

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, 2017

MANSFIELD TOWNSHIP SCHOOL DISTRICT

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Official Bonds	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account	2
Employee Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Board Secretary's Records	3
Treasurer or Reconciler of Accounts' Records	4
Elementary and Secondary Education Act/ Improving America's Schools Act as reauthorized by the No Child Left Behind Act of 2001	4
Other Special Federal and/or State Projects	4
TPAF Reimbursement	4
TPAF Reimbursement to the State for Federal Salary Expenditures	4
Nonpublic State Aid	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids	5 - 6
Unemployment Compensation Insurance Trust Fund	6
School Food Service	7
Student Body Activities	7
Application for State School Aid (ASSA)	7
Pupil Transportation	7
Facilities and Capital Assets	7
Follow-up on Prior Year Findings	8
Suggestions to Management	8
Schedule of Audited Enrollments	9 - 11
Excess Surplus Calculation	12 - 13
Acknowledgement	14
Recommendations	15
Status of Prior Year's Audit Findings and Recommendations	15

Federal Identification Number 22-6014198



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

Independent Auditors' Report

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, 2017, and have issued our report thereon dated November 28, 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 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.

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

A handwritten signature in black ink that reads "William Colantano". The signature is written in a cursive style and is positioned above a horizontal line.

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

November 28, 2017
Flemington, New Jersey

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2017

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, the activities of the Board of Education, and the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the 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>
Mary Roszkowski	Business Administrator/Board Secretary (to 12/31/2016)	\$ 85,000
Paul DeAngelo	Business Administrator/Board Secretary (from 01/01/2017)	195,000
Andrew Coppola	Treasurer of School Monies	195,000

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.

MANSFIELD TOWNSHIP 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 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.)/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.

MANSFIELD TOWNSHIP SCHOOL DISTRICT

June 30, 2017

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 2017.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2017

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 \$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 reduced the bid threshold on January 1, 2017 to \$29,000 due to the retirement of the Qualified Purchasing Agent.

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2017

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	Construction Services
Continuing Disclosure Agent	Lead Water Testing	Special Education Services
Garbage Disposal	Communication System	Oil Leak Remediation
Fixed Asset Appraisal Services	Transportation Routes	

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
Landscape Improvements	Stage Lighting Improvements

Purchases made through cooperative agreements included the following:

Fuel Oil	Technology Equipment & Supplies
Classroom Flooring	Transportation
Insurance	Cooperative Purchasing
English as a Second Language Instruction	

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, 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 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 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.

Facilities and Capital Assets

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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2017

Follow-up on Prior Year Findings

Not applicable

Suggestions to Management

Food Service Operation

Our audit of the District's food service records revealed that net cash resources exceeded the average of three month's operating expenditures. 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.

Payroll tax overpayments

Our audit of the District's Payroll records revealed that overpayments were made for payroll withholding taxes that were not refunded. The District should monitor activity in the payroll funds and overpaid amounts be refunded to the District in a timely manner.

Timeliness of budget transfers

Our audit of the District's Board Secretary reports revealed instances where the approved reports included overexpended appropriation balances as a result of Board approved transfers not being included in the reports as approved. The District should ensure that all approved transfers are applied to the Board Secretary's report.

Bank reconciliation procedures

Our audit of the District's Board Secretary and Treasurer's reports revealed instances where the cash allocations were not in agreement. The District should ensure that Board Secretary and Treasure reports are in agreement prior to submission to the Board for approval.

MANSFIELD TOWNSHIP 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 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full day preschool age 4	8	-	8	-	-	-	3	-	3	-	-	-	-	-	-	-
Half day kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full day kindergarten	72	-	72	-	-	-	31	-	31	-	-	-	-	-	-	-
One	64	-	64	-	-	-	24	-	24	-	-	-	-	-	-	-
Two	74	-	74	-	-	-	31	-	31	-	-	-	-	-	-	-
Three	86	-	86	-	-	-	22	-	22	-	-	-	-	-	-	-
Four	102	-	102	-	-	-	25	-	25	-	-	-	-	-	-	-
Five	82	-	82	-	-	-	21	-	21	-	-	-	-	-	-	-
Six	83	-	83	-	-	-	20	-	20	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post - graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>571</u>	<u>-</u>	<u>571</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	64	-	64	-	-	-	17	-	17	-	-	-	3	3	3	-
Special education - middle	9	-	9	-	-	-	1	-	1	-	-	-	1	1	1	-
Special education - high school	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>73</u>	<u>-</u>	<u>73</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
County vocational - regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County vocational - full-time post sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>644</u>	<u>-</u>	<u>644</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>195</u>	<u>-</u>	<u>195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>	<u>4</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 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	23	23	-	12	12	-	2	2	-	2	2	-
One	26	26	-	14	14	-	-	-	-	-	-	-
Two	26	26	-	14	14	-	4	4	-	4	4	-
Three	31	31	-	14	14	-	4	4	-	4	4	-
Four	33	33	-	15	15	-	5	5	-	5	5	-
Five	24	24	-	13	13	-	-	-	-	-	-	-
Six	26	26	-	13	13	-	1	1	-	1	1	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post - graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult HS (1-14CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	189	189	-	95	95	-	16	16	-	16	16	-
Special education - elementary	21	21	-	10	10	-	-	-	-	-	-	-
Special education - middle	6	6	-	1	1	-	-	-	-	-	-	-
Special education - high school	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	27	27	-	11	11	-	-	-	-	-	-	-
County vocational - regular	-	-	-	-	-	-	-	-	-	-	-	-
Cty vocational - f/t post sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	216	216	-	106	106	-	16	16	-	16	16	-
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 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
Grade one	1	1	-	1	1	-
Grade two	3	2	1	2	2	-
Grade three	1	1	-	1	1	-
Grade four	1	1	-	1	1	-
	<u>6</u>	<u>5</u>	<u>1</u>	<u>5</u>	<u>5</u>	<u>-</u>

