

**AUDITORS MANAGEMENT REPORT  
ON ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
SCHOOL DISTRICT OF  
BOROUGH OF CLIFFSIDE PARK  
COUNTY OF BERGEN, NEW JERSEY  
JUNE 30, 2015**

## TABLE OF CONTENTS

	Page <u>No.</u>
Independent Auditors' Report .....	1
Scope of Audit .....	2
Administrative Practices and Procedures	
Insurance .....	2
Officials Bonds .....	2
Tuition Charges .....	2
Financial Planning, Accounting and Reporting	
Examination of Claims .....	2
Payroll Account and Position Control Roster .....	2
Reserve for Encumbrances, Liability for Accounts Payable .....	3
Classification of Expenditures .....	3
Board Secretary's Records .....	4
Fixed Assets .....	4
Treasurer's Records .....	4
Elementary and Secondary Education Act (E.S.E.A.)/Improving America's School Act (IASA) as Reauthorized by the No Child Left Behind Act of 2001 (NCLB) .....	4
Other Special Federal and/or State Projects .....	4
T.P.A.F. Reimbursement .....	5
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids. ....	5
School Food Service .....	6
Student Body Activities .....	7
Application for State School Aid .....	7
Pupil Transportation .....	8
Status of Prior Year Findings/Recommendations .....	8
Acknowledgment .....	8
Schedule of Meal Count Activity .....	9
Schedule of Audited Enrollments .....	11
Excess Surplus Calculation .....	14

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## REPORT OF INDEPENDENT AUDITORS

Honorable President and  
Members of the Board of Education  
Borough of Cliffside Park School District  
County of Bergen, 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 Borough of Cliffside Park School District in the County of Bergen for the year ended June 30, 2015, and have issued our report thereon dated November 11, 2015.

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 Borough of Cliffside Park 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.

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November 11, 2015

**ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING**

**GENERAL COMMENTS**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, 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 of the District's CAFR.

Officials Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Louis Alfano	Board Secretary/School Business Administrator	\$50,000
Frank Berardo	Treasurer	275,000

Tuition Charges

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

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 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, the Board Secretary/School Business Administrator and the Chief School Administrator.

## **Financial Planning, Accounting and Reporting, (continued)**

### **Payroll Account and Position Control Roster, (continued)**

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

Payrolls were delivered to the Treasurer of School Moneys with a warrant made to his order for the full amount of each payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrator) to the NJ Department of Treasury was filed by the March 15 due date.

Reporting of employee compensation for income tax related purposes did comply with federal and state regulations regarding the compensation which is required to be reported.

The Board of Education made a merit bonus payment that a quantitative merit criterion or a qualitative merit criterion had been satisfied with prior approval by the district Board of Education and Executive County Superintendent, as required by N.J.A.C.6A:23-A-3.1(e)10.iv.

An inquiry and subsequent review of the Position Control Roster found consistency between the payroll records, employee benefit records, the general ledger accounts to where wages are posted and the Position Control Roster.

### **Reserve for Encumbrances, Liability for 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 compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

## **Financial Planning, Accounting and Reporting, (continued)**

### **Board Secretary's Records**

Our review of the financial and accounting records maintained by the Board Secretary disclosed the following items:

**Finding 2015-01 (Schedule of Findings and Questioned Costs Finding 2015-001):** The District transferred from advertised budget lines, an amount that on a cumulative basis exceeded 10 percent of the amount included in the original budget without proper Executive County Superintendent approval. Also, transfers were made in excess of County Superintendent approved amounts.

**Recommendation:** Executive County Superintendent approval should be requested for any transfer from an advertised appropriation account and to specific advertised appropriations as defined under N.J.A.C. 6A:23A-13.3(f), which is cumulatively more than 10 percent of that amount. Transfers should be made for approved amounts.

### **Fixed Assets**

The general fixed asset records were updated for the additions and disposals of general fixed assets made during the year.

### **Treasurer's Records**

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

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

The E.S.E.A./NCLB financial exhibits contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Title I, Title II and Title III of the Elementary and Secondary Education Act, as amended.

The study of compliance for E.S.E.A. indicated that there were 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 Schedule K-3 and Schedule 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 the which the project was approved.

## **Financial Planning, Accounting and Reporting, (continued)**

### **Other Special Federal and/or State Projects (continued)**

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 the special projects indicated that there were no areas of noncompliance.

