

**CITY OF MILLVILLE  
BOARD OF EDUCATION**

**AUDITORS' 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

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Honorable President and  
Members of the Board of Education  
City of Millville School District  
County of Cumberland, New Jersey

## REPORT OF INDEPENDENT AUDITORS

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 Millville Board of Education of the City of Millville, in the County of Cumberland, State of New Jersey, for the year ended June 30, 2019, and have issued our report thereon dated December 13, 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 Millville Board of Education's management, the New Jersey Department of Education (cognizant audit agency), other state and federal awarding agencies and pass-through entities, and is not intended and should not be used by anyone other than these parties.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*

Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

December 13, 2019

**MILLVILLE BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND  
PERFORMANCE REPORTING**

**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

Insurance coverage was carried in the amounts detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Bryce Kell, Jr. (Eff. through 5/1/19)	Board Secretary/Administrator	\$550,000.00
Richard Davidson (Eff. Beginning 2/19/19)	Board Secretary/Administrator	\$500,000.00

There is a Public Employees' Faithful Performance blanket bond covering all other employees with multiple coverage in the amount of \$250,000.00.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were less than estimated costs. The Board made proper adjustments to the billings of sending districts for the increase/decrease in per pupil costs in accordance with N.J.A.C. 6A:23-3.1(f)3.

**Financial Planning, Accounting and Reporting**

Examination of Claims

An examination of claims paid during the period under review noted minor discrepancies with respect to signatures, certifications or supporting documentation.

Payroll Account

The net salaries of all employees of the School District were deposited in the Payroll Account. Employees' payroll deductions and the 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 and the Board Secretary/Business Administrator. Salary withholdings were promptly remitted to the proper agencies, including health benefits premium amounts withheld due to the general fund.

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.

**MILLVILLE BOARD OF EDUCATION**  
**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND**  
**PERFORMANCE REPORTING**  
**(CONTINUED)**

**Financial Planning, Accounting and Reporting - Continued**

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 were found to be in satisfactory condition.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(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-2.4. As a result of the procedures performed, no errors were noted, and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. *General Classification Findings*

There were no general classification findings noted during the audit.

B. *Administrative Classification Findings*

There were no administrative classification findings noted during the audit.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary found to be in satisfactory condition.

Bids received were summarized in the minutes.

Acknowledgement of the Board's receipt of the Board Secretary's and the Treasurer's monthly financial reports were included in the minutes.

Budget appropriations were not greater than realized revenues and Board authorized use of surplus.

**Finding 2019-01**

Several Budget Accounts were overspent, however the Budget in total was not overspent. Additionally, the District was unable to provide us with its 10% Budget Transfer Worksheet.

**Recommendation 2019-01**

We recommend that no expenditures be made that would exceed the available Appropriation Balance and that the District maintain the 10% Transfer Worksheet and request permission from the Executive County Superintendent of Schools for transfers in excess of 10%.

Purchase orders were charged to the appropriate line accounts in accordance with State prescribed Uniform Minimum Chart of Accounts (2R2), for New Jersey Public Schools.

**MILLVILLE BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND  
PERFORMANCE REPORTING  
(CONTINUED)**

**Pupil Transportation**

Our audit procedures included a test of on roll status reported in the 2018-2019 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with no exceptions. 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 the 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 review of transportation related purchases of goods and services.

**Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (IASA) 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 and VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. indicated no instances of noncompliance and questioned 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 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.

The study of compliance for special projects indicated the following areas of noncompliance:

Based upon our testing of the federal and state grants, there were no exceptions noted.

**T.P.A.F. Reimbursement**

Our audit procedures included a test of the biweekly reimbursement 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 reimbursement to the State for 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 subsequent to the end of the 90 day grant liquidation period, but prior to the 90 days required by N.J.S.A. 18A:66-90. Accordingly, the expenditure was made in accordance with State law (90 days) and properly recorded as obligated and not expended and as an unliquidated balance in the current year's Final Report for all federal awards.



**MILLVILLE BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND  
PERFORMANCE REPORTING  
(CONTINUED)**

**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 Millville Board of Education currently has a Qualified Purchasing Agent. The law regulating bidding for public school transportation contracts under N.J.S.A. 18A:39-3 is \$19,000 for 2018-19.

