

**NEW BRUNSWICK CITY SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NEW JERSEY**

**AUDITOR'S MANAGEMENT REPORT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED
JUNE 30, 2015**

**PREPARED BY
SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS**

**NEW BRUNSWICK CITY SCHOOL DISTRICT
COUNTY OF MIDDLESEX
NEW JERSEY**

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

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REPORT OF INDEPENDENT AUDITORS

Honorable President and Members
of the Board of Education
New Brunswick City School District
County of Middlesex, New Jersey 08903

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 New Brunswick City School District in the County of Middlesex, for the year ended June 30, 2015, and have issued our report thereon dated December 4, 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 New Brunswick City 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.



JOSEPH J. FACCONI
Licensed Public School Accountant #194



SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
December 4, 2015

NEW BRUNSWICK CITY SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

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. Our audit scope was increased to include a detail examination of the operations related to the awarding, processing and paying of claims by the School District.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule, contained in the District's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount of Bond</u>
Richard D. Jannarone	Board Secretary/Business Administrator	\$500,000.00
Bernardo Guiliana	Treasurer of School Moneys	475,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond with the Zurich American Insurance Company covering all other employees with multiple coverage of \$250,000.00.

Tuition Charges

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

Financial Planning, Accounting and Reporting

In verifying expenditures, computations were tested on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Examination of Claims

An examination of claims paid during the period under review revealed no discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

The following procedures were followed with respect to payrolls:

Net salaries of all employees were deposited in the Payroll Bank Account.

Payroll Account and Position Control Roster (Continued)

All payroll deductions with Withholding Tax, Social Security, Employees' Pension Funds, Hospitalization Premiums and other items as well as the Board's Payroll Contributions, were deposited to the Payroll Agency Bank Account.

All payrolls were approved by the Superintendent of Schools and certified by the President and the Secretary of the Board of Education.

The propriety of deductions from individual salaries for Pensions, Social Security, Withholding Tax and other purposes was not verified as part of this examination.

Finding #2015-1:

A review of the Treasurer's bank reconciliation indicated that the Net Payroll Account had a deficit balance for most of the year. The reconciliation as of June 30, 2015 showed a reconciled balance of \$(319,233.78). The account should be zero.

Recommendation:

That the Net Payroll Account be reviewed and appropriate action be taken to correct the deficit balance.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30th for proper classification or orders as a reserve for encumbrances and accounts payable.

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 tested 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 0.0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

Board Secretary's Records

The financial records and books of accounts maintained by the Board Secretary were in satisfactory condition. The prescribed contractual order system was followed.

District funds were provided and expended in the proper GAAP account codes based upon audit testing of transactions.

The School District's double entry system of accounting records was maintained in accordance with the Department of Education's prescribed GAAP Technical System Manual, pursuant to N.J.S.A. 18A:4-14 and N.J.A.C. 6:20-2A.

Treasurer's Records

The financial records were examined and found to be in agreement with records of the Board Secretary.

The Treasurer's cash balance for the general operating account was in agreement with the reconciled cash balance as determined during the audit.

Elementary and Secondary Education Act (ESEA)/Improving America's Schools Act (IASA) as Reauthorized by the No Child Left Behind (NCLB) 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 Title I and Title VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for ESEA did not indicate any areas of noncompliance.

Other Special Federal and State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B reflected 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.

TPAF 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.

TPAF 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 Report(s) for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made subsequent to the end of the 60 day grant liquidation period, but prior to the 90 days required by *N.J.S.A. 18A:66-90*. Accordingly, the expenditure was made in accordance with State law (90 days) and properly reported as obligated and not expended and as an unliquidated balance in the current year's Final Report(s) for all federal awards.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds, in accordance with *N.J.S.A. 18A:18A-3* (as amended) and *18A:39-3* are \$36,000.00 and \$18,300.00, respectively.

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 Solicitor'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 indicated that no individual payments, contracts, or agreements 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*, as amended.

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

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 did reveal however, that purchases were made through the use of state contracts.

Student Activity Funds

Finding 2015-2:

It was noted that during our review of the Student Activity Funds that numerous schools are bypassing the approval process of purchasing by utilizing their personal credit cards and seeking reimbursement. The purchases are allowable expenses, but instead of getting approval before the purchase and obtaining a student activity check, the individuals are using their own credit card and then fill out a purchase order for reimbursement.

