

BOARD OF EDUCATION

TOWNSHIP OF MONROE

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

FISCAL YEAR ENDED JUNE 30, 2015

BOARD OF EDUCATION

TOWNSHIP OF MONROE

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

FISCAL YEAR ENDED JUNE 30, 2015

Prepared by

Gerard Stankiewicz, CPA, PSA

of the Firm

SAMUEL KLEIN AND COMPANY

36 West Main Street, Suite 303

Freehold, NJ 07728

TABLE OF CONTENTS

	<u>Page</u>
Report of Independent Auditors	1
Scope of Audit	2
Administrative Practices and Procedures:	
Insurance	2
Officials' Bonds	2
Financial Planning, Accounting and Reporting:	
Examination of Claims	2
Payroll Account	3
Tuition Charges	3
Unemployment Compensation Insurance Trust Fund	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Travel Reimbursement Policy	4
Student Body Activities Fund	4
Board Secretary/School Business Administrator's Records	4
Treasurer's Records	4
Elementary and Secondary Education Act of 1965 (E.S.E.A.) as reauthorized by No Child Left Behind Act of 2001	4
Other Special Federal and/or State Projects	5
T.P.A.F. Reimbursement	5
Expendable and Nonexpendable Trust Funds	5
School Purchasing Programs:	
Contracts and Agreements Requiring Advertisement for Bids	6-7
School Food Service	7-8
Child Care Initiative, Early Childhood Enrichment and Falcon Care	8
Application for State School Aid	8
Pupil Transportation	8
Recommendations	9
Follow-up on Prior Year's Findings	9
Acknowledgment	9
Schedule of Meal Count Activity	10
Schedule of Audited Enrollments	11-17
Excess Surplus Calculation	18-20
Net Cash Resource Schedule	21

550 BROAD STREET, 11TH FLOOR
NEWARK, N.J. 07102-9969
PHONE (973) 624-6100
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303
FREEHOLD, N.J. 07728-2291
PHONE (732) 780-2600
FAX (732) 780-1030

REPORT OF INDEPENDENT AUDITORS

Honorable President and Members
of the Board of Education
Monroe Township School District
County of Middlesex, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Monroe Township School District in the County of Middlesex for the year ended June 30, 2015, and have issued our report thereon dated November 30, 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 Monroe 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.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY

Freehold, New Jersey
November 30, 2015

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE
JUNE 30, 2015**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the Treasurer of School Monies, the activities of the Board of Education and the records of the various funds under the auspices of the Board of Education. This report is filed in conjunction with the District's Comprehensive Annual Financial Report (CAFR).

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the Statistical Section (J-20) of the District's CAFR.

Officials' Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael C. Gorski, CPA, PSA	Board Secretary/ School Business Administrator	\$ 750,000.00 (A)
Lu Ann McGraw-Russell	Treasurer	\$ 1,000,000.00 (A)
Nerea LaFontaine	Staff Accountant	\$ 750,000.00 (A)
Laura Allen	Accounting Supervisor	\$ 750,000.00 (A)

(A) Selective Insurance.

There is a Public Employees Faithful Performance Blanket Position Bond.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under audit was made as to affidavit or signed declaration, proper itemization and proper authorization by officials. The Board's voucher system is in accordance with R.S. 18:6-34, which requires a signed declaration by the vendor in place of an affidavit. In addition, all vouchers are signed by the Board Secretary. The actual signature for receipt of goods or services rendered is on the receiving copy of the purchase order set, which is attached to the purchase order and filed alphabetically. All claims approved for payment are listed by fund total in the Minutes.

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2015

Financial Planning, Accounting and Reporting (Continued)

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's required 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/School Business Administrator.

Compensation records were tested, and for those individuals examined; it was determined that salaries paid were in accordance with the amounts authorized by the Board.

Salary withholdings were promptly remitted to the proper agencies, including the required health benefits withholdings.

Tuition Charges

The Board made a proper adjustment to the billings to the sending district for the change in per pupil costs in accordance with N.J.A.C. 6A:23-3.1 (f)3.

