

**ATLANTIC COUNTY
VOCATIONAL SCHOOL
DISTRICT
BOARD OF EDUCATION**

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

June 30, 2019

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

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Report of Independent Auditors

Honorable President and
Members of the Board of Education
Atlantic County Vocational School District
County of Atlantic, 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 Atlantic County Vocational School District in the County of Atlantic for the year ended June 30, 2019, and have issued our report thereon dated November 25, 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 solely for the information and use of the Atlantic County Vocational 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.

Very truly yours,

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**

November 25, 2019

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**ATLANTIC COUNTY VOCATIONAL SCHOOL DISTRICT
(A COMPONENT UNIT OF THE COUNTY OF ATLANTIC)
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 district's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Lisa Mooney, CPA	Business Administrator/ Board Secretary	\$75,000.00

A Public Employees' Dishonesty with Faithful Performance Bond during the period under review was in effect in the amount of \$1,000,000.00.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were more than estimated costs. The Board made an adjustment to the billings to sending districts for an increase in per pupil costs in accordance with N.J.A.C. 6A:23A-17.3. The total adjustment that pertains to the 2016-17 school year amounted to \$3,476,594.00.

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, certification or supporting documentation.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions 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.

Payrolls were delivered to the secretary of the board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

Financial Planning, Accounting and Reporting (Continued)

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 exceptions were noted.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-16.2(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 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. General Classification Findings

None

B. Administrative Classification Findings

None

Board Secretary's Records

The financial records, books of account and minutes were presented to us by the Secretary in a timely manner for audit and were complete. Our review of the financial and accounting records maintained by the board secretary revealed no exceptions.

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

The E.S.E.A./NCLB 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.

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 District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

Our audit of the federal and state funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

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

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The 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 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. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is \$19,000 for 2018-2019.

The Board of Education has the responsibility of determining whether the expenditures of 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.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or goods or service, 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 my examination indicated that no individual payments, contracts, or agreements were 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, as amended.

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 count records and eligibility applications were reviewed on test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

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. 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 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 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.

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.

Student Body Activities

Our audit of the Student Activities Account noted no exceptions.

Pupil Transportation

Our procedures 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.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2018 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 written procedures for the recording of student enrollment data.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all the requirements of NJAC 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 NJAC 6A:26-12.4(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. There were no prior year findings.

Acknowledgment

We received the complete cooperation of all the officials of the school district and I greatly appreciate the courtesies extended to the members of the audit team.

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School Food Service

SCHEDULE OF MEAL COUNT ACTIVITY

ATLANTIC COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -Federal
ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE (a)	(OVER) UNDER CLAIM (b)
National School Lunch (High Rate)	Paid	20,262	20,262	20,262	0	0.33	0.00
National School Lunch (High Rate)	Reduced	17,378	17,378	17,378	0	2.93	0.00
National School Lunch (High Rate)	Free	111,419	111,419	111,419	0	3.33	0.00
	TOTAL	149,059	149,059	149,059			0.00
National School Lunch	HHFKA - PB Lunch Only	149,059	149,059	149,059	0	0.06	0.00
School Breakfast (Severe Rate)	Paid	2,220	2,220	2,220	0	0.31	0.00
	Reduced	5,947	5,947	5,947	0	1.84	0.00
	Free	61,277	61,277	61,277	0	2.14	0.00
	TOTAL	69,444	69,444	69,444			0.00
Special Milk	Paid	0	0	0	0		0.00
	Free	0	0	0	0		0.00
		0	0	0			0.00
After School Snacks	Paid	0	0	0	0		0.00
	Reduced	0	0	0	0		0.00
	Free (Area Eligible)	-	-	-	0		0.00
	TOTAL	0	0	0			0.00
CACFP (d) - Food	Free	0	0	0	0		0.00
CACFP (d) - Cash-in-lieu of USDA Foods	Free	0	0	0	0		0.00
		0	0	0			0.00
	Total Net Overclaim						0.00

School Food Service

SCHEDULE OF MEAL COUNT ACTIVITY

ATLANTIC COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT

FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -STATE

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE (a)	(OVER) UNDER CLAIM (b)
State Reimbursement - National School Lunch (High Rate)	Paid	20,262	20,262	20,262	0	0.050	0.00
State Reimbursement - National School Lunch (High Rate)	Reduced	17,378	17,378	17,378	0	0.550	0.00
State Reimbursement - National School Lunch (High Rate)	Free	111,419	111,419	111,419	0	0.550	0.00
	TOTAL	<u>149,059</u>	<u>149,059</u>	<u>149,059</u>			