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.

Based on the results of my examination, I 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, amended.

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

**Latchkey and Wraparound Programs**

Based upon our audit of the financial transactions of the school district's Latchkey and Wraparound Programs no exceptions were noted.

**School Food Services**

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. No Exceptions noted.

Cash receipts and bank records were reviewed for timely deposit.

Expenditures were 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. 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.

### **School Food Services - Continued**

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.

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

### **Student Body Activities, Athletics and Scholarship Funds**

Our review of student activity, athletic, and scholarship funds' financial transactions were maintained in satisfactory condition.

### **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, and low-income students. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to district workpapers without exceptions. 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 N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

### **Follow-Up on Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. There were no prior year findings.

### **Suggestions to Management**

There are no suggestions for management.

### **Acknowledgment**

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.

*Ford, Scott & Associates, L.L.C.*  
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CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*  
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Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

**DECEMBER 13, 2019  
MILLVILLE BOARD OF EDUCATION  
FOOD SERVICES FUND  
NUMBER OF MEALS SERVED AND (OVER) UNDER CLAIM  
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Verified</u>	<u>Diff.</u>	<u>Rate</u>	<u>(Over) Under Claim</u>
National School Lunch Program (Severe Need)	Paid	95,279	95,279	-	0.39 \$	-
	Reduced	52,392	52,392	-	2.99	-
	Free	<u>467,112</u>	<u>467,112</u>	<u>-</u>	3.39	-
	Total	<u>614,783</u>	<u>614,783</u>	<u>-</u>		
School Breakfast (Severe Need Rate)	Paid	18,596	18,596	-	0.31	-
	Reduced	18,264	18,264	-	1.84	-
	Free	<u>267,038</u>	<u>267,038</u>	<u>-</u>	2.14	-
	Total	<u>303,898</u>	<u>303,898</u>	<u>-</u>		
Snack Program	Free	<u>85,596</u>	<u>85,596</u>	<u>-</u>	0.91	-

## 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 B - 4/5	
<b>CAFR</b>	*	<b>Current Assets</b>	
B-4		Cash & Cash Equiv.	858,205.87
B-4		Due from Other Gov'ts	
B-4		Accounts Receivable	181,154.47
B-4		Investments	
<b>CAFR</b>		<b>Current Liabilities</b>	
B-4		Less Accounts Payable	(75,648.96)
B-4		Less Accruals	
B-4		Less Due to Other Funds	(158,513.09)
B-4		Less Deferred Revenue	<u>                    </u>
		<b>Net Cash Resources</b>	<b><u>805,198.29</u></b> (A)

**Net Adj. Total Operating Expense:**

B-5		Tot. Operating Exp.	3,402,074.84
B-5		Less Depreciation	<u>(130,894.00)</u>
		Adj. Tot. Oper. Exp.	<b><u>3,271,180.84</u></b> (B)

**Average Monthly Operating Expense:**

B / 10	<b><u>327,118.08</u></b>	(C)
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**Three times monthly Average:**

