



LONG BRANCH SCHOOL DISTRICT

AUDITORS' MANAGEMENT REPORT ON

ADMINISTRATIVE FINDINGS –

FINANCIAL, COMPLIANCE AND PERFORMANCE

JUNE 30, 2015



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INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Education
Long Branch Board of Education
County of Monmouth, New Jersey

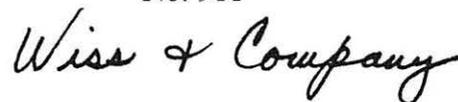
We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Long Branch School District, County of Monmouth for the year ended June 30, 2015, and have issued our report thereon dated December 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 solely for the information of the Long Branch School District's management, Board of Education members, 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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December 11, 2015

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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 J-20, Insurance Schedule contained in the District's CAFR.

Official Bonds *N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13*

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Peter E. Genovese III	School Business Administrator/Board Secretary	\$ 100,000
Nancy L. Valenti	Asst. Business Administrator/Asst. Board Secretary	100,000
Ronald J. Mehlorn, Sr.	Treasurer of School Monies	450,000

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll Account

The net salaries of all employees of the Board were deposited in the payroll account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the payroll agency account.

All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/Business Administrator.

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

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

Employee Position Control Roster

A test of the Position Control Roster found it to be consistent with payroll records, employee benefit records (e.g. pension reports and health benefit coverage reports) and the general ledger accounts to where wages are posted (administrative versus instruction).

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. No exceptions were noted.

Classification of Expenditures

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

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed no exceptions.

Treasurer's Records

Our review of the records maintained by the Treasurer of School Moneys disclosed no exceptions.

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

The ESEA/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 School Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. /I.A.S.A. /N.C.L.B. indicated no exceptions.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (K-4) located in the CAFR.

Our audit of the federal and state funds, on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

The study of compliance for the special projects indicated no instances of noncompliance that are required to be reported in accordance with Federal OMB Circular A-133 or State Circular 15-08.

T.P.A.F. Reimbursement

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

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

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 exception were noted.

Non-Public State Aid

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

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2011 and thereafter, the bid thresholds in accordance with *18A:18A-2 and 18A:18A-3(a)* are \$36,000 (with a Qualified Purchasing Agent) and \$26,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under 18A:39-3 is currently \$17,500.

The District has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Procedures were performed on a test basis, to indicate if any individual payments, contracts, or agreements were made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A. 18A:18A-4*, as amended. No exceptions were identified.

Resolutions were adopted authorizing the awarding of contracts 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 services fund were reviewed on a test check basis. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis and no exceptions were noted.

Cash receipts and bank records were reviewed on a test basis for timely deposit and no exceptions were noted. The District utilizes a food service management company (FSMC) and is depositing and expending 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 at least break even. The operating results provision has been met.

The number of meals claimed for reimbursement was compared to 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 price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications and/or to the list of directly certified students on file, times the number of operating days, on a school by school basis. The free and reduced price meal and free milk policy was reviewed for its uniform administration throughout the School System. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

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 District's School Food Services employees were authorized by the Board of Education.

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. Net cash resources did not exceed three months average expenditures.

Food donation program commodities were received and a separate 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 B of the CAFR.

Student Body Activities

During our audit of the student activity funds, there were no exceptions noted.

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 as presented in the Schedule of Audited Enrollments. 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 has 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 minor exceptions noted on the attached schedules. 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 District did not purchase any buses during the 2014-2015 school year. 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 SDA grant agreement for consistency with recording SDA revenue and the awarding of contracts for eligible facilities construction. No exceptions were identified.

Internal Service Fund

The District implemented a self-insurance program during this fiscal year. As part of that program, the District opened a health center housed in the District's High School. The District's Self Insurance Internal Service Fund ended the year with a deficit of \$2,248,593. We suggest the District develop and implement a strategy to ameliorate this deficit.