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

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for the district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

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 prior 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**

N.J.S.A. 18A:18A-2 contains definitions for terms used throughout N.J.S.A. 18A:18A-1 et seq. It includes as subsection (p) the term 'competitive contracting', which is defined as "the method described in N.J.S.A. 18A:18A-4.1 through 18A:18A-4.5 and in rules promulgated by DCA at N.J.A.C. 5:34-4 of contracting for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated by the purchasing agent or counsel or school business administrator; and the board of education awards a contract to a vendor or vendors from among the formal proposals received." Also, subsection (aa) defines the term 'concession' to exclude vending machines.

N.J.S.A. 18A:18A-3(a) sets forth the bid threshold and requires award by board resolution. There is a higher threshold when there is a "Qualified Purchasing Agent" (QPA) in the district as defined at N.J.A.C. 5:34-1.1 and certified upon approval of an application submitted to DCA. Pursuant to N.J.S.A. 18A:18A-3(b), the bid threshold may be adjusted by the Governor, in consultation with the Department of Treasury, every five years.

N.J.S.A. 18A:18A-4.4 provides boards of education the authority to pass a resolution authorizing the use of competitive contracting. "In order to initiate competitive contracting, the board of education shall pass a resolution authorizing the use of competitive contracting each time specialized goods or services enumerated in sections 45 of L. 1999, c.440 are desired to be contracted."

## **School Purchasing Programs, (continued)**

### **Contracts and Agreements Requiring Advertisement for Bids, (continued)**

Effective July 1, 2010 and thereafter, the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$36,000 (with a Qualified Purchasing Agency) and \$26,000 (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 \$18,300.

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.

The results of our examination indicated that an individual payment, contract, or agreement was 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, as amended.

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

### **School Food Service**

The financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The number of meals claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the edit check worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

Applications for free and reduced meals were reviewed for completeness and accuracy. The number of free and reduced meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school by school basis. The free and reduced meal policy is uniformly administered throughout the School System. The required verification procedures for free applications was completed and available for review.

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 and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return a profit of at least \$200,000. The operating results provision has been met.

### **School Food Service, (continued)**

Expenditures were separately recorded for food purchases 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. No exceptions were noted.

Net cash resources did not exceed three months average expenditures.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

USDA Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

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

### **Student Body Activities**

During our review of the student activity funds, the following items were noted.

**Finding 2015-02:** A vendor for the School #3 Student Activity Account received compensation in excess of \$600; however, a Form 1099 was not issued in violation of IRS regulations.

**Recommendation:** That all vendors that receive compensation in excess of IRS regulations be issued a Form 1099.

**Finding 2015-03:** Quotes were not obtained for an expenditure from the School #3 Student Activity Account which exceed N.J.S.A. 18A:18A-2 thresholds.

**Recommendation:** That quotes be obtained for all expenditures which exceed N.J.S.A. 18A:18A-2 thresholds.

### **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 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 without exception. The results of our procedures are presented in the Schedule of Audited Enrollment.

The District maintained workpapers on the prescribed state forms or their equivalents.

## **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. 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.

## **Status of Prior Year Audit Findings/Recommendation**

A review was performed on all prior year recommendations and corrective action was taken on all, except those marked with an “\*”.

## **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.

Respectfully submitted,

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SCHEDULE OF MEAL COUNT ACTIVITY

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIMED - FEDERAL  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

sub reim							
<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/ Under Claim</u>
National School Lunch (High Rate)	Paid	77,740	77,740	77,740		0.300	\$
National School Lunch (High Rate)	Reduced	34,190	34,190	34,190		2.600	
National School Lunch (High Rate)	Free	<u>202,810</u>	<u>202,810</u>	<u>202,810</u>		3.000	
	Total	<u>314,740</u>	<u>314,740</u>	<u>314,740</u>			
National School Lunch (Healthy Hunger-Free Kids Act)	HHFKA	<u>314,740</u>	<u>314,740</u>	<u>314,740</u>		0.06	
School Breakfast (Severe Needs Rate)	Paid	7,448	7,448	7,448		0.28	
	Reduced	5,485	5,485	5,485		1.63	
	Free	<u>49,845</u>	<u>49,845</u>	<u>49,845</u>		1.93	
	Total	<u>62,778</u>	<u>62,778</u>	<u>62,778</u>			
After School Snacks	Paid	56,208	56,208	56,208		0.82	
	Reduced						
	Free						
	Total	<u>56,208</u>	<u>56,208</u>	<u>56,208</u>			
Total (Over)/Under Claim							\$ <u>                    </u>