Total Net Overclaim

0.00

NET CASH RESOURCE SCHEDULE

Net cash resources did not exceed three months of expenditures Proprietary Funds - Food Service FYE 2019

<u>Net Cash Resources:</u>		Food Service G - 1/2	
CAFR	*	Current Assets	
G-1		Cash & Cash Equiv.	\$ 170,054.67
G-1		Due from Other Gov'ts	41,388.04
G-1		Accounts Receivable	2,515.43
		Current Liabilities	
G-1		Less Accounts Payable	-
G-1		Less Accruals	
G-1		Less Due to Other Funds	-
G-1		Less Deferred Revenue	(1,554.32)
		Net Cash Resources	<u>\$ 212,403.82</u> (A)

Net Adj. Total Operating Expense:

G-2		Tot. Operating Exp.	999,099.85	
G-2		Less Depreciation	(30,480.96)	
		Adj. Tot. Oper. Exp.	<u>\$ 968,618.89</u>	(B)

Average Monthly Operating Expense:

	B / 10		<u>\$ 96,861.89</u>	(C)
--	--------	--	----------------------------	-----

Three times monthly Average:

	3 X C		<u>\$ 290,585.67</u>	(D)
--	-------	--	-----------------------------	-----

TOTAL IN BOX A	\$	212,403.82	
LESS TOTAL IN BOX D	\$	290,585.67	
NET	\$	<u>(78,181.85)</u>	
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

ATLANTIC COUNTY VOCATIONAL SCHOOL
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 SCHEDULE OF AUDITED ENROLLMENTS
 ENROLLMENT AS OF OCTOBER 15, 2018

	2019-2020 Application for State School Aid				Sample for Verification				Private Schools for Disabled					
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. Private Schools	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Sample Verification	Sample Errors
Half Day Preschool 4 years old	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	11	-	-	-	-	-	-	-	2	-	-	-	-	-
Twelve	8	-	-	-	-	-	-	-	2	-	-	-	-	-
Post Graduate	-	-	-	-	-	-	-	-	1	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	34	-	-	-	-	-	-	5	-	-	-	-	-	-
Special Ed - Elementary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - Middle School	185	-	-	-	-	-	-	30	-	-	-	-	-	-
Special Ed - High School	185	-	-	-	-	-	-	30	-	-	-	-	-	-
Subtotal	370	-	-	-	-	-	-	60	-	-	-	-	-	-
Co. Voc. - Regular	1,429	-	-	-	-	-	-	237	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	21	-	-	-	-	-	-	237	-	-	-	-	-	-
Totals	1,669	-	-	-	-	-	-	272	-	-	-	-	-	-
Percentage Error	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%	

**ATLANTIC COUNTY VOCATIONAL SCHOOL
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2018**

	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 4 years old												
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	106	106	-	27	27	-						
Special Ed - Elementary												
Special Ed - Middle School												
Special Ed - High School												
Subtotal	106	106	-	27	27	-						
Co. Voc. - Regular	903	903	-	227	227	-						
Co. Voc. Ft. Post Sec.												
Totals	1,009	1,009	-	254	254	-						
Percentage Error			0.00%			0%						
Transportation												
	Reported on DRTS by DOE/county	Reported on DRTS by District	Errors	Sample Selected for Testing	Verified	Errors						
Reg. - Public Schools, col.1			-	-	-	-				Reported		Recalculated
Reg. - SpEd, col. 4			-	-	-	-						
Transported - Non-Public, col. 3			-	-	-	-						
Aid in Lieu			-	-	-	-						
Special Ed Spec, col. 6			-	-	-	-						
Totals	-	-	-	-	-	-						
Percentage Error												

Reg. Avg. (Mileage) = Regular Including Grade PK students (Part A)
 Reg. Avg. (Mileage) = Regular Excluding Grade PK students (Part B)
 Spec. Avg. = Special Ed with Special Need

**ATLANTIC COUNTY VOCATIONAL SCHOOL
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2018**

	Resident LEP Not Low Income		Sample For Verification	
	Reported on ASSA as Bilingual Education	Reported on Workpapers as Bilingual Education Errors	Sample Selected from Workpapers	Verified to Test Score and Register Sample Errors
Half Day Preschool 4 years old		-		
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		0.00%		0.00%
Percentage Error				

