

BOARD OF EDUCATION
HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS, FINANCIAL, COMPLIANCE AND PERFORMANCE
For the Fiscal Year Ended June 30, 2017

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT

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Federal Identification Number 22-6001980



Certified Public Accountants, PC
www.bkc-cpa.com

Independent Auditors' Report

Honorable President and Members
of the Board of Education
Highland Park Borough Public School District
County of Middlesex, 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 Highland Park Borough Public School District in the County of Middlesex for the year ended June 30, 2017, and have issued our report thereon dated December 5, 2017.

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 Highland Park Borough Public 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.

Bedard, Kurowicki & Co.
BEDARD, KUROWICKI & CO., CPA'S, PC

A handwritten signature in black ink that reads "William Colantano".

William M. Colantano, Jr.
Public School Accountant
No. CS 0128

December 5, 2017
Flemington, New Jersey

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT

June 30, 2017

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>
Linda Hoefele	Secretary/Business Administrator	\$ 100,000
Kathleen Kovacs	Treasurer of School Monies (To 3/31/17	240,000
Brian Falkowski	Treasurer of School Monies (From 6/1/17)	240,000

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 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.

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT
June 30, 2017

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 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.

An examination 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 reconciler of accounts' records did not disclose any exceptions.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (IASA) as reauthorized by the No Child Left Behind (NCLB) Act of 2001

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 VI of the Elementary and Secondary Education Act as amended and reauthorized.

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.

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT

June 30, 2017

Other Special Federal and/or State Projects (continued)

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

Our review of the records of the Nonpublic State Aid did not disclose any exceptions.

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."

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT

June 30, 2017

School Purchasing Programs (continued)

“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 \$18,800 for 2016-17.

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.

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.

Finding 2017-001

The District failed to obtain political contribution disclosure forms for several applicable vendors as required by N.J.S.A. 19:44A-20.4

Recommendation

The District should take measures to ensure that all political contribution disclosure forms are obtained for applicable vendors as required by N.J.S.A. 19:44A-20.4

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT

June 30, 2017

School Purchasing Programs (continued)

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

Contracted Services	Food Service Management	Construction Services
Professional Development	Substitute Teacher Services	Special Education Services
Custodial Services	Athletic Field Maintenance	Transportation

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	Instructional Supplies
Custodial Supplies & Equipment	Furniture
Copier Rentals	

Purchases made through cooperative agreements included the following:

Natural Gas	Technology Equipment & Supplies
Electricity Generation	Transportation
Telecommunication Services	Instructional Supplies
Internet Services	Special Education Services
Carpeting	

Unemployment Compensation Insurance Trust Fund

The Board has adopted the contributory method to fund its State Unemployment Compensation Insurance. Under this plan, the District is required to remit the entire employee deduction of unemployment compensation to the State and any claims for unemployment are paid by the State from those funds.

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT
June 30, 2017

School Food Service

The School Food Service 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 as to whether the SFA had any Child Nutrition Program overclaims or underclaims. No exceptions were noted.

We also inquired of school management as to whether the SFA's expenditures of School Food Service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

The Combining Statement of Revenues, Expenses and Changes in 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

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

Application for State School Aid

Our audit procedures included a test of the information reported in the October 14, 2016 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

Our audit procedures included a test of on roll status reported in the 2016-17 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with minor 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 with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT
June 30, 2017

Facilities and Capital Assets

Our procedures included a review of the Schools Development Authority (SDA) grant agreements for consistency with recording revenue, transfer of local funds from the General Fund or from the Capital Reserve Account and awarding of contracts for eligible facilities construction. We also performed a review of capital assets related to their existence. The following exception was noted.

Finding 2017-002

The District has not received NJ Schools Development Authority (SDA) funding for three completed facility projects.

Recommendation

The District should take measures to collect the NJ SDA Award Funds receivable for the three completed facility projects in the Capital Projects Fund.

Follow-up on Prior Year Findings

Not Applicable

Suggestion to Management

.
The District should consider having student activity advisors turn their collections over to the business office in a timely manner for deposit in the bank through the bank courier service.

