operating Expense:

B / 10	95,942	(C)
--------	---------------	-----

Three times monthly Average:

3 X C	287,826	(D)
-------	----------------	-----

TOTAL IN BOX A	\$	268,300.59	
LESS TOTAL IN BOX D	\$	287,825.70	
NET	\$	(19,525.11)	
From above:			
A is greater than D, cash exceeds 3 X average monthly operating expenses.			
D is greater than A, cash does not exceed 3 X average monthly operating expenses.			

* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

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EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2017-2018 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>29,077,220</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)
Decrease by:	
On-Behalf TPAF Pension & Social Security	\$ <u>3,406,604</u> (B2a)
Assets Acquired Under Capital Leases	\$ <u>-</u> (B2b)
Adjusted 2017-2018 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ <u>25,670,616</u> (B3)
2% of adjusted 2017-2018 General Fund Expenditures [(B3) times .02]	\$ <u>513,412</u> (B4)
Enter Greater of (B4) or \$250,000	\$ <u>513,412</u> (B5)
Increased by: Allowable Adjustment *	\$ <u>36,378</u> (K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]	\$ <u>549,790</u> (M)

SECTION 2

Total General Fund - Fund Balance @6-30-2018 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>5,458,577</u> (C)
Decreased by:	
Year-End Encumbrances	\$ <u>406,484</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ <u>-</u> (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>450,000</u> (C3)
Other Restricted Fund Balances ****	\$ <u>3,364,783</u> (C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>287,520</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>949,790</u> (U1)

REGULAR DISTRICT (continued):

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 400,000 (E)

Recapitulation of excess surplus as of June 30, 2018

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures ** \$ 450,000 (C3)

Restricted Excess Surplus *** [(E)] \$ 400,000 (E)

Total Excess Surplus [(C3)+(E)] \$ 850,000 (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 ending June 30, 2015 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 or 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 Transportation Aid;
- (J3) Recognized current year School Bus Advertising Revenue; and
- (J4) Family Crisis Transportation Aid.

Adjusted 2017-2018 General Fund Expenditures [(B)+(B1s)-(B2s)]

Impact Aid	\$ _____ (H)
Sale & Lease-back	\$ _____ (I)
Extraordinary Aid	\$ <u>36,378</u> (J1)
Additional Nonpublic School Transportation Aid	\$ _____ (J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____ (J3)
Family Crisis Transportation Aid	\$ _____ (J4)
Total Adjustments [(H)+(I)+J1)+(J2)+(J3)+(J4)]	\$ <u><u>36,378</u></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 must agree to Audit Summary Worksheet Line 90030.

**** Amount for Other Restricted Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government such as the judicial branch of government must have Departmental approval. District requests should be submitted to the Division of Finance and Regulatory Compliance 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>3,364,783</u>
Maintenance Reserve	\$ _____
Emergency Reserve	\$ _____
Tuition Reserve	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - prior 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 Restricted Fund Balance Not Noted Above ****	\$ _____
Total Other Restricted Fund Balance	\$ <u><u>3,364,783</u></u> (C4)

AUDIT RECOMMENDATIONS SUMMARY

For the Fiscal Year Ended June 30, 2018

City of Woodbury Public 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

There were no prior year findings.