**BOROUGH OF CLIFFSIDE PARK  
BOARD OF EDUCATION**

Net cash resources did not exceed three months of expenditures  
Proprietary Funds - Food Service  
Year ended June 30, 2015

<u>Net Cash Resources:</u>		Food Service B - 4/5	
<b>CAFR</b>	*	<b>Current Assets</b>	
B-4		Cash & Cash Equiv.	\$ 131,842
B-4		Due from Other Gov'ts	57,003
<b>CAFR</b>		<b>Current Liabilities</b>	
B-4		Less Accounts Payable	(12,828)
		<b>Net Cash Resources</b>	<b>\$ 176,017 (A)</b>

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	1,703,365	
B-5	Less Depreciation	(10,309)	
	Adj. Tot. Oper. Exp.	<b>\$ 1,693,056</b>	<b>(B)</b>

Average Monthly Operating Expense:

	B / 10	<b>\$ 169,306</b>	<b>(C)</b>
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Three times monthly Average:

	3 X C	<b>\$ 507,917</b>	<b>(D)</b>
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TOTAL IN BOX A	\$	176,017.00	
LESS TOTAL IN BOX D	\$	507,916.80	
NET	\$	<b>(331,899.80)</b>	

From above:

**A is greater than D, cash exceeds 3 X average monthly operating expenses.**

**D is greater than A, cash does not exceed 3 X average monthly operating expenses.**

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

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY -  
ENROLLMENT AS OF OCTOBER 15, 2014**

Enrollment Category	2015-2016 Application for State School Aid				Sample for Verification				Private Schools for Disabled					
	Reported on ASOA		Reported on Workpapers		Sample Selected from Workpapers		per Registers On Roll		Reported on ASOA as Schools		Sample for Verification		Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool	88		88		88		88							
Full Day Kindergarten	229		229		229		229							
One	180		180		180		180							
Two	159		159		159		159							
Three	169		169		169		169							
Four	162		162		162		162							
Five	158		158		158		158							
Six	143		143		143		143							
Seven	139		139		139		139							
Eight	147		147		147		147							
Ninth	276	1	276	1	276	1	276	1						
Tenth	223		223		223		223							
Eleventh	231		231		231		231							
Twelfth	219		219		219		219							
Subtotal	2,523	1	2,523	1	2,523	1	2,523	1						
Special Ed. Elementary	170		170		81		81		4		2			
Special Ed. Middle	106		106		50		50		3		3			
Special Ed. High School	169		169	1	66		66	1	6		6			
Subtotal	445		445	1	197		197	1	13		11			
Totals	2,968	1	2,968	2	2,720	1	2,720	2	13		11			
Percentage Error														

**SCHEDULE OF AUDITED ENROLLMENTS**

**BOROUGH OF CLIFFSIDE PARK  
BOARD OF EDUCATION**

Application for State School Aid Summary  
Enrollment as of October 15, 2014

Year ended June 30, 2015

Enrollment category	Low Income		Sample for Verification		Reported on A.S.S.A as LEP low Income		Resident LEP Low Income		Sample for Verification	
	Reported on A.S.S.A. as Low Income	Reported on workpapers as Low Income	Sample selected from workpapers	Verified to Application and Register	Errors	Reported on A.S.S.A as LEP low Income	Reported on Workpapers LEP low Income	Sample Selected from Workpapers	Verified to Test score and Register	Sample Errors
Half Day Preschool	128	128	45	45		31	31	21	21	
Full Day Kindergarten	101	101	30	30		25	25	18	18	
One	94	94	26	26		18	18	12	12	
Two	102	102	18	18		11	11	4	4	
Three	109	109	23	23		6	6	4	4	
Four	102	102	19	19		8	8	6	6	
Five	81	81	20	20		10	10	6	6	
Six	96	96	7	7		10	10	6	6	
Seven	78	78	4	4		4	4	2	2	
Eight	120	120	13	13		25	25	13	13	
Nineth	87	87	10	10		15	15	10	10	
Tenth	82	82	10	10		15	15	9	9	
Eleventh	93	93	4	4		5	5	4	4	
Twelfth	132	132	21	21		3	3	2	2	
Special Ed. Elementary	82	82	17	17		1	1	1	1	
Special Ed. Middle School	68	68	5	5		1	1	1	1	
Special Ed. High School	1,555	1,555	272	272		188	188	119	119	
	1,555	1,555	272	272		188	188	119	119	