HIGHLAND PARK BOROUGH PUBLIC SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments - Enrollment as of October 14, 2016

	2017 - 2018 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on ASSEA as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	ASSA		Workpapers				Selected from		Registers		Registers					
	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	56	-	56	-	-	-	10	-	10	-	-	-	-	-	-	-
Full Day Preschool Age 4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	109	-	109	-	-	-	22	-	22	-	-	-	-	-	-	-
One	102	-	102	-	-	-	17	-	17	-	-	-	-	-	-	-
Two	121	-	121	-	-	-	27	-	27	-	-	-	-	-	-	-
Three	102	-	102	-	-	-	15	-	15	-	-	-	-	-	-	-
Four	118	-	118	-	-	-	14	-	14	-	-	-	-	-	-	-
Five	111	-	111	-	-	-	8	-	8	-	-	-	-	-	-	-
Six	95	-	95	-	-	-	11	-	11	-	-	-	-	-	-	-
Seven	100	-	100	-	-	-	14	-	14	-	-	-	-	-	-	-
Eight	99	-	99	-	-	-	17	-	17	-	-	-	-	-	-	-
Nine	102	-	102	-	-	-	16	-	16	-	-	-	-	-	-	-
Ten	107	-	107	-	-	-	13	-	13	-	-	-	-	-	-	-
Eleven	103	-	103	-	-	-	17	-	17	-	-	-	-	-	-	-
Twelve	104	-	104	-	-	-	13	-	13	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>1,429</u>	<u>-</u>	<u>1,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>214</u>	<u>-</u>	<u>214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Education - Elementary	76	-	76	-	-	-	13	-	13	-	-	-	1	1	1	-
Special Education - Middle	52	-	52	-	-	-	7	-	7	-	-	-	7	7	7	-
Special Education - High School	76	1	76	1	-	-	11	-	11	-	-	-	11	11	10	1
Subtotal	<u>204</u>	<u>1</u>	<u>204</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>31</u>	<u>-</u>	<u>31</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>19</u>	<u>18</u>	<u>1</u>
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - Full-Time Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>1,633</u>	<u>1</u>	<u>1,633</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>245</u>	<u>-</u>	<u>245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>19</u>	<u>18</u>	<u>1</u>
Percentage error					<u>0.00%</u>	<u>0.00%</u>						<u>0.00%</u>	<u>0.00%</u>			<u>5.26%</u>

HIGHLAND PARK BOROUGH PUBLIC SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments - Enrollment as of October 14, 2016 (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	36	37	(1)	15	15	-	5	5	-	2	2	-
One	39	39	-	15	15	-	6	6	-	4	4	-
Two	52	45	7	13	13	-	14	14	-	10	10	-
Three	47	40	7	16	16	-	8	8	-	5	5	-
Four	62	54	8	15	15	-	7	7	-	6	6	-
Five	44	41	3	14	14	-	6	6	-	4	4	-
Six	28	29	(1)	9	9	-	4	4	-	2	2	-
Seven	35	36	(1)	17	17	-	4	4	-	3	3	-
Eight	36	37	(1)	8	8	-	4	4	-	2	2	-
Nine	36	36	-	7	6	1	4	4	-	2	2	-
Ten	37	37	-	6	6	-	2	2	-	-	-	-
Eleven	29	29	-	8	8	-	4	4	-	2	2	-
Twelve	34	34	-	14	14	-	2	2	-	2	2	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	515	494	21	157	156	1	70	70	-	44	44	-
Special Education - Elementary	13	38	(25)	18	18	-	1	2	(1)	2	2	-
Special Education - Middle	34	31	3	9	9	-	1	1	-	1	1	-
Special Education - High School	35	36	(1)	13	13	-	-	-	-	-	-	-
Subtotal	82	105	(23)	40	40	-	2	3	(1)	3	3	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Cty Vocational - F/T Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	597	599	(2)	197	196	1	72	73	(1)	47	47	-
Percentage			<u>-0.34%</u>			<u>0.51%</u>			<u>-1.39%</u>			<u>0.00%</u>

HIGHLAND PARK BOROUGH PUBLIC SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments - Enrollment as of October 14, 2016 (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	5	5	-	3	3	-
One	7	7	-	5	5	-
Two	6	6	-	5	5	-
Three	4	4	-	3	3	-
Four	12	12	-	9	9	-
Five	4	4	-	3	3	-
Six	3	3	-	3	3	-
Seven	1	1	-	1	1	-
Eight	7	7	-	5	5	-
Nine	2	2	-	1	1	-
Ten	3	3	-	2	2	-
Eleven	2	2	-	1	1	-
Twelve	3	3	-	1	1	-
	<u>59</u>	<u>59</u>	<u>-</u>	<u>42</u>	<u>42</u>	<u>-</u>
Percentage			<u>0.00%</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						
PK	15	15	-	6	6	-
Public	44	44	-	22	19	3
Vocational	15	15	-	8	8	-
Transported charter	3	3	-	1	1	-
Aid-in-lieu charter school	25	25	-	13	13	-
Non-public	4	4	-	2	2	-
Aid-in-lieu non-public	251	251	-	125	125	-
Special education public	10	10	-	5	5	-
Private school disabled	-	-	-	-	-	-

