



**TOMS RIVER REGIONAL SCHOOL DISTRICT
COUNTY OF OCEAN**

**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2019**

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INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Education
Toms River Township Board of Education
County of Ocean, 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 Toms River Regional School District, County of Ocean as of and for the year ended June 30, 2019, and have issued our report thereon dated December 16, 2019.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information and use of the Toms River Regional School District's management, Board of Education members, others within the entity and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



Scott A. Clelland
Licensed Public School Accountant
No. 1049



WISS & COMPANY, LLP

Livingston, New Jersey
December 16, 2019

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

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 J-20, Insurance Schedule contained in the 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>
Matt K. Varley	Treasurer of School Monies	\$ 775,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than or less than estimated costs. The District made a proper adjustment to the billings to sending Districts for the increase (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period did not indicate any discrepancies with respect to signatures, certification or supporting documentation. No discrepancies or exceptions were noted.

Payroll Account and Position Control Roster

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 and the Board Secretary/Business Administrator.

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

Payrolls were delivered to the Secretary of the Board who then deposited with warrants in separate banks accounts for net payroll and withholdings.

An inquiry and subsequent review of the Position Control Roster did not identify any inconsistencies between the payroll records, employee benefit records, the general ledger accounts to where wages are posted, and the Position Control Roster.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

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 were tested 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*. As a result of the procedures performed, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records and Treasurer's Records

Our review of the financial and accounting records maintained by the Board Secretary and Treasurer disclosed 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. financial exhibits are contained within the Special Revenue Section of the Comprehensive Annual Financial Report (CAFR). This section of the CAFR documents the financial position pertaining to the projects under Title I 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 Schedules A (K-3) and B (K-4) 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.

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

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 Teacher's Pension and Annuity Fund. No exceptions were noted.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

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 expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Non-Public State Aid

Our review of non-public state aid did not disclose any exceptions.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2015 and thereafter, the bid thresholds in accordance with *N.J.S.A. 18A:18A-2* and *18A:18A-3(a)* are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under *N.J.S.A. 18A:39-3* is currently \$19,000.

The District 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.

Procedures were performed on a test basis, to indicate if any 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*. During our testing procedures, we noted the following:

Finding 2019-001:

During our testing of Public School Contracts Law, we noted purchases made by the Corporate Center that were above the statutory quote threshold for which more than one quote was not obtained.

Recommendation:

We suggest that that multiple quotes be obtained by the Corporate Center for items that exceed the statutory quote threshold.

School Food Service

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Exhibits reflecting Child Nutrition Program operations are included in the B-4 through B-6 section of the CAFR.

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.

Student Body Activities

No exceptions were identified during our testing of student body activities.

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 as presented in the Schedule of Audited Enrollments, without exceptions as identified in the Schedule of Audited Enrollments. The results of our procedures are presented in the Schedule of Audited Enrollments.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2018-19 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. 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.

Facilities and Capital Assets

There were no transactions with SDA during the 2019 fiscal year and therefore this section is not applicable.

Capital Assets

Finding 2019-002:

During our audit of the District's capital assets, we noted records were provided in multiple versions and were inaccurate. We were informed that the District provided the proper capital asset adjustments to the vendor on several occasions and in certain instances check dates were not used as the acquisition dates in error by the vendor. Also, some items requested to be added, deleted or adjusted by the vendor, were not corrected when information was provided. This required additional work for the District staff in checking and rechecking reports. Through discussion with management, review of prior year audited reports, and review of current year capital asset expenditures, current year records were adjusted to be materially accurate.

Recommendation:

We suggest the District reevaluate with its capital asset vendor the process used to track and record its capital assets to ensure accurate reports are prepared in the future.

**TOMS RIVER REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL,
COMPLIANCE AND PERFORMANCE**

Miscellaneous

Testing for Lead of All Drinking Water in Educational Facilities

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

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

Food Supply Inventory

During our testing of inventory records of food supply items, we noted that individual valuations for multiple items were not properly supported by vendor invoices. Certain items were recorded in District inventory records at either a higher or lower valuation than what was noted on vendor invoices for those same items. The District should maintain better records of its food service inventory on hand and ensure inventory is valued at the appropriate costs based on supporting evidence.

Follow-up on Prior Year's Findings

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations including findings. Corrective action has been taken on all prior year findings.

There were no audit reports issued by the Office of Fiscal Accountability and Compliance (OFAC) during the 2019 fiscal year.

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.