**Percentage**

Category	Transportation				Reported	Re-calc.
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Tested	Verified		
Regular - Public Schools, col. 1	62	62	47	47	4.0	4.0
Regular Special Education	91	91	69	69	4.0	4.0
Special needs, col. 6	55	55	42	42	9.4	9.4
<b>Totals</b>	<b>208</b>	<b>208</b>	<b>158</b>	<b>158</b>		

**Percentage**

**SCHEDULE OF AUDITED ENROLLMENTS**

**BOROUGH OF CLIFFSIDE PARK  
BOARD OF EDUCATION**

**Application for State School Aid Summary  
Enrollment as of October 15, 2014**

**Year ended June 30, 2015**

Enrollment category	Resident LEP Not Low Income			Sample for Verification		
	Reported on A.S.A as LEP Not low Income	Reported on Workpapers LEP Not low Income	Errors	Sample Selected from Workpapers	Verified to Test score and Register	Sample Errors
Half Day Preschool						
Full Day Kindergarten						
One	11	11		9	9	9
Two	9	9		8	8	8
Three	2	2		1	1	1
Four	1	1		1	1	1
Five	2	2		2	2	2
Six	2	2		2	2	2
Seven	1	1		1	1	1
Eight	1	1		1	1	1
Ninth	9	9		7	7	7
Tenth	7	7		6	6	6
Eleventh	2	2		2	2	2
Twelfth	3	3		2	2	2
Special Ed. Elementary						
Special Ed. Middle School						
Special Ed. High School						
	<u>50</u>	<u>50</u>		<u>42</u>	<u>42</u>	
	<u>50</u>	<u>50</u>		<u>42</u>	<u>42</u>	
<b>Percentage</b>						

**CLIFFSIDE PARK BOARD OF EDUCATION**  
**EXCESS SURPLUS CALCULATION**

**REGULAR DISTRICT**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2014-15 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>43,756,605</u>	(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 & Social Security	\$ <u>3,894,499</u>	(B2a)
Assets Acquired Under Capital Leases	\$ _____	(B2b)
Adjusted 14-15 General Fund Expenditures [(B)+(B1's)-(B2's)]	\$ <u>39,862,106</u>	(B3)
2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	\$ <u>797,242</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>797,242</u>	(B5)
Increased by: Allowable Adjustment *	\$ <u>44,718</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$ <u><u>841,960</u></u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6-30-15 (Per CAFR Budgetary Comparison Schedule C-1))	\$ <u>9,202,520</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>1,186,625</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>2,076,374</u>	(C3)
Other Restricted Fund Balances****	\$ <u>3,252,140</u>	(C4)
Assigned Fund Balance - Unreserved -- Designated for Subsequent Year's Expenditures	\$ _____	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u><u>2,687,381</u></u> (U1)

**SECTION 3**

Restricted Fund Balance - Excess Surplus\*\*\* [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 1,845,421 (E)

**Recapitulation of Excess Surplus as of June 30, 2015**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>2,076,374</u> (C3)
Reserved Excess Surplus ***[(E)]	\$ <u>1,845,421</u> (E)
Total [(C3) + (E)]	\$ <u>3,921,795</u> (D)

\* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

- (H) Federal Impact Aid. The passage of P.L.2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year ending June 30, 2015 the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);
- (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);
- (J1) Extraordinary Aid;
- (J2) Additional Nonpublic School Transportation Aid;
- (J3) Recognized current year School Bus Advertising Revenue; and
- (J4) Family Crisis Transportation Aid

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

**Detail of Allowable Adjustments**

Impact Aid	\$ _____ (H)
Sale & Lease-back	\$ _____ (I)
Extraordinary Aid	\$ <u>44,718</u> (J1)
Additional Nonpublic School Transportation Aid	\$ _____ (J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____ (J3)
Family Crisis Transportation Aid	\$ _____ (J4)
Total Adjustments [(H)+{I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>44,718</u> (K)

\*\* This amount represents the June 30, 2015 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

\*\*\* Amounts must agree to the June 30, 2015 CAFR and the sum of the two lines must agree to Audit Summary Worksheet Line 90030.

\*\*\*\* Amount for Other Reserved 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 an other type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

**Detail of Other Reserved Fund Balance**

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/Lease-back reserve	\$ _____
Capital Reserve	\$ <u>3,252,140</u>
Maintenance Reserve	\$ _____
Emergency Reserve	\$ _____
Tuition Reserve	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$ _____
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ _____
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserve	\$ _____
 [Other Restricted Fund Balance not noted above]****	 \$ _____
 Total Other Restricted Fund Balance	 \$ <u>3,252,140</u> (C4)