HIGHLAND PARK BOROUGH PUBLIC SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments - Enrollment as of October 14, 2016 (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
Special education with special needs & out of district special education without special needs						
Public with special needs	17	17	-	9	11	(2)
Private school disabled with special needs	9	9	-	4	4	-
Out of district public without special needs	9	9	-	5	5	-
Out of district private school disabled without special needs	-	-	-	-	-	-
	<u>402</u>	<u>402</u>	<u>-</u>	<u>200</u>	<u>199</u>	<u>1</u>
Percentage			<u>0.00%</u>			<u>0.50%</u>

HIGHLAND PARK BOROUGH PUBLIC SCHOOL DISTRICT
Excess Surplus Calculation

SECTION 1

2% Calculation of Excess Surplus

2016 - 2017 Total General Fund Expenditures Per the CAFR, Exhibit C-1	\$32,625,572 (B)	
Increased by		
Transfer from General Fund to SRF for PreK - Regular	98,132 (B1b)	
Transfer from General Fund to Unemployment Compensation Trust	40,000 (B1c)	
Decreased by		
On-Behalf TPAF Pension & Social Security	3,242,341 (B2a)	
Assets Acquired Under Capital Leases	<u>- (B2b)</u>	
Adjusted 2016 - 2017 General Fund Expenditures [(B)+(B1s)-(B2s)]	<u>\$29,521,363 (B3)</u>	
2% of Adjusted 2016 - 2017 General Fund Expenditures [(B3) Times .02]	\$ 590,427 (B4)	
Enter Greater of (B4) or \$250,000	590,427 (B5)	
Increased by: Allowable Adjustment	<u>292,250 (K)</u>	
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		<u>\$ 882,677 (M)</u>

SECTION 2

Total General Fund-Fund Balances @ 06/30/2017 (Per CAFR Budgetary Comparison Schedule C-1)	\$ 3,070,003 (C)	
Decreased by		
Year-end Encumbrances	262,967 (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	- (C2)	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures	- (C3)	
Other Restricted Fund Balances	1,132,873 (C4)	
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	<u>800,000 (C5)</u>	
Total Unreserved/Undesignated Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>\$ 874,163 (U)</u>

HIGHLAND PARK BOROUGH PUBLIC 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, 2017

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ - (C3)
 Restricted Excess Surplus - (E)

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

Detail of Allowable Adjustments

Impact Aid \$ - (H)
 Sale and Lease Back - (I)
 Extraordinary Aid 247,880 (J1)
 Additional Nonpublic Transportation Aid 44,370 (J2)

Total Adjustments \$ 292,250 (K)

Detail of Other Restricted Fund Balance

Approved Unspent Separate Proposal \$ -
 Unspent Capital Outlay SGLA -
 Sale/Lease - Back Reserve -
 Capital Reserve 782,206
 Maintenance Reserve 100,000
 Emergency Reserve 250,667
 Tuition Reserve -
 Other State/Government Mandated Reserve -

Total Other Restricted Fund Balance \$ 1,132,873 (C4)

Bedard, Kurowicki & Co.

BEDARD, KUROWICKI & CO., CPA'S, PC

William Colantano

William M. Colantano, Jr., CPA, RMA

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT
June 30, 2017

* * * * *

Acknowledgment

The foregoing conditions were considered in determining the nature, timing and extent of the audit tests to be applied in our examination of the financial statements, and this report of such conditions does not modify our report dated December 5, 2017.

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.

Bedard, Kurowicki & Co.
BEDARD, KUROWICKI & CO., CPA'S, PC



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

HIGHLAND PARK BORO PUBLIC SCHOOL DISTRICT
June 30, 2017

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

2007-001

The District should take measures to ensure that all political contribution disclosure forms are received in a timely manner from all applicable vendors.

4. School Food Service

None

5. Student Body Activities

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

2017-002

The District should take measures to collect the NJ Schools Development Authority award funds receivable for the three completed facility projects in the capital projects fund.

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

None