Percentage 16.67% 0.00%

	Transportation					
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Sample Errors
Regular - public schools	475	475	-	159	170	(11)
Regular - special education	97	97	-	33	22	11
Charter school students	1	1	-	1	1	-
AIL - non public	7	7	-	2	2	-
Public school with special needs	1	1	-	1	1	-
Private school disabled - with special needs	1	1	-	1	1	-
	<u>582</u>	<u>582</u>	<u>-</u>	<u>197</u>	<u>197</u>	<u>-</u>

Percentage 0.00% 0.00%

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Excess Surplus Calculation

SECTION 1

2% Calculation of Excess Surplus

2016 - 2017 Total general fund expenditures per the CAFR, exhibit C-1	\$10,447,908 (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)
Transfer to unemployment compensation fund	-	(B1e)
Decreased by		
On-behalf TPAF pension & social security	1,322,306	(B2a)
Assets acquired under capital leases	<u>-</u>	(B2b)
Adjusted 2016 - 2017 general fund expenditures [(B)+(B1s)-(B2s)]	<u>\$ 9,125,602</u>	(B3)
2% of adjusted 2016 - 2017 general fund expenditures [(B3) times .02]	\$ 182,512	(B4)
Enter greater of (B4) or \$250,000	250,000	(B5)
Increased by: allowable adjustment	<u>6,139</u>	(K)
Maximum unassigned/undesignated fund balance [(B5)+(K)]		<u>\$ 256,139 (M)</u>

SECTION 2

Total general fund - fund balances at June 30, 2017 (Per CAFR budgetary comparison schedule C-1)	\$ 1,894,572	(C)
Decreased by		
Year-end encumbrances	409,870	(C1)
Legally restricted - designated for subsequent year's expenditures	-	(C2)
Restricted excess surplus - designated for subsequent year's Expenditures	-	(C3)
Other restricted fund balances	1,174,072	(C4)
Assigned fund balance - designated for subsequent year's Expenditures	<u>25,689</u>	(C5)
Total unassigned fund balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>\$ 284,941 (U)</u>

MANSFIELD TOWNSHIP SCHOOL DISTRICT
Excess Surplus Calculation (continued)

SECTION 3

Restricted fund balance - excess surplus [(U)-(M)] if negative enter -0-	<u>\$ 28,802 (E)</u>
<u>Recapitulation of Excess Surplus as of June 30, 2017</u>	
Reserve excess surplus - designated for subsequent year's expenditures	\$ - (C3)
Reserve excess surplus (E)	<u>28,802 (E)</u>
Total excess surplus [(C3) + (E)]	<u>\$ 28,802 (D)</u>

Detail of Allowable Adjustments

Impact aid	\$ -	(H)
Sale and lease back	-	(I)
Extraordinary aid	4,767	(J1)
Additional nonpublic transportation aid	<u>1,372</u>	(J2)
Total adjustments	<u>\$ 6,139</u>	(K)

Detail of Other Reserved Fund Balance

<u>Statutory restrictions</u>		
Approved unspent separate proposal	\$ -	
Sale/lease - back reserve	-	
Capital reserve	739,821	
Maintenance reserve	291,251	
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	<u>-</u>	
Total other restricted fund balance	<u>\$ 1,174,072</u>	(C4)

Bedard, Kurowicki & Co.

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

William Colantano

William M. Colantano CPA, Public School Accountant

MANSFIELD TOWNSHIP 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 November 28, 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

MANSFIELD TOWNSHIP SCHOOL DISTRICT
June 30, 2017

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