Recommendation:

That all payments be made by check instead of an individual credit card.

School Food Service

The financial transactions and statistical records of the School Food Service Fund 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 deposits.

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 break even. The operating results provision has been met.

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 on file, times the number of operating days, on a school by school basis. The free and reduced price meal and free milk policy is uniformly administered throughout the School System. Sites approved to participate in provisions complied with all counting and claiming requirements. The required verification procedures for free and reduced price applications were 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 disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were not maintained in order to substantiate the nonprofit status of the School Food Service.

Net cash resources did exceed three months average expenditures.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Service employees authorized by the Board of Education.

School Food Service (Continued)

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.

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

Application for State School Aid

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 with discrepancies. 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.

Test of On-Roll Students:

Finding #2015-3:

We noted several differences between the amounts presented on the October 15, 2014 ASSA Count and the information presented in the District's work papers.

Recommendation:

That greater care be exercised when preparing the workpapers used to develop the ASSA report.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2013-2014 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 purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Follow-Up on Prior Year's Finding

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations.

RECOMMENDATIONS

Net Payroll Fund

That the Net Payroll Account be reviewed and appropriate action be taken to correct the deficit balance.

Student Activity Funds

All Schools:

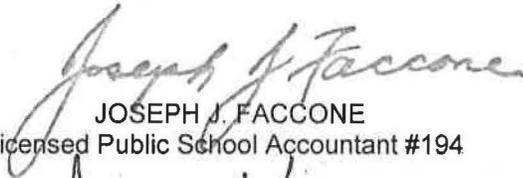
That all payments be made by check instead of an individual credit card.

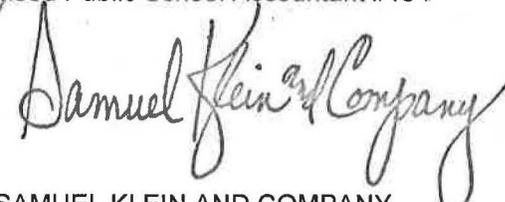
Application for State School Aid

That greater care be exercised when preparing the workpapers used to develop the ASSA report.

Acknowledgment

We received the complete cooperation of all the officials of the School District and greatly appreciate the courtesies extended to the members of the audit team.


JOSEPH J. FACCONI
Licensed Public School Accountant #194


SAMUEL KLEIN AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Newark, New Jersey
December 4, 2015

**NEW BRUNSWICK BOARD OF EDUCATION
 ENTERPRISE FUND - FOOD SERVICE FUND
 SCHEDULE OF MEAL COUNT ACTIVITY
 NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - FEDERAL
 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	35,008	35,008	35,008	None	\$ 0.30	None
National School Lunch (Regular Rate)	Free	1,216,730	1,216,730	1,216,730	None	3.00	None
	TOTAL	<u>1,251,738</u>	<u>1,251,738</u>	<u>1,251,738</u>			<u>None</u>
School Breakfast (Severe Rate)	Paid	24,846	24,846	24,846	None	0.28	None
School Breakfast (Severe Rate)	Free	1,037,803	1,037,803	1,037,803	None	1.93	None
	TOTAL	<u>1,062,649</u>	<u>1,062,649</u>	<u>1,062,649</u>			<u>None</u>
After School Snacks	Free (Area Eligible)	145,093	145,093	145,093	None	0.82	None
	TOTAL	<u>145,093</u>	<u>145,093</u>	<u>145,093</u>			<u>None</u>
Total Net (Over)/Underclaim							<u>\$ -</u>

NEW BRUNSWICK BOARD OF EDUCATION
ENTERPRISE FUND - FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - STATE
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 Reimbursement - National School Lunch (Regular Rate)	Paid	35,008	35,008	35,008	None	\$0.040	None
State Reimbursement - National School Lunch (Regular Rate)	Free	<u>1,216,730</u>	<u>1,216,730</u>	<u>1,216,730</u>	None	0.055	<u>None</u>
	TOTAL	<u>1,251,738</u>	<u>1,251,738</u>	<u>1,251,738</u>			<u>\$ -</u>

NEW BRUNSWICK CITY SCHOOL DISTRICT NET CASH