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2015 for proper classification of orders as reserved for encumbrances and accounts payable. The reserve for encumbrances and accounts payable have been determined to be proper.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(g) as part of our test of transactions of randomly selected expenditure items. We also examined 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 classification to determine overall reliability and compliance with N.J.A.C. 6A:23A-2.4. As a result of the procedures performed, no transaction error rate was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2015**

Financial Planning, Accounting and Reporting (Continued)

Travel Reimbursement Policy

The required travel and related reimbursement policy was in accordance with N.J.A.C. 6A:23B-1.2(a).

Student Body Activities Funds

High School, Middle School and Elementary Schools

Cash receipts and cash disbursements records were maintained in satisfactory condition.

All receipts were promptly deposited in the bank.

A test check of bills and invoices was made to the cash disbursements record.

Board Secretary/School Business Administrator's Records

Our review of the financial and accounting records of the Board Secretary/School Business Administrator revealed that the records were maintained properly.

Acknowledgment of the Board's receipt of the Board Secretary's report was included in the minutes.

Treasurer's Records

The Treasurer's records were found to be maintained properly.

Acknowledgment of the Board's receipt of the Treasurer's report was included in the minutes.

Elementary and Secondary Education Act of 1965 (E.S.E.A.) as Reauthorized by No Child Left Behind (NCLB) Act of 2001

The 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 project under Titles I and II-A of the NCLB as amended.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2015**

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

The study of compliance for the Special Project Fund IDEA Program indicated that there were no areas of non-compliance.

The District's Special Projects were approved as listed on the Schedules of Federal and State Financial Assistance 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.

T.P.A.F. Reimbursement

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. No exceptions were noted.

Expendable and Nonexpendable Trust Funds

The accounts within this fund have been properly administered.

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2015

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2005 and thereafter the bid thresholds in accordance with N.J.S.A. 18A:18A-3 and 18A:39-3 are \$26,000 and \$17,500, respectively.

The board of education has elected to utilize the Qualified Purchasing Agent (QPA) higher bid threshold of \$36,000 since the School Business Administrator/Board Secretary is a qualified as such.

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

In as much as the system of records is not designed to 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 indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials of 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 minutes indicate that bids were advertised for the following:

Fuel Services
Roof Repair Services
Athletic Equipment

Removal and Disposal of Solid Waste
Groundcare Services
Interior Alterations at Middle School

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2015

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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 revealed the following purchases were made through the use of State contracts.

School Furniture	Classroom Furniture
Computers and Related Items	Fuel Supplies
Computer Hardware	Communications Equipment
Computer Software	Telecommunications System
General School Supplies	Custodial Supplies
Tires	Classroom Supplies
Photographic Equipment	Athletic Supplies

School Food Service

The financial transactions and statistical records of the school food services were maintained properly. The financial accounts, meal count record and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price 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 price meals and free milk policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

The Board employs a management company, Metz Culinary Management, to handle their food service program. Provisions of the contract were reviewed and audited. We examined, on a test basis, their expenditures for separate recording of food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

All employees of the Cafeteria are hired by Metz and paid by them except for the Food Service Director.

Exhibits reflecting child nutrition program operations are included in the Enterprise Fund (Exhibit B-5 through B-7) in Section B of the CAFR.

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2015

School Food Service (Continued)

It should be noted that the food service company has provided the required Report on Internal Controls of Service Organizations in accordance with the AICPA Statement on Standards for Attesting Engagements Number 16 (SSAE#16).

The District is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. 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 during the period of audit. Inventory records on commodities are being maintained. The value of U.S.D.A. Commodities received during 2014-2015 was \$157,474.13.

Child Care Initiative (MECA), Early Childhood Enrichment (ECE) and Falcon Care

The program operated at a net income of \$1,845.18 in 2014-2015. The interfund advanced to assist in the development of stages of the programs has been reduced during the year. Falcon Care was created as a successor to the MECA/ECE Program. We have been advised that it is the intention to repay over a prescribed period of years the interfund that created.

Application for State School Aid (ASSA)

Our audit procedures included a test of information reported in the October 15, 2014 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 information that was included on the workpapers was verified. 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 without 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. The bid specifications for the lease/purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

RECOMMENDATIONS
JUNE 30, 2015

None.