**ATLANTIC COUNTY VOCATIONAL SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE YEAR ENDED JUNE 30, 2019**

COUNTY VOCATIONAL DISTRICTS

A. 6% Calculation of Excess Surplus (2018-19 expenditures of \$100 million or less)

2018-19 Total General Fund Expenditures per the CAFR, Ex C-1	\$	<u>29,156,178.01</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)
Decreased By:			
On-Behalf TPAF Pension & Social Security	\$	<u>3,224,535.65</u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u>-</u>	(B2b)
Adjusted 2018-19 General Fund Expenditures [(B)+(B1's)-(B2's)]	\$	<u>25,931,642.36</u>	(B3)
6% of Adjusted 2018-19 General Fund Expenditures [(B3) times .06]	\$	<u>1,555,898.54</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>1,555,898.54</u>	(B5)
Increased by: Allowable Adjustment*	\$	<u>-</u>	(K)
Maximum Unassigned/Unreserved-Undesignated Fund Balance [(B5)+(K)]	\$	<u>1,555,898.54</u>	(M)

B. 6% Calculation of Excess Surplus (2018-19 expenditures greater than \$100 million)

2018-19 Total General Fund Expenditures	\$	<u>-</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)
Decreased By:			
On-Behalf TPAF Pension & Social Security	\$	<u>-</u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u>-</u>	(B2b)
Adjusted 2018-19 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$	<u>-</u>	(B3)
2018-19 General Fund Expenditures in excess of \$100 million [(B3) minus \$100,000,000]	\$	<u>-</u>	(B4)
3% of General Fund Expenditures in excess of \$100 million [(B4) times .03]	\$	<u>-</u>	(B5)
(B5) Plus \$6,000,000	\$	<u>-</u>	(B6)
Increased by: Allowable Adjustment*	\$	<u>-</u>	(K)
Maximum Unassigned/Unreserved-Undesignated Fund Balance [(B6)+(K)]	\$	<u>-</u>	(M)

* This adjustment line (as detailed below) is to be utilized when applicable for: Impact Aid, Sale and Lease-back, Extraordinary Aid, additional Nonpublic School Aid and Transportation Aid, and School Bus Advertising Revenue Recognized during the current year.

SECTION 2

Total General Fund - Fund Balances @ 06/30/19 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>7,309,891.41</u> (C)
Decreased By:	
Year-end Encumbrances	\$ <u>487,409.29</u> (C1)
Legally Restricted-Designated for Subsequent Year's Expenditures	\$ _____ (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>1,282,488.00</u> (C3)
Other Restricted Fund Balances ****	\$ <u>2,034,860.77</u> (C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ _____ (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 \$ <u>3,505,133.35</u> (U)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U)-(M)] IF NEGATIVE ENTER - 0 -	\$ <u>1,949,234.81</u> (E)
--	----------------------------

Recapitulation of Excess Surplus as of June 30, 2019:

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>1,282,488.00</u> (C3)
Reserved Excess Surplus ***	\$ <u>1,949,234.81</u> (E)
 Total Excess Surplus [(C3) + (E)]	 \$ <u>3,231,722.81</u> (D)

Detail of Allowable Adjustment

Impact Aid	\$ _____ (H)
Sale & Lease-back	\$ _____ (I)
Extraordinary Aid	\$ _____ (J1)
Additional Nonpublic School Transportation Aid	\$ _____ (J2)
Current Year School Bus Advertizing Revenue	
Recognized	\$ _____ (J3)
Family Crisis Transportation Aid	\$ _____ (J4)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	 \$ _____ (K)

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

*** Amount must agree to the June 30, 2019 CAFR and Audit Summary Worksheet Line 90030.

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ <u>1,083,959.55</u>
Maintenance reserve	\$ <u>950,901.22</u>
Tuition reserve	\$ _____
Emergency reserve	\$ _____
School Bus Advertising 50% Fuel Offset Reserve	
Current year	\$ _____
Prior year	\$ _____
Impact Aid general fund reserve	\$ _____
Impact Aid capital fund reserve	\$ _____
Other state/government mandated reserves	\$ _____
 Other Reserved Fund Balance not noted above ****	 \$ _____
 Total Other Restricted/Reserved Fund Balance	 \$ <u>2,034,860.77</u> (C4)

**** 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 prior to September 30.

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2019
ATLANTIC COUNTY VOCATIONAL 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 findings.