

**BOARD OF EDUCATION**  
**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE**  
**FINDINGS, FINANCIAL, COMPLIANCE AND PERFORMANCE**  
**For the Fiscal Year Ended June 30, 2019**

# MANSFIELD TOWNSHIP SCHOOL DISTRICT

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Federal Identification Number 22-6014198



Certified Public Accountants, PC  
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## Report of Independent Auditors

Honorable President and Members  
of the Board of Education  
Mansfield Township School District  
County of Warren, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Mansfield Township School District in the County of Warren for the year ended June 30, 2019, and have issued our report thereon dated December 9, 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 Mansfield Township 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 black ink that reads "BKC, CPAs, PC".

**BKC, CPAs, PC**

A handwritten signature in black ink that reads "MH".

Michael A. Holk, CPA, PSA  
NO. 20CS00265600

December 9, 2019  
Flemington, New Jersey

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, 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 or Charter School or Renaissance School Project CAFR. Adequacy of insurance coverage is the responsibility of the Board of Education.

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

Surety bond coverage in force during the period was:

<u>Name of Employee</u>	<u>Position</u>	<u>Amount</u>
Paul DeAngelo	Business Administrator/Board Secretary	\$ 195,000
Andrew Coppola	Treasurer of School Monies	195,000

The Treasurer of School Monies was bonded in a surety bond in accordance with provisions of Title 18A:17-32 within minimum limits of the schedule promulgated by the New Jersey State Board of Education.

Financial Planning, Accounting and Reporting

Examination of Claims

A review 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 Superintendent and were certified by the President of the Board, the Board Secretary/Business Administrator, and the Chief School Administrator.

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

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**

Employee Position Control Roster

A 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 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 evaluated for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3.

A review of classification of expenditures during the period under review did not indicate any material discrepancies with respect to proper classification.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary did not disclose any material exceptions.

Treasurer or Reconciler of Accounts' Records

Our review of the records of the Treasurer did not disclose any exceptions.

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

The E.S.E.A. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**

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.

TPAF Reimbursement

Our audit procedures included a test of the bi-weekly reimbursements filed with the Department of Education for District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

TPAF Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's final report(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 reimbursement form was reviewed, and no exceptions were noted.

Nonpublic State Aid

The District did not receive any Nonpublic State Aid during Fiscal Year 2019.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 States:

- “A. When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a 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 therefor, 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 possesses a qualified purchasing agent certificate pursuant to Subsection B. 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 \$25,000. 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 the 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, 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.”

N.J.S.A. 18A-4 States:

“Every contract 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 therefor, except as is provided otherwise in this chapter or specifically by any other law.”

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 2018-19.

In accordance with N.J.S.A. 18A:18A-3A and N.J.A.C. 5:34-5 et. seq. the Board of Education has appointed a “Qualified Purchasing Agent” which allows the Board of Education to increase the bid threshold and to grant the authorization to negotiate contracts below the bid threshold.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**

School Purchasing Programs (continued)

The 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.

Our examination of the minutes indicated that contracts awarded included the following:

Contracted Services	Food Service Management	Transportation Routes
Professional Development	HVAC Renovations	Special Education Services
Water Heater Replacement	Security Project	Technology Equipment & Supplies

As the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Expenditures were reviewed, however, to determine whether any clear-cut violations existed.

Based on the results of our examination, 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.

Our examination indicated the following purchases were made using state contracts:

Technology Equipment & Supplies	Teaching Supplies
Copier	

Purchases made through cooperative agreements included the following:

Fuel Oil	Technology Equipment & Supplies
Construction Services	Transportation
Insurance	Cooperative Purchasing
English as a Second Language Instruction	Electricity
Oil Leak Remediation	Natural Gas
Curriculum Writing	

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an unemployment compensation insurance trust fund.



## **MANSFIELD TOWNSHIP SCHOOL DISTRICT**

**June 30, 2019**

### 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 a test-check basis.

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 Cost Reimbursement or Fixed Price contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program profits will equal \$5,000. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the food service account and reconciled to supporting documentation at least annually.

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 exceeded three months average expenditures.

We suggest that continuing effort should be made by the District to reduce the net cash resources of the District's food service fund to an acceptable level as per State regulations.

The number of meals claimed for reimbursement was compared to sales and meal count records. 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 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.

The Statement of Revenues, Expenses, and Changes in Fund Net Position (CAFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

The School District did provide the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool at least annually.

Exhibits reflecting Child Nutrition Program operations are included in the section titled Proprietary Funds, Section B of the CAFR.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**

School Food Service (continued)

Schedule of Meal Count Activity

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Under Claim</u>
National						
School Lunch	Paid	27,910	27,910	0	\$ 0.360	\$ 0
	Reduced	5,660	5,660	0	2.965	0
	Free	22,853	22,853	0	3.365	0
HHFKA Aid		56,423	56,423	0	0.06	0
Breakfast- Severe	Paid	2,468	2,468	0	0.31	0
	Reduced	1,668	1,668	0	1.84	0
	Free	4,519	4,519	0	2.14	0
Snack	Paid	4,663	5,350	-687	0.08	-55
	Reduced	447	494	-47	0.45	-21
	Free	1,514	780	734	0.91	668

Student Body Activities

Our review of the records of the student activity funds did not disclose any exceptions.