SCHEDULE OF AUDITED ENROLLMENTS

**TOMS RIVER REGIONAL SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
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. as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	45.0	-	45.0	-	-	-	16.0	-	16.0	-	-	-	-	-	-	-
Full Day Preschool	35.0	-	35.0	-	-	-	35.0	-	35.0	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	938.0	-	938.0	-	-	-	42.0	-	42.0	-	-	-	-	-	-	-
One	960.0	-	960.0	-	-	-	45.0	-	45.0	-	-	-	-	-	-	-
Two	893.0	-	893.0	-	-	-	92.0	-	92.0	-	-	-	-	-	-	-
Three	941.0	-	941.0	-	-	-	73.0	-	73.0	-	-	-	-	-	-	-
Four	904.0	-	904.0	-	-	-	50.0	-	50.0	-	-	-	-	-	-	-
Five	973.0	-	973.0	-	-	-	35.0	-	35.0	-	-	-	-	-	-	-
Six	1,021.0	-	1,021.0	-	-	-	311.0	-	311.0	-	-	-	-	-	-	-
Seven	1,060.0	-	1,060.0	-	-	-	342.0	-	342.0	-	-	-	-	-	-	-
Eight	1,053.0	-	1,053.0	-	-	-	278.0	-	278.0	-	-	-	-	-	-	-
Nine	1,035.0	-	1,035.0	-	-	-	422.0	-	422.0	-	-	-	-	-	-	-
Ten	1,010.0	-	1,010.0	-	-	-	268.0	-	268.0	-	-	-	-	-	-	-
Eleven	931.0	108.0	931.0	108	-	-	274.0	19.0	274.0	19.0	-	-	-	-	-	-
Twelve	942.0	97.0	942.0	97	-	-	272.0	40.0	272.0	40.0	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	12,741.0	205.0	12,741.0	205.0	-	-	2,555.0	59.0	2,555.0	59.0	-	-	-	-	-	-
Special Ed - Elementary	1,087.0	-	1,087.0	-	-	-	14.0	-	14.0	-	-	-	19.0	15	15	-
Special Ed - Middle School	591.0	-	591.0	-	-	-	8.0	-	8.0	-	-	-	21.0	16	16	-
Special Ed - High School	632.0	112.0	632.0	112.0	-	-	8.0	-	8.0	-	-	-	45.0	34	34	-
Subtotal	2,310.0	112.0	2,310.0	112.0	-	-	30.0	-	30.0	-	-	-	85.0	65.0	65.0	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	15,051.0	317.0	15,051.0	317.0	-	-	2,585.0	59.0	2,585.0	59.0	-	-	85.0	65.0	65.0	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%

SCHEDULE OF AUDITED ENROLLMENTS

**TOMS RIVER REGIONAL SCHOOL DISTRICT
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 as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool	17.00	17.00	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	245.0	245.0	-	20	20	-	24.0	24.0	-	14.0	14.0	-
One	255.0	255.0	-	16	16	-	38.0	38.0	-	22.0	22.0	-
Two	225.0	225.0	-	10	10	-	15.0	15.0	-	8.0	8.0	-
Three	224.0	224.0	-	18	18	-	15.0	15.0	-	9.0	9.0	-
Four	214.0	214.0	-	17	17	-	10.0	10.0	-	6.0	6.0	-
Five	229.0	229.0	-	16	16	-	5.0	5.0	-	3.0	3.0	-
Six	249.0	249.0	-	14	14	-	5.0	5.0	-	4.0	4.0	-
Seven	255.0	255.0	-	18	18	-	7.0	7.0	-	4.0	4.0	-
Eight	217.0	217.0	-	18	18	-	6.0	6.0	-	3.0	3.0	-
Nine	198.0	198.0	-	11	11	-	7.0	7.0	-	4.0	4.0	-
Ten	196.0	196.0	-	14	14	-	8.0	8.0	-	5.0	5.0	-
Eleven	149.5	149.5	-	8	8	-	4.0	4.0	-	2.0	2.0	-
Twelve	136.5	136.5	-	6	6	-	4.0	4.0	-	2.0	2.0	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	2,810.0	2,810.0	-	186	186	-	148.0	148.0	-	86.0	86.0	-
Special Ed - Elementary	428.0	428.0	-	33	33	-	9.0	9.0	-	5.0	5.0	-
Special Ed - Middle	235.0	235.0	-	16	16	-	1.0	1.0	-	-	-	-
Special Ed - High	231.0	231.0	-	17	17	-	1.0	1.0	-	1.0	1.0	-
Subtotal	894.0	894.00	-	66	66	-	11.0	11.0	-	6.0	6.0	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,704.0	3,704.0	-	252	252	-	159.0	159.0	-	92.0	92.0	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

	Transportation					
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	4,921.0	4,921.0	-	199.0	199.0	-
Reg -SpEd, col. 4	826.0	826.0	-	33.0	33.0	-
Transported - AIL, col.2 & Non-Public, col. 3	1,258.0	1,258.0	-	51.0	51.0	-
Special Ed Spec, col. 6	721.0	721.0	-	29.0	29.0	-
Totals	7,726.0	7,726.0	-	312.0	312.0	-
Percentage Error			0.00%			0.00%