Office of Fiscal Accountability and Compliance - OFAC

On October 8, 2015 the New Jersey Department of Education, Office of Fiscal Accountability and Compliance ("OFAC") issued a report on the District's enrollment data used for the Application for State School Aid and District Report of Transported Resident Students as of October 15, 2012. This report concludes that due to

differences in enrollment counts that OFAC discovered, the District's state aid was overstated. This conclusion is being refuted by the District and the final disposition of this matter is uncertain at this time. Given the uncertainty, the District has made no accrual for this approximately \$80,000 alleged overpayment of aid. We suggest the District bring this matter to conclusion and remit any monies due and payable to the New Jersey Department of Education.

Follow-up on Prior Year's Findings

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

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.

LONG BRANCH SCHOOL DISTRICT
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<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 (Severe Needs Rate)	Paid	111,469	111,469	111,469	None	\$ 0.300	\$ None
	Reduced	80,784	80,784	80,784	None	2.600	None
	Free	<u>590,025</u>	<u>590,025</u>	<u>590,025</u>	<u>None</u>	3.000	<u>None</u>
	Total	<u>782,278</u>	<u>782,278</u>	<u>782,278</u>	<u>None</u>		<u>\$ None</u>
School Breakfast (Severe Needs Rate)	Paid	9,424	9,424	9,424	None	0.280	\$ None
	Reduced	9,333	9,333	9,333	None	1.320	None
	Free	<u>86,633</u>	<u>86,633</u>	<u>86,633</u>	<u>None</u>	1.620	<u>None</u>
	Total	<u>105,390</u>	<u>105,390</u>	<u>105,390</u>	<u>None</u>		<u>\$ None</u>
Total Net Underclaim							<u>\$ None</u>

LONG BRANCH SCHOOL DISTRICT
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - STATE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<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>
State School Lunch (Severe Needs Rate)	Paid	111,469	111,469	111,469	None	\$ 0.040	\$ None
	Reduced	80,784	80,784	80,784	None	0.055	None
	Free	<u>590,025</u>	<u>590,025</u>	<u>590,025</u>	<u>None</u>	0.055	<u>None</u>
	Total	<u>782,278</u>	<u>782,278</u>	<u>782,278</u>	<u>None</u>		<u>\$ None</u>
Total Net Underclaim							<u>\$ None</u>

SCHEDULE OF AUDITED ENROLLMENTS

**Long Branch Board of Education
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	2014-2015 Application for State School Aid						Sample for Verification				Private Schools for Disabled							
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi-cation	Sample Verified	Sample Errors		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared						
Half Day Preschool																		
Full Day Preschool	804		804		-	-	294		294				-	-	-	-	-	
Half Day Kindegarten					-	-							-	-	-	-	-	
Full Day Kindergarten	398		398		-	-	118		118				-	-	-	-	-	
One	340		340		-	-	108		108				-	-	-	-	-	
Two	420		420		-	-	126		126				-	-	-	-	-	
Three	387		387		-	-	109		109				-	-	-	-	-	
Four	364		364		-	-	121		121				-	-	-	-	-	
Five	319		319		-	-	138		138				-	-	-	-	-	
Six	314		314		-	-	314		314				-	-	-	-	-	
Seven	324		324		-	-	324		324				-	-	-	-	-	
Eight	346		346		-	-	346		346				-	-	-	-	-	
Nine	280		280		-	-	280		280				-	-	-	-	-	
Ten	326		326		-	-	326		326				-	-	-	-	-	
Eleven	258	21	258	21	-	-	258	21	258	21			-	-	-	-	-	
Twelve	227	18	227	18	-	-	227	18	227	18			-	-	-	-	-	
Post-Graduate					-	-							-	-	-	-	-	
Adult H.S. (15+CR.)					-	-							-	-	-	-	-	
Adult H.S. (1-14 CR.)					-	-							-	-	-	-	-	
Subtotal	5,107	39	5,107	39	-	-	3,089	39	3,089	39			-	-	-	-	-	
Special Ed - Elementary	270		270		-	-	48		48				10	9	9	-	-	
Special Ed - Middle School	123		123		-	-	123		123				8	7	7	-	-	
Special Ed - High School	136	11	136	11	-	-	136	11	136	11			20	17	17	-	-	
Subtotal	529	11	529	11	-	-	307	11	307	11			38	33	33	-	-	
Co. Voc. - Regular																		
Co. Voc. Ft. Post Sec.																		
Totals	5,636	50	5,636	50	-	-	3,396	50	3,396	50			38	33	33	-	-	
Percentage Error					0.00%	0.00%							0.00%	0.00%			0.00%	