Application for State School Aid

We evaluated the information reported in the October 15, 2018 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low-income, and bilingual. We also performed a review of the District procedures related to its completion. The information on the ASSA was compared to the District workpapers. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained work papers on the prescribed State forms or their equivalent.

The District's written procedures appear to be adequate for the recording of student enrollment data.

Pupil Transportation

The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with minor 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.

## **MANSFIELD TOWNSHIP SCHOOL DISTRICT**

**June 30, 2019**

### Facilities and Capital Assets

We performed a review of capital assets related to their existence. No exceptions were noted.

### Testing for Lead of All Drinking Water in Educational Facilities

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

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

### Follow-up on Prior Year Findings

Not applicable

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Net Cash Resources Schedule**

Net cash resources did exceed three months of expenditures.  
Proprietary Funds - Food Service  
For the Fiscal Year Ending June 30, 2019

<u>Net Cash Resources</u>	<u>Food Services Fund</u>	
CAFR Schedule		
B-4	\$	134,725
B-4		8,970
B-4		-
B-4		(4,102)
	\$	139,593 (A)
<u>Net Adjusted Total Operating Expenses</u>		
B-5	\$	246,620
B-5		(3,116)
	\$	243,504 (B)
<u>Average Monthly Operating Expense</u>		
(B) / 10	\$	24,350 (C)
<u>Three Months of Average Monthly Operating Expense</u>		
(C) X 3	\$	73,051 (D)
Net cash resources	\$	139,593 (A)
Three months of average monthly operating expense		73,051 (D)
Excess cash resources	\$	66,542

From above:

A is greater than D, cash exceeds three months of average monthly operating expenses.  
D is greater than A, cash does not exceed three months of average monthly operating expenses.

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**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 ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on ASSA as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half day preschool age 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full day preschool age 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half day preschool age 4	8	-	8	-	-	-	4	-	4	-	-	-	-	-	-	-
Full day preschool age 4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half day kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full day kindergarten	83	-	83	-	-	-	43	-	43	-	-	-	-	-	-	-
One	59	-	59	-	-	-	33	-	33	-	-	-	-	-	-	-
Two	64	-	64	-	-	-	17	-	17	-	-	-	-	-	-	-
Three	67	-	67	-	-	-	16	-	16	-	-	-	-	-	-	-
Four	72	-	72	-	-	-	18	-	18	-	-	-	-	-	-	-
Five	86	-	86	-	-	-	22	-	22	-	-	-	-	-	-	-
Six	89	-	89	-	-	-	24	-	24	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post - graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>528</u>	<u>-</u>	<u>528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>177</u>	<u>-</u>	<u>177</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special education - elementary	69	-	69	-	-	-	19	-	19	-	-	-	-	-	-	-
Special education - middle	12	-	12	-	-	-	1	-	1	-	-	-	-	-	-	-
Special education - high school	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>81</u>	<u>-</u>	<u>81</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
County vocational - regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County vocational - full-time post sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>609</u>	<u>-</u>	<u>609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>197</u>	<u>-</u>	<u>197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Percentage error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Application for State School Aid Summary**  
**Schedule of Audited Enrollments - Enrollment as of October 15, 2018 (continued)**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score & Register	Sample Errors
Half day preschool age 3	-	-	-	-	-	-	-	-	-	-	-	-
Full day preschool age 3	-	-	-	-	-	-	-	-	-	-	-	-
Half day preschool age 4	-	-	-	-	-	-	-	-	-	-	-	-
Full day preschool age 4	-	-	-	-	-	-	-	-	-	-	-	-
Half day kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full day kindergarten	34	34	-	23	23	-	14	14	-	14	14	-
One	21	21	-	11	11	-	4	4	-	4	4	-
Two	19	19	-	13	13	-	4	4	-	4	4	-
Three	24	24	-	14	14	-	1	1	-	1	1	-
Four	25	25	-	14	14	-	2	2	-	2	2	-
Five	30	30	-	21	21	-	1	1	-	1	1	-
Six	23	23	-	15	15	-	3	3	-	3	3	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post - graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>176</u>	<u>176</u>	<u>-</u>	<u>111</u>	<u>111</u>	<u>-</u>	<u>29</u>	<u>29</u>	<u>-</u>	<u>29</u>	<u>29</u>	<u>-</u>
Special education - elementary	23	23	-	10	10	-	1	1	-	1	1	-
Special education - middle	5	5	-	5	5	-	-	-	-	-	-	-
Special education - high school	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>28</u>	<u>28</u>	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
County vocational - regular	-	-	-	-	-	-	-	-	-	-	-	-
Cty vocational - f/t post sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>204</u>	<u>204</u>	<u>-</u>	<u>126</u>	<u>126</u>	<u>-</u>	<u>30</u>	<u>30</u>	<u>-</u>	<u>30</u>	<u>30</u>	<u>-</u>
Percentage			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Application for State School Aid Summary**  
**Schedule of Audited Enrollments - Enrollment as of October 15, 2018 (continued)**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Full Day K	4	4	-	4	4	-
Grade one	2	2	-	2	2	-
Grade two	1	1	-	1	1	-
Grade three	3	3	-	3	3	-
Grade four	-	1	(1)	-	-	-
Grade five	1	1	-	1	1	-
Grade six	-	-	-	-	-	-
Sp Ed- Elementary	-	1	(1)	-	-	-
	<u>11</u>	<u>13</u>	<u>(2)</u>	<u>11</u>	<u>11</u>	<u>-</u>
Percentage			<u>-18.18%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Sample Errors
Regular & special education without special needs in district						
Public	450	450	-	167	172	(5)
Non-Public	-	-	-	-	-	-
Aid in lieu charter school	3	3	-	1	1	-
Aid in lieu non-public	3	3	-	1	1	-
Special education public	84	84	-	28	22	6
Special education with special needs & out of district special education without special needs						
Public with special needs	2	2	-	1	1	-
	<u>542</u>	<u>542</u>	<u>-</u>	<u>198</u>	<u>197</u>	<u>1</u>
Percentage			<u>0.00%</u>			<u>0.51%</u>