3 X C	<b><u>981,354.25</u></b>	(D)
-------	--------------------------	-----

TOTAL IN BOX A	\$	805,198.29	
LESS TOTAL IN BOX D	\$	981,354.25	
NET	\$	<b><u>(176,155.96)</u></b>	

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

**MILLVILLE SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2018**

	2018-2019 Application for State School Aid						Sample for Verification						Private Schools for Disabled									
	Reported on A.S.S.A. On Roll		Workpapers Reported on		Errors		Sample Selected from Workpapers		Registers Verified per On Roll		Registers per On Roll		Reported on A.S.S.A. as Private Schools		Workpapers Reported on		Errors		Sample for Verification			
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared		
Full Day Preschool - 3 Years	227	-	227	-	-	-	13	-	13	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Preschool - 4 Years	320	-	320	-	-	-	19	-	19	-	-	-	-	-	-	-	-	-	-	-	-	
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Kindergarten	278	-	278	-	-	-	16	-	16	-	-	-	-	-	-	-	-	-	-	-	-	
One	306	-	306	-	-	-	18	-	18	-	-	-	-	-	-	-	-	-	-	-	-	
Two	260	-	260	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-	-	-	-	
Three	288	-	288	-	-	-	17	-	17	-	-	-	-	-	-	-	-	-	-	-	-	
Four	275	-	275	-	-	-	16	-	16	-	-	-	-	-	-	-	-	-	-	-	-	
Five	291	-	291	-	-	-	17	-	17	-	-	-	-	-	-	-	-	-	-	-	-	
Six	300	-	300	-	-	-	17	-	17	-	-	-	-	-	-	-	-	-	-	-	-	
Seven	236	-	236	-	-	-	14	-	14	-	-	-	-	-	-	-	-	-	-	-	-	
Eight	262	-	262	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-	-	-	-	
Nine	320	-	320	-	-	-	19	-	19	-	-	-	-	-	-	-	-	-	-	-	-	
Ten	256	-	256	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-	-	-	-	
Eleven	270	-	270	-	-	-	16	-	16	-	-	-	-	-	-	-	-	-	-	-	-	
Twelve	349	-	349	-	-	-	20	-	20	-	-	-	-	-	-	-	-	-	-	-	-	
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Subtotal	4,238	-	4,238	-	-	-	247	-	247	-	-	-	-	-	-	-	-	-	-	-	-	
Special Ed - Elementary	383	-	383	-	-	-	22	-	22	-	-	-	4	-	4	-	-	-	-	3	-	
Special Ed - Middle School	276	-	276	-	-	-	15	-	15	-	-	-	5	-	5	-	-	-	-	4	-	
Special Ed - High School	496	-	496	-	-	-	28	-	28	-	-	-	11	-	11	-	-	-	-	9	-	
Subtotal	1,155	-	1,155	-	-	-	65	-	65	-	-	-	20	-	20	-	-	-	-	16	-	
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Totals	5,393	-	5,393	-	-	-	312	-	312	-	-	-	20	-	20	-	-	-	-	16	-	
Percentage Error	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%	

**MILLVILLE SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
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 LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Preschool - 3 Years	170	170	-	14	14	-	-	-	-	-	-	-
Full Day Preschool - 4 Years	246	246	-	20	20	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	237	237	-	18	18	-	8	8	-	6	6	-
One	234	234	-	18	18	-	13	13	-	9	9	-
Two	195	195	-	15	15	-	6	6	-	5	5	-
Three	210	210	-	16	16	-	2	2	-	2	2	-
Four	200	200	-	16	16	-	5	5	-	4	4	-
Five	213	213	-	17	17	-	3	3	-	2	2	-
Six	220	220	-	17	17	-	2	2	-	2	2	-
Seven	159	159	-	12	12	-	3	3	-	2	2	-
Eight	162	162	-	13	13	-	4	4	-	3	3	-
Nine	212	212	-	16	16	-	7	7	-	5	5	-
Ten	159	159	-	12	12	-	2	2	-	2	2	-
Eleven	157	157	-	12	12	-	2	2	-	2	2	-
Twelve	185	185	-	14	14	-	4	4	-	3	3	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	2,959	2,959	-	230	230	-	61	61	-	47	47	-
Special Ed - Elementary	327	327	-	25	25	-	8	8	-	6	6	-
Special Ed - Middle School	236	236	-	18	18	-	3	3	-	2	2	-
Special Ed - High School	382	382	-	30	30	-	10	10	-	8	8	-
Subtotal	945	945	-	73	73	-	21	21	-	16	16	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,904	3,904	-	303	303	-	82	82	-	63	63	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

**Transportation**

	Reported on DRTS by DOE/County		Reported on DRTS by District		Errors	
	Reported	Verified	Reported	Verified	Tested	Errors
Reg. - Public Schools, col. 1	1,778	1,778	211	211	-	-
Reg. - Sp Ed, col. 4	397	397	34	34	-	-
AIL NONPUBLIC	115	115	13	13	-	-
Transported - Non-Public, col. 3	27	27	4	4	-	-
Special Ed Spec, col. 6	143	143	29	29	-	-
Totals	2,460	2,460	291	291	-	-
Percentage Error						0.00%

