

**BERGENFIELD BOARD OF EDUCATION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2015**

**BERGENFIELD BOARD OF EDUCATION
TABLE OF CONTENTS**

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

	<u>Page No.</u>
Auditor's Management Report	1
Scope of Audit	2
Administrative Practices and Procedures	2
Financial Planning, Accounting and Reporting	2-4
School Purchasing Programs	4-5
Food Service Fund	5
Student Body Activities	6
Summer Enrichment Program	6
Application for State School Aid	6
Pupil Transportation	6
Facilities and Capital Assets	6
Follow-Up Prior Year Findings	6
Suggestions to Management	6
Schedule of Meal Count Activity	7
Schedule of Net Cash Resources	8
Schedule of Audited Enrollments	9-11
Calculation of Excess Surplus	12
Recommendations	13
Acknowledgement	14



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AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Education
Bergenfield Board of Education
Bergenfield, 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 Bergenfield Board of Education as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated December 18, 2015.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey 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 management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

Lerch, Vinci & Higgins, LLP

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 18, 2015

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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, 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 the Insurance Schedule contained in the district's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Christopher M. Tully	Board Secretary/School Business Administrator	\$325,000
Sean Gately	Treasurer of School Monies	\$325,000

There is a Public Employees' Dishonesty Insurance Coverage with the Northeast Bergen County School Board Insurance Group (NESBIG) covering all other employees with multiple coverage of \$100,000 per employee and \$400,000 per loss.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to each of signature certification and proper itemization.

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 tested were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

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

Finding – Our audit noted certain instances where monthly hourly payroll vouchers were not signed by the appropriate supervisor.

Recommendation – All monthly hourly payroll vouchers be signed by the appropriate supervisor.

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 reserve 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 included administrative coding classifications to determine overall reliability and compliance with NJAC 6A:23A-8.3. As a result of the procedures performed additional procedures were not deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in satisfactory condition.

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

The prescribed contractual order system was followed without any material exceptions noted.

Treasurer's Records

The Treasurer did perform reconciliations for all required accounts.

The Treasurer's records were in agreement with the Board Secretary's records.

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the Expendable Trust Fund.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Financial Planning, Accounting and Reporting (Continued)

Elementary and Secondary School Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind 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 projects under Titles I, II and III of the Elementary and Secondary Education Act as amended and reauthorized.

Our examination of the E.S.E.A./NCLB 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.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Exhibit K-3 and Exhibit K-4 located in the CAFR.

Our examination 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 contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

Finding – Our audit noted certain instances where salaries charged to the NCLB-Title I grant were not in agreement with the amounts approved by resolution and certified in the time and activity reports.

Recommendation – All salaries charged to the NCLB-Title I grant be in agreement with amounts approved by resolution and certified in the time and activity reports.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

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 Reports 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 60 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2011 and thereafter the bid thresholds in accordance with N.J.S.A. 18A:18A-3 (as amended) and 18A:39-3 (public school student transportation) are \$26,000 and \$18,300 respectively.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

School Purchasing Programs (Continued)

If the purchasing agent is qualified 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 \$36,000 in accordance with 18A:18A-2. 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. The Board has designated the Business Administrator as the qualified purchasing agent.

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 Board Attorney's opinion should be sought before a commitment is made.

Inasmuch 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. Disbursements were reviewed; however, to determine whether any clear-cut violations existed.

The results of our examination did not indicate any individual payments, contracts, or agreements which were made "for the performance of any work or the furnishing or hiring of any materials or supplies," 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.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal, however, that purchases were made through the use of State contracts.

Food Service Fund

The financial transactions and statistical records of the school food services were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The district utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with *N.J.S.A. 18A:17-34*, and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed. The FSMC contract includes an operating results provision which guarantees that the food service program will generate a profit. The operating results provision has been met.

The number of meals claimed for reimbursement was verified against meal count records with exceptions noted. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement vouchers were timely filed.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The free and reduced price meal and free milk policy is uniformly administered throughout the school system. The required verification procedures for free and reduced price applications was completed and available for review.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursement 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.