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Excess Surplus Calculation**

**SECTION 1**

2% Calculation of Excess Surplus

2018-19 Total general fund expenditures per the CAFR, Exhibit C-1	\$10,925,272 (B)	
Increased by		
Transfer from capital outlay to capital projects fund	-	(B1a)
Transfer from capital reserve to capital projects fund	-	(B1b)
Transfer from general fund to SRF for Pre K - regular	-	(B1c)
Transfer from general fund to SRF for Pre K - inclusion	-	(B1d)
Decreased by		
On-behalf TPAF Pension & Social Security	1,723,250	(B2a)
Assets acquired under capital leases	<u>-</u>	(B2b)
Adjusted 2018-19 general fund expenditures [(B)+(B1s)-(B2s)]	<u>\$ 9,202,022</u>	(B3)
2% of adjusted 2018-19 general fund expenditures [(B3) times .02]	\$ 184,040	(B4)
Enter greater of (B4) or \$250,000	250,000	(B5)
Increased by: allowable adjustment	<u>204,670</u>	(K)
Maximum unassigned/undesignated fund balance [(B5)+(K)]		<u>\$ 454,670 (M)</u>

**SECTION 2**

Total general fund - fund balances at June 30, 2019 (Per CAFR budgetary comparison schedule C-1)	\$ 2,219,535	(C)
Decreased by		
Year-End encumbrances	84,781	(C1)
Legally restricted - designated for subsequent year's expenditures	-	(C2)
Restricted excess surplus - designated for subsequent year's expenditures	-	(C3)
Other restricted fund balances	1,526,111	(C4)
Assigned fund balance - designated for subsequent year's expenditures	<u>155,342</u>	(C5)
Total unassigned fund balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>\$ 453,301 (U)</u>



**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**Excess Surplus Calculation (continued)**

**SECTION 3**

Restricted fund balance - excess surplus [(U)-(M)] if negative enter -0- \$ - (E)

Recapitulation of Excess Surplus as of June 30, 2019

Reserve excess surplus - designated for subsequent year's expenditures \$ - (C3)

Reserve excess surplus (E) - (E)

Total excess surplus [(C3) + (E)] \$ - (D)

Detail of Allowable Adjustments

Impact aid \$ - (H)

Sale and lease back - (I)

Homeless tuition aid 203,800

Extraordinary aid - (J1)

Additional nonpublic transportation aid 870 (J2)

Total adjustments \$ 204,670 (K)

Detail of Other Reserved Fund Balance

Statutory restrictions

Approved unspent separate proposal \$ -

Sale/lease - back reserve -

Capital reserve 1,016,860

Maintenance reserve 366,251

Emergency reserve 143,000

Waiver offset reserve - designated for subsequent year -

Tuition reserve -

Other State/Government mandated reserve -

Other restricted fund balance not noted above -

Total other restricted fund balance \$ 1,526,111 (C4)

*BKC, CPAs, PC*

**BKC, CPAs, PC**

*MU*

Michael A. Holk, CPA, PSA

NO. 20CS00265600

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**


Acknowledgment

Should any questions arise as to our comments, please do not hesitate to call us.

We desire to express our appreciation for the assistance and courtesies rendered by the school officials and employees during the course of the examination.



**BKC, CPAs, PC**



Michael A. Holk, CPA, PSA

No. 20CS00265600

**MANSFIELD TOWNSHIP SCHOOL DISTRICT**  
**June 30, 2019**

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

None