	Reported	Recalculated
Reg Avg.(Mileage) = Regular Including Grade PK students (Part A)	4.2	4.2
Reg Avg.(Mileage) = Regular Excluding Grade PK students (Part B)	4.2	4.2
Spec Avg. = Special Ed with Special Needs	5.6	5.6

TOMS RIVER REGIONAL 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 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 Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	14.0	14.0	-	8.0	8.0	-
One	17.0	17.0	-	10.0	10.0	-
Two	9.0	9.0	-	5.0	5.0	-
Three	6.0	6.0	-	3.0	3.0	-
Four	5.0	5.0	-	3.0	3.0	-
Five	5.0	5.0	-	3.0	3.0	-
Six	1.0	1.0	-	-	-	-
Seven	3.0	3.0	-	2.0	2.0	-
Eight	2.0	2.0	-	1.0	1.0	-
Nine	4.0	4.0	-	2.0	2.0	-
Ten	5.0	5.0	-	3.0	3.0	-
Eleven	3.0	3.0	-	2.0	2.0	-
Twelve	2.0	2.0	-	1.0	1.0	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>76.0</u>	<u>76.0</u>	<u>-</u>	<u>43.0</u>	<u>43.0</u>	<u>-</u>
Special Ed - Elementary	2.0	2.0	-	1	1	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	1.0	1.0	-	-	-	-
Subtotal	<u>3.0</u>	<u>3.0</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>79.0</u>	<u>79.0</u>	<u>-</u>	<u>44.0</u>	<u>44.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

TOMS RIVER REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2019

SECTION 1

A. 2% Calculation of Excess Surplus

2018-19 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ 261,432,552 (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 PreK-Regular	\$ _____ - (B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ _____ - (B1d)
Decreased by:	
On-Behalf TPAF Pension, PRM, LTD and Social Security	\$ 32,923,343 (B2a)
Assets Acquired Under Capital Leases	\$ 1,855,554 (B2b)
Adjusted 2018-19 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ 226,653,655 (B3)
2% of Adjusted 2018-19 General Fund Expenditures [(B3) times .02]	\$ 4,533,073 (B4)
Enter Greater of (B4) or \$250,000	\$ 4,533,073 (B5)
Increased by: Allowable Adjustment*	\$ 1,662,595 (K)
Maximum Unassigned/Undesignated - Unreserved Fund Balance [(B5) + (K)]	\$ 6,195,668 (M)

SECTION 2

Total General Fund - Fund Balances at 6-30-19 (Per CAFR Budgetary Comparison Schedule C-1)	\$ 26,001,066 (C)
Decreased by:	
Assigned Year End Encumbrances	\$ 2,063,818 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____ - (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ 590,534 (C3)
Other Restricted Fund Balances****	\$ 13,147,596 (C4)
Assigned Fund Balance-Unreserved- Designated for Subsequent Year's Expenditures	\$ 1,409,466 (C5)
Additional Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures July 1, 2019 - August 31, 2019	\$ 1,541,665 (C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]	\$ 7,247,987 (U1)

TOMS RIVER REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2019

SECTION 3

Restricted Fund Balance - Excess Surplus ***	
[(U1)-(M)] IF NEGATIVE ENTER -0-	\$ <u>1,052,319</u> (E)

Recapitulation of Excess Surplus as of June 30, 2019

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>590,534</u> (C3)
Reserved Excess Surplus *** [(E)]	\$ <u>1,052,319</u> (E)
 Total Excess Surplus [(C3)+(E)]	 \$ <u>1,642,853</u> (D)

Detail of Allowable Adjustments

Impact Aid	\$ <u> </u> - (H)
Sales & Lease-back	\$ <u> </u> - (I)
Extraordinary Aid	\$ <u>1,541,665</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>120,930</u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ <u> </u> - (J3)
Family Crisis Transportation Aid	\$ <u> </u> - (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>1,662,595</u> (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 must agree to Audit Summary 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 Administration and Finance prior to September 30.

TOMS RIVER REGIONAL SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2019

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 5,827,261
Emergency reserve	\$ 712,315
Maintenance reserve	\$ 6,608,020
Tuition reserve	\$ -
School Bus Advertising 50% Fuel Offset-current year	\$ -
School Bus Advertising 50% Fuel Offset-prior year	\$ -
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ -
Impact Aid General Fund Reserve (Sections 8007 and 8008)	\$ -
Other State / government mandated reserve	\$ -
[Other Restricted Fund Balance not noted above]****	\$ -
 Total Other Restricted Fund Balance	 \$ 13,147,596 (C4)

Toms River Regional School District

Audit Recommendations Summary

June 30, 2019

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

Finding 2019-001:

We suggest multiple quotes be obtained by the Corporate Center for items that exceed the statutory quote threshold.

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

Finding 2019-002:

We suggest the District reevaluate the process with its vendor used to track and record its capital assets to ensure accurate reports are prepared in the future.

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

All prior year findings were corrected.