Food Distribution Program commodities were received and a separate inventory were maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Student Body Activities

The Board has a policy, which clearly established the regulation of student activity funds.

Cash receipts and disbursements records for the various schools were maintained in good condition.

Summer Enrichment Program

A formal cash receipts and cash disbursement journal was maintained for the Community Schools and Summer Enrichment Program's financial transactions.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2014 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and limited English proficiency. 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 with isolated exceptions noted. The information that was included on the workpapers was verified with immaterial exceptions noted. 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 had adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2014-2015 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with an isolated 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

Our procedures included a review of the State Schools Development Authority (SDA) grant agreements for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction.

Follow-up Prior Year Findings

In accordance with government standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings, except with those denoted with an asterisk on the recommendation page of this report.

Suggestions to Management

- Interfund balances should be reviewed and cleared of record.

**BERGENFIELD BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

SCHEDULE OF MEAL COUNT ACTIVITY

<u>Program</u>	<u>Meals/Milks Category</u>	<u>Meals/Milks Claimed</u>	<u>Meals/Milks Tested</u>	<u>Meals/Milks Verified</u>	<u>Difference</u>
National School Lunch (Regular Rate)	Paid	87,659	41,743	41,743	-
	Reduced	37,883	18,008	18,008	-
	Free	<u>120,357</u>	<u>56,999</u>	<u>56,999</u>	-
	Total Lunch	<u>245,899</u>	<u>116,750</u>	<u>116,750</u>	-
School Breakfast (Regular)	Paid	12			-
	Reduced	44			-
	Free	<u>263</u>	<u>-</u>	<u>-</u>	-
	Total Breakfast	<u>319</u>	<u>-</u>	<u>-</u>	-
School Breakfast (Severe Needs)	Paid	5,001	2,503	2,503	-
	Reduced	4,614	2,261	2,261	-
	Free	<u>26,127</u>	<u>12,807</u>	<u>12,807</u>	-
	Total Breakfast	<u>35,742</u>	<u>17,571</u>	<u>17,571</u>	-
TOTAL		<u><u>281,960</u></u>	<u><u>134,321</u></u>	<u><u>134,321</u></u>	<u><u>-</u></u>

**BERGENFIELD BOARD OF EDUCATION
FOOD SERVICE FUND
NET CASH RESOURCE SCHEDULE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Net Cash Resources:

CAFR	*	Current Assets		
B-4		Cash & Cash Equiv.	7,158	
B-4		Due from Other Gov'ts	110,038	
B-4		Accounts Receivable	-	
B-4		Investments	-	
CAFR		Current Liabilities		
B-4		Less Accounts Payable	-	
B-4		Less Accruals	-	
B-4		Less Due to Other Funds	-	
B-4		Less Deferred Revenue	-	
		Net Cash Resources	<u><u>117,196</u></u>	(A)

Net Adj. Total Operating Expense:

B-5		Tot. Operating Exp.	1,273,741	
B-5		Less Depreciation	<u>(1,650)</u>	
		Adj. Tot. Oper. Exp.	<u><u>1,272,091</u></u>	(B)

Average Monthly Operating Expense:

B / 10	<u><u>127,209</u></u>	(C)
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Three times monthly Average:

3 X C	<u><u>381,627</u></u>	(D)
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TOTAL IN BOX A	\$ 117,196
LESS TOTAL IN BOX D	<u>\$ (381,627)</u>
NET CASH RESOURCES	<u><u>\$ (264,431)</u></u>

From above:

Net Cash Resources Does Not Exceed Three Times Average Monthly Expenses

* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

**BERGENFIELD BOARD OF EDUCATION
A.S.S.A.
SCHEDULE OF AUDITED ENROLLMENTS
10/15/2014**

	2015-16 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 Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. 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 - 3 years	10	-	10	-	-	-	10		10		-	-				
Half Day Preschool - 4 years	11	-	11	-	-	-	11		11		-	-				
Half Day Kindergarten	-	-	-	-	-	-	-		-		-	-				
Full Day Kindergarten	198	-	198	-	-	-	48		48		-	-				
1st Grade	201	-	201	-	-	-	41		41		-	-				
2nd Grade	222	-	222	-	-	-	37		37		-	-				
3rd Grade	229	-	228	-	1	-	59		59		-	-				
4th Grade	191	-	191	-	-	-	39		39		-	-				
5th Grade	203	-	203	-	-	-	45		45		-	-				
6th Grade	212	-	212	-	-	-	212		212		-	-				
7th Grade	217	-	217	-	-	-	213		213		-	-				
8th Grade	199	-	199	-	-	-	199		199		-	-				
9th Grade	279	-	279	-	-	-	278		278		-	-				
10th Grade	262	-	262	-	-	-	258		258		-	-				
11th Grade	263	3	263	3	-	-	262		262		-	-				
12th Grade	254	3	254	3	-	-	254		254		-	-				
Subtotal	2,951	6	2,950	6	1	-	1,966	-	1,966	-	-	-	-	-	-	-
Spec Ed - Elementary	233	2	233	2	-	-	24		24		-	-	2	2	2	-
Spec Ed - Middle School	112	-	112	-	-	-	112		112		-	-	-	-	-	-
Spec Ed - High School	144	-	143	-	1	-	143		143		-	-	8	7	6	1
Subtotal	489	2	488	2	1	-	279	-	279	-	-	-	10	9	8	1
Totals	3,440	8	3,438	8	2	-	2,245	-	2,245	-	-	-	10	9	8	1
Percentage Error					<u>0.06%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>				<u>10.00%</u>

**BERGENFIELD BOARD OF EDUCATION
A.S.S.A.
SCHEDULE OF AUDITED ENROLLMENTS
10/15/2014**

	Low Income			Sample for Verification			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 Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Pre-School (3 Yrs)			-			-			-			-
Half Day Pre-School (4 Yrs)			-			-			-			-
Half Day Kindergarten			-			-			-			-
Full Day Kindergarten	60	60	-	5	5	-	12	12	-	4	4	-
1st Grade	66	66	-	5	5	-	6	6	-	1	1	-
2nd Grade	88	88	-	5	5	-	14	14	-	4	4	-
3rd Grade	94	94	-	6	6	-	13	13	-	3	3	-
4th Grade	77	77	-	5	5	-	9	9	-	2	2	-
5th Grade	71	71	-	4	4	-	4	4	-	1	1	-
6th Grade	75	75	-	4	4	-	5	5	-	1	1	-
7th Grade	91	91	-	4	4	-	7	7	-	3	3	-
8th Grade	81	81	-	4	4	-	4	4	-	1	1	-
9th Grade	99	99	-	4	4	-	3	3	-	2	2	-
10th Grade	84	84	-	4	4	-	2	2	-	1	1	-
11th Grade	90	90	-	3	3	-	5	5	-	1	1	-
12th Grade	76	76	-	4	4	-	3	3	-	1	1	-
Subtotal	1,052	1,052	-	57	57	-	87	87	-	25	25	-
Spec Ed - Elementary	85	87	(2)	5	5	-	-	-	-	-	-	-
Spec Ed - Middle School	62	62	-	3	3	-	-	-	-	-	-	-
Spec Ed - High School	61	61	-	3	3	-	-	-	-	-	-	-
Subtotal	208	210	(2)	11	11	-	-	-	-	-	-	-
Totals	1,260	1,262	(2)	68	68	-	87	87	-	25	25	-
Percentage Error			<u>-0.16%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	44	44	-	11	11	-
Transported - Non-Public	-	-	-	-	-	-
Regular - Spec.	3	3	-	1	-	1
Special Needs - Public	172	172	-	44	44	-
Totals	219	219	-	56	55	1
			<u>0.00%</u>			<u>1.79%</u>