SCHEDULE OF AUDITED ENROLLMENTS

Long Branch Board of Education
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2014

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool			-			-			-			-
Full Day Preschool			-			-			-			-
Half Day Kindergarten	-	-	-			-			-			-
Full Day Kindergarten	330	330	-	25	25	-	133	133	-	42	42	-
One	297	297	-	22	22	-	74	74	-	23	23	-
Two	350	350	-	27	27	-	109	109	-	34	34	-
Three	323	323	-	25	25	-	56	56	-	18	18	-
Four	299	299	-	23	23	-	31	31	-	10	10	-
Five	260	260	-	20	20	-	20	20	-	6	6	-
Six	264	264	-	20	20	-	13	13	-	4	4	-
Seven	253	253	-	20	20	-	13	13	-	4	4	-
Eight	274	274	-	21	21	-	16	16	-	5	5	-
Nine	221	221	-	17	17	-	15	15	-	5	5	-
Ten	245	245	-	19	19	-	33	33	-	10	10	-
Eleven	199	199	-	15	15	-	21	21	-	7	7	-
Twelve	175	175	-	14	14	-	8	8	-	3	3	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	3,490	3,490	-	268	268	-	542	542	-	171	171	-
Special Ed - Elementary	232	232	-	18	18	-	28	28	-	9	10	(1)
Special Ed - Middle	102	102	-	8	8	-	2	2	-	1	1	-
Special Ed - High	112	112	-	9	9	-	1	1	-	0	0	-
Subtotal	446	446	-	34	34	-	31	31	-	10	11	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,936	3,936	-	303	303	-	573	573	-	180	182	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

Transportation

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
	Reg. - Public Schools, col. 1	877	877	-	159	159
AIL - Non-Public, col. 2	271	271	-	49	49	-
Transported - Non-Public, col. 3	115	115	-	21	19	2
Reg.- Special Ed, col. 4	145	145	-	26	26	-
Special Ed Spec. Needs, col. 6	97	97	-	17	17	-
Totals	1,505	1,505	-	272	270	2
Percentage Error						0.74%

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

Reported	Recalculated
3.9	3.9
4.0	4.0
3.9	3.9

SCHEDULE OF AUDITED ENROLLMENTS

Long Branch Board of Education
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool	-	-	-	-	-	-
Half Day Kindegarten	-	-	-	-	-	-
Full Day Kindergarten	6	6	-	2	2	-
One	5	5	-	2	2	-
Two	2	2	-	1	1	-
Three	3	3	-	1	1	-
Four	1	1	-	0	0	-
Five	2	2	-	1	1	-
Six	3	3	-	1	1	-
Seven	2	2	-	1	1	-
Eight	5	5	-	2	2	-
Nine	5	5	-	2	2	-
Ten	5	5	-	2	2	-
Eleven	7	7	-	2	2	-
Twelve	2	2	-	1	1	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>48</u>	<u>48</u>	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>
Special Ed - Elementary	4	4	-	1	1	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>4</u>	<u>4</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>52</u>	<u>52</u>	<u>-</u>	<u>17</u>	<u>17</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