**Reported**      **Recalculated**  
4.1                      4.1  
4.2                      4.2

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 Needs

**MILLVILLE SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2018**

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Preschool - 3 Years	-	-	-	-	-	-
Full Day Preschool - 4 Years	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	2	2	-	1	1	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	1	1	-	1	1	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	1	1	-	1	1	-
Nine	-	-	-	-	-	-
Ten	1	1	-	1	1	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-
<b>Subtotal</b>	<b>5</b>	<b>5</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle School	1	1	-	1	1	-
Special Ed - High School	-	-	-	-	-	-
<b>Subtotal</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-
<b>Totals</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>5</b>	<b>5</b>	<b>-</b>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>





**SECTION 3 - All Districts**

Restricted Fund Balance - Excess Surplus\*\*\*[(U)-(M)] IF NEGATIVE ENTER -0- \$ \_\_\_\_\_ - (E)

**Recapitulation of Excess Surplus as of June 30, 2019**

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures**	\$	826,484.56	(C3)
Restricted Excess Surplus***[(E)]	\$	-	(E)
<b>Total [(C3)+(E)+(F)]</b>	<b>\$</b>	<b>826,484.56</b>	<b>(D)</b>

\* This adjustment line (line (K) as detailed below) is to be utilized when applicable for: Impact Aid, Sale and Lease-back, Extraordinary Aid, Additional Nonpublic School Transportation Aid, and recognized current year School Bus Advertising Revenue. Extraordinary Aid and Additional Nonpublic Transportation Aid received after June 30 is limited to the amount of revenue recognized in the audit year that was not appropriated.

**Detail of Allowable Adjustments**

Impact Aid	\$	-	(H)
Sale & Lease-back	\$	-	(I)
Extraordinary Aid	\$	-	(J1)
Additional Nonpublic Transportation Aid	\$	41,180.00	(J2)
Current Year School Bus Advertising Revenue Recognized	\$	-	(J3)
Family Crisis Transportation Aid	\$	-	(J4)
<b>Total Adjustments[(H)+(I)+(J1)+(J2)]</b>	<b>\$</b>	<b>41,180.00</b>	<b>(K)</b>

\*\* This amount represents the June 30, 2019 Excess Surplus (C3 above) and must be included in the 2018-19 Audit Summary Worksheet Line 90031. This amount was to be appropriated in the 2019-20 general fund budget.

\*\*\* See (E) above. The Amount must agree to the June 30, 2019 CAFR and Audit Summary Worksheet Line 90030.

\*\*\*\* Amount for Other Restricted Fund Balances must be detailed for each source and request for approval to use amounts other than state imposed legal restrictions in the excess surplus calculation must be submitted to the Assistant Commissioner of Finance prior to September 30.

**Detail of Other Restricted/Reserved Fund Balance**

**Statutory restrictions:**

Approved unspent separate proposal	\$	_____	
Sale/lease-back reserve	\$	_____	
Capital reserve (N-1)	\$	1,428,705.02	
Maintenance reserve (N-2)	\$	3,632,049.81	
Tuition reserve (N-3)	\$	_____	
Emergency reserve (N-4)	\$	_____	
School Bus Advertising 50% Fuel Offset Reserve-current year (N-5)	\$	_____	
School Bus Advertising 50% Fuel Offset Reserve-prior year (N-6)	\$	_____	
Impact Aid General Revenue Fund Reserve (Sections 8002 and 8003) (N-7)	\$	_____	
Impact Aid General Revenue Fund Reserve (Sections 8007 and 8008) (N-8)	\$	_____	
Other state/government mandated reserve	\$	_____	
<b>Other Restricted/Reserved Fund Balances not noted above ****</b>	<b>\$</b>	<b>_____</b>	
<b>Total Other Restricted/Reserved Fund Balance</b>	<b>\$</b>	<b>5,060,754.83</b>	<b>(C4)</b>

*Michael S. Garcia*

\_\_\_\_\_  
SIGNATURE OF PUBLIC SCHOOL ACCOUNTANT

AUDIT RECOMMENDATIONS SUMMARY  
For the Fiscal Year Ended June 30, 2019  
CITY OF MILLVILLE BOARD OF EDUCATION

**RECOMMENDATIONS**

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

**Recommendation 2019-01**

We recommend that no expenditures be made that would exceed the available Appropriation Balance and that the District maintain the 10% Transfer Worksheet and request permission from the Executive County Superintendent of Schools for transfers in excess of 10%.

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 findings during FY 18.