**BERGENFIELD BOARD OF EDUCATION
A.S.S.A.
SCHEDULE OF AUDITED ENROLLMENTS
10/15/2014**

	LEP Not 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 Register	Sample Errors
Half Day Pre-School (3 Yrs)						
Half Day Pre-School (4 Yrs)						
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	9	9	-	5	5	-
1st Grade	9	9	-	7	7	-
2nd Grade	7	7	-	4	4	-
3rd Grade	2	2	-	2	2	-
4th Grade	-	-	-	-	-	-
5th Grade	5	5	-	2	2	-
6th Grade	-	-	-	-	-	-
7th Grade	2	2	-	1	1	-
8th Grade	-	-	-	-	-	-
9th Grade	1	1	-	1	1	-
10th Grade	-	-	-	-	-	-
11th Grade	3	3	-	1	1	-
12th Grade	1	1	-	1	1	-
Subtotal	<u>39</u>	<u>39</u>	<u>-</u>	<u>24</u>	<u>24</u>	<u>-</u>
Spec Ed - Elementary	-	1	(1)	-	-	-
Spec Ed - Middle School	-	-	-	-	-	-
Spec Ed - High School	-	-	-	-	-	-
Subtotal	<u>-</u>	<u>1</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>39</u>	<u>40</u>	<u>(1)</u>	<u>24</u>	<u>24</u>	<u>-</u>
Percentage Error		<u>-2.56%</u>			<u>0.00%</u>	

**BERGENFIELD BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

SECTION 1A

2014-2015 Total General Fund Expenditures per the CAFR	\$ 65,221,208
Increased by:	
Capital Reserve and Capital Outlay Transferred to Capital Projects Fund	3,716,778
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(5,211,778)</u>
Adjusted 2014-2015 General Fund Expenditures	<u>\$ 63,726,208</u>
2% of Adjusted 2014-2015 General Fund Expenditures	<u>\$ 1,274,524</u>
Enter Greater of 2% of Adjusted 2014-2015 General Fund Expenditures or \$250,000	\$ 1,274,524
Increased by: Allowable Adjustments	<u>653,002</u>
Maximum Unassigned Fund Balance	<u>\$ 1,927,526</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2015 (Per CAFR Budgetary Comparison Schedule/Statement)	\$ 10,837,607
Decreased by:	
Year End Encumbrances	1,105,007
Capital Reserve	1,075,704
Capital Reserve - Designated for Subsequent Year's Expenditures	1,101,334
Maintenance Reserve	690,953
Maintenance Reserve - Designated for Subsequent Year's Expenditures	1,052,815
Emergency Reserve	594,000
Restricted for Adult Education Programs	104,078
Tuition Adjustments	283,000
Tuition Adjustments-Designated for Subsequent Year's Expenditures	243,000
ARRA-SEMI	6,100
Excess Surplus - Designated for Subsequent Year's Expenditures	1,115,080
Designated for Subsequent Year's Expenditures	<u>423,910</u>
Total Unassigned Fund Balance	<u>\$ 3,042,626</u>

SECTION 3

Restricted Fund Balance - Reserved Excess Surplus \$ 1,115,100

Recapitulation of Excess Surplus as of June 30, 2015

Reserved Excess Surplus	\$ 1,115,100
Reserved Excess Surplus - Designated for Subsequent Year Expenditures	<u>1,115,080</u>
Total Reserved Excess Surplus	<u>\$ 2,230,180</u>

Detail of Allowable Adjustments

Extraordinary Aid	<u>\$ 653,002</u>
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**BERGENFIELD BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. All monthly hourly payroll vouchers be signed by the appropriate supervisor.
2. All salaries charged to the NCLB-Title I grant be in agreement with amount approved by resolution and certified in the time and activity reports.

III. School Purchasing Program

There are none.

IV. Food Service Fund

There are none.

V. Student Body Activities

There are none.

VI. Summer Enrichment Program

There are none.

VII. Application for State School Aid

There are none.

VIII. Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all prior year findings.

ACKNOWLEDGEMENT

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

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP



Jeffrey C. Bliss
Certified Public Accountant
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