LONG BRANCH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2015

SECTION 1

A. 2% Calculation of Excess Surplus

2014-15 Total General Fund Expenditures Reported on Exhibit C-1	\$ 90,961,034	(A)
Increased by Applicable Transfers:		
Transfer from Capital Outlay to Capital Projects	\$ _____	(A1a)
Transfer from Capital Reserve to Capital Projects	\$ _____	(A1a)
Transfer from G/F to SRF for Preschool - Regular	\$ 534,576	(A1a)
Transfer from G/F to SRF for Preschool - Inclusion	\$ _____	(A1a)
Less: Expenditures Allocated to Restricted Federal Resources		
as Reported on Exhibit D-2	\$ 1,227,234	(A1b)
2014-15 Adjusted General Fund and Other State Expenditures [(A)+(A1)-(A1b)]	\$ 90,268,376	(A2)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ 8,300,996	(A3)
Assets Acquired Under Capital Leases:		
General Fund 10 Assets Acquired Under Capital Leases reported on Exhibit C-1a	\$ _____	(A4)
Add: General Fund & State Resources Portion of Fund 15 Assets Acquired under Capital Leases:		
Assets Acquired Under Capital Leases in Fund 15 reported on Exhibit C-1a	\$ _____	(A5)
Combined General Fund Contribution & State Resources % of Fund 15 Resources Reported on Exhibit D-2		
	97.42%	(A6)
General Fund & State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5)*(A6)]		
	\$ _____	(A7)
Total Assets Acquired Under Capital Leases [(A4)+(A7)]	\$ _____	(A8)
2014-15 General Fund Expenditures [(A2)-(A3)-(A8)]	\$ 81,967,380	(A9)
2% of Adjusted 2014-15 General Fund Expenditures [(A9) times .02]	\$ 1,639,348	(A10)
Enter Greater of (A10) or \$250,000	\$ 1,639,348	(A11)
Increased by: Allowable Adjustment*	\$ 166,905	(K)
Maximum Unassigned Fund Balance [(A11) + (K)]	\$ 1,806,253	(M)

This adjustment line (line (K) as detailed below) is to be utilized for Impact Aid, Sale, Lease-back, Extraordinary Aid, Additional Nonpublic School Transportation Aid, and recognized current year School Bus Advertising Revenue, if applicable. Extraordinary Aid and Additional Nonpublic School Transportation Aid for 2014-15 received after June 30 is limited to the amount of revenue recognized in the audit year that was not appropriated.

Detail of Allowable Adjustments

Impact Aid	\$ 3,292	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ 130,626	(J1)
Additional Nonpublic School Transportation Aid	\$ 32,987	(J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____	(J3)
Family Crisis Transportation Aid	\$ _____	(J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ 166,905	(K)

LONG BRANCH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2015

SECTION 2

Total General Fund - Fund Balances at June 30, 2015	\$ 2,988,793 (C)
Decreased by:	
Year-end Encumbrances	\$ 277,856 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ - (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ - (C3)
Other Restricted/Reserved Fund Balances****	\$ 1 (C4)
Assigned - Designated for Subsequent Year's Expenditures	\$ 1,827,712 (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 <u>\$ 883,224 (U)</u>

Detail of Other Reserved Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 1
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) (N-7)	\$ -
Impact Aid Capital Fund Reserve (Sections 8007 and 8008) (N-8)	\$ -
Other state/government mandated reserves	\$ -
Other Restricted/Reserved Fund Balance not noted above****	\$ -
Total Other Restricted Fund Balance	\$ 1 (C4)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U)-(M)] IF NEGATIVE ENTER -0-	\$ - (E)
Restricted Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ - (C3)
Restricted Excess Surplus *** [(E)]	\$ - (E)
 Total [(C3)+(E)]	 <u>\$ - (D)</u>

** This amount represents the June 30, 2014 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amount must agree to the June 30, 2015 CAFR and Audit Summary Worksheet Line 90030.

**** Amount for Other Restricted/Reserved Fund Balance must be detailed for each source and request for approval to use amounts other than state imposed legal restrictions in the excess surplus calculation must be submitted to the Assistant Commissioner - Field Services prior to September 30.

Long Branch School District
Schedule of Net Cash Resources - Food Service
June 30, 2015

Purpose: Net cash revenues may not exceed 3 months of average expenditures.

Average expenditures

Total exp per CAFR	\$	3,870,489
Less: Depreciation		69,684
Total operating exp per CAFR		3,800,805
divide by 10 months		380,081
multiply by 3 months		3
Total Average Exp.	\$	1,140,242

Net cash Resources:

Cash & cash equivalents		\$ 307,731
Add:	Accounts receivable:	
	State	9,135
	Federal	583,554
	Other	74,370
Less:	IF Payables	(53,158)
	Accounts Payables	(278,475)
	Unearned Revenue *	(14,352)
Total Net Cash Resources		\$ 628,805 A

* Only include unearned Rev that is not USDA Inventory

Conclusion:

Since the Net cash resources (A) is less than the average expenditures (B), the District is in compliance.