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

There were no prior year recommendations.

ACKNOWLEDGMENT

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

Respectfully submitted,



Gerard Stankiewicz
Certified Public Accountant
Public School Accountant #912

For The Firm
SAMUEL KLEIN AND COMPANY

BOARD OF EDUCATION
TOWNSHIP OF MONROE, COUNTY OF MIDDLESEX
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
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 (Regular Rate)	Paid	450,429	450,429	450,429	-	0.320	-
	Reduced	17,525	17,525	17,525	-	2.635	-
	Free	43,802	43,802	43,802	-	3.035	-
	Total	<u>511,756</u>	<u>511,756</u>	<u>511,756</u>	<u>-</u>		<u>-</u>
Special Milk	Paid	4,512	4,512	4,512	-	0.2025	-
	Free	421	421	421	-	0	-
	Total	<u>4,933</u>	<u>4,933</u>	<u>4,933</u>	<u>-</u>		<u>-</u>

**BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	2015-2016 Application for State School Aid						Sample for Verification					
	Reported on A.S.S.A. On Roll		Report on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool 4 Years Old	8		8				2		2			
Half Day Kindergarten	307		307				15		15			
One	388		388				19		19			
Two	413		413				20		20			
Three	451		451				22		22			
Four	398		398				20		20			
Five	454		454				22		22			
Six	482		482				24		24			
Seven	423		423				21		21			
Eight	377		377				19		19			
Nine	468	1	468	1			23		23			
Ten	433		433				21		21			
Eleven	436		436				22		22			
Twelve	396		396				20		20			
Sent to CSSD												
Regional Day School												
Subtotal	5,434	1	5,434	1			270		270			
Sp. Ed - Elementary	298		298				298		298			
Sp. Ed - Middle	242	4	242	4			242	4	242	4		
Sp. Ed - High School	336	2	336	2			336	2	336	2		
Subtotal	876	6	876	6			876	6	876	6		
Regional Day School												
Totals	6,310	7	6,310	7			1,146	6	1,146	6		
Percentage Error					0.00%	0.00%					0.00%	0.00%

**BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	<u>Private Schools for Disabled</u>				<u>Private Schools - Related Services</u>		
	<u>Reported on A.S.S.A. as Private Schools</u>	<u>Sample for Verification</u>	<u>Sample Verified</u>	<u>Sample Errors</u>	<u>Sample for Verification</u>	<u>Sample Verified</u>	<u>Sample Errors</u>
Half Day Preschool 4 Years Old							
Half Day Kindergarten							
One							
Two							
Three							
Four							
Five							
Six							
Seven							
Eight							
Nine					2	2	
Ten							
Eleven							
Twelve							
Sent to CSSD							
Regional Day School							
Subtotal					2	2	
Sp. Ed - Elementary							
Sp. Ed - Middle	4	4			4	4	
Sp. Ed - High School	1	1			1	1	
Subtotal	5	5			5	5	
Regional Day School							
Totals	5	5			7	7	
Percentage Error				0.00%			0.00%

**BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	Low Income - Free Lunch			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
Half Day Preschool 4 Years Old	9	9		9	9	
Half Day Kindergarten	13	13		13	13	
One	13	13		13	13	
Two	21	21		21	21	
Three	11	11		11	11	
Four	10	10		10	10	
Five	13	13		13	13	
Six	10	10		10	10	
Seven	7	7		7	7	
Eight	35	35		35	35	
Nine	35	35		35	35	
Ten	32	32		32	32	
Eleven	36	36		36	36	
Twelve						
Sent to CSSD						
Regional Day School						
Subtotal	<u>245</u>	<u>245</u>		<u>245</u>	<u>245</u>	
Sp. Ed - Elementary	35	35		35	35	
Sp. Ed - Middle	29	29		29	29	
Sp. Ed - High School	54	54		54	54	
Subtotal	<u>118</u>	<u>118</u>		<u>118</u>	<u>118</u>	
Regional Day School						
Totals	<u>363</u>	<u>363</u>		<u>363</u>	<u>363</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	Low Income - Reduced Lunch			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
Half Day Preschool 4 Years Old	1	1		1	1	
Half Day Kindergarten	9	9		9	9	
One	3	3		3	3	
Two	5	5		5	5	
Three	13	13		13	13	
Four	12	12		12	12	
Five	10	10		10	10	
Six	12	12		12	12	
Seven	6	6		6	6	
Eight	20	20		20	20	
Nine	8	8		8	8	
Ten	14	14		14	14	
Eleven	14	14		14	14	
Twelve						
Sent to CSSD						
Regional Day School						
Subtotal	<u>127</u>	<u>127</u>		<u>127</u>	<u>127</u>	
Sp. Ed - Elementary	13	13		11	11	
Sp. Ed - Middle	6	6		8	8	
Sp. Ed - High School	9	9		12	12	
Subtotal	<u>28</u>	<u>28</u>		<u>31</u>	<u>31</u>	
Regional Day School						
Totals	<u>155</u>	<u>155</u>		<u>158</u>	<u>158</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	<u>Reduced - Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as Low Income</u>	<u>Reported on Workpapers as 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 4 Years Old						
Half Day Kindergarten						
One						
Two						
Three						
Four						
Five	1	1		1	1	
Six						
Seven						
Eight						
Nine	4	4		4	4	
Ten	2	2		2	2	
Eleven						
Twelve	2	2		2	2	
Sent to CSSD						
Regional Day School	_____	_____	_____	_____	_____	_____
Subtotal	<u>9</u>	<u>9</u>	_____	<u>9</u>	<u>9</u>	_____
Sp. Ed - Elementary						
Sp. Ed - Middle						
Sp. Ed - High School						
	_____	_____	_____	_____	_____	_____
Subtotal	_____	_____	_____	_____	_____	_____
Regional Day School						
Totals	<u>9</u>	<u>9</u>	_____	<u>9</u>	<u>9</u>	_____
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF AUDITED ENROLLMENTS
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 Low Income</u>	<u>Reported on Workpapers as 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 4 Years Old	6	6		6	6	
Half Day Kindergarten						
One	2	2		2	2	
Two	2	2		2	2	
Three	4	4		4	4	
Four	1	1		1	1	
Five	1	1		1	1	
Six						
Seven						
Eight	1	1		1	1	
Nine						
Ten	1	1		1	1	
Eleven	3	3		3	3	
Twelve						
Sent to CSSD						
Regional Day School						
Subtotal	<u>21</u>	<u>21</u>		<u>21</u>	<u>21</u>	
Sp. Ed - Elementary						
Sp. Ed - Middle						
Sp. Ed - High School						
Subtotal						
Regional Day School						
Totals	<u>21</u>	<u>21</u>		<u>21</u>	<u>21</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	<u>Transportation</u>		
	<u>Reported on DRTRS by DOE</u>	<u>Verified by Auditor</u>	<u>Errors</u>
Public School Students Excl. Voc. Students	3,469.0	3,469.0	
Vocational School Students	27.0	27.0	
AIL Charter School Students	4.0	4.0	
Transported Non-Public and Other School Students	121.0	121.0	
AIL Non-Public and Other School Students	126.0	126.0	
Special Education Public School Students	<u>665.5</u>	<u>665.5</u>	
 Total Students	 <u>4,412.5</u>	 <u>4,412.5</u>	
Public School with Special Transportation Needs	84.5	84.5	
Private School for Students with Disabilities with Special Transportation Needs	<u>16.0</u>	<u>16.0</u>	
	<u>100.5</u>	<u>100.5</u>	
Out of District Public School Students without Special Transportation Needs	11.0	11.0	
Out of District Private School for Students without Disabilities without Special Transportation Needs	<u>7.0</u>	<u>7.0</u>	
 Total Special Education Students	 <u>118.5</u>	 <u>118.5</u>	
 Total	 <u>4,531.0</u>	 <u>4,531.0</u>	
 Percentage Error			<u>0.00%</u>

	<u>Reported</u>	<u>Recalculated by DOE</u>
Average Home to School Mileage	4.53	4.50
Average Home to School Mileage Excluding Grade PK	4.53	4.50
Average Home to School Mileage	9.30	9.20
Average Mileage to Courtesy School	1.40	1.40

BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

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>104,942,052.46</u> (B)	
Increased by:		
Transfer to Food Service Fund	\$ _____ (B1a)	
Transfer from Capital Outlay 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>8,336,989.41</u> (B2a)	
Assets Acquired Under Capital Leases	\$ <u>1,092,886.27</u> (B2b)	
Adjusted 2014-15 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ <u><u>95,512,176.78</u></u> (B3)	
2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	\$ <u>1,910,243.54</u> (B4)	
Enter Greater of (B4) or \$250,000	\$ <u>1,910,243.54</u> (B5)	
Increased by: Allowable Adjustment*	\$ _____ (K)	
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]		\$ <u><u>1,910,243.54</u></u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-2015 (Per CAFR Budgetary Comparison Schedule-C1)	\$ <u>11,897,278.58</u> (C)	
Decreased by:		
Year-end Encumbrances	\$ <u>141,499.38</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____ (C2)	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>3,852,470.72</u> (C3)	
Other Restricted Fund Balances ****	\$ <u>975,000.00</u> (C4)	
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>7,653.91</u> (C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u><u>6,920,654.57</u></u> (U1)

BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U1)-(M)] IF NEGATIVE ENTER -0- \$ 5,010,411.03 (E)

Recapitulation of Excess Surplus as of June 30, 2015

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>3,852,470.72</u> (C3)
Reserved Excess Surplus***[(E)]	\$ <u>5,010,411.03</u> (E)
 Total Excess Surplus [(C3) + (E)]	 \$ <u>8,862,881.75</u> (D)

Footnotes:

* 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	\$ _____ (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)]	\$ _____ (K)

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

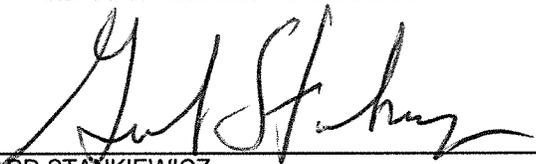
*** Amount must agree to the June 30, 2015 CAFR and must agree to Audit Summary Line 90030.

**** Amount for Other Restricted 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 Administrative and Finance prior to September 30.

BOARD OF EDUCATION
TOWNSHIP OF MONROE SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ <u>975,000.00</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 General Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserve	\$ _____
[Other Reserved Fund Balance not noted above]****	\$ _____
 Total Other Restricted Fund Balance	 \$ <u>975,000.00</u> (C4)


 _____ CPA, PSA #912
 GERARD STANKIEWICZ

Date: November 30, 2015

MONROE TOWNSHIP SCHOOL DISTRICT
COUNTY OF MIDDLESEX, NEW JERSEY

NET CASH RESOURCE SCHEDULE

Net Cash Resources Did Not Exceed Three Months of Expenditures
 Proprietary Funds - Food Service
 FYE 2015

<u>Net Cash Resources:</u>		Food Service B - 4/5
CAFR	*	
	Current Assets	
B-4	Cash & Cash Equiv.	\$ 694,124
B-4	Due from Other Gov'ts	24,053
B-4	Accounts Receivable	21,423
B-4	Investments	
CAFR		
	Current Liabilities	
B-4	Less Accounts Payable	209
B-4	Less Accruals	
B-4	Less Due to Other Funds	
B-4	Less Deferred Revenue	-
		<hr/>
	Net Cash Resources	\$ 739,391 (A)
		<hr/> <hr/>
<u>Net Adj. Total Operating Expense:</u>		
B-5	Total Operating Expense	2,557,892
B-5	Less Depreciation	103,444
		<hr/>
	Adj. Total Operating Expense	\$ 2,454,448 (B)
		<hr/> <hr/>
<u>Average Monthly Operating Expense:</u>		
	B / 10	\$ 245,445 (C)
		<hr/> <hr/>
<u>Three Times Monthly Average:</u>		
	3 X C	\$ 736,334 (D)
		<hr/> <hr/>

TOTAL IN BOX A	\$ 739,391
LESS TOTAL IN BOX D	\$ 736,334
NET	<u>\$ 3,056</u>
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.

SOURCE - USDA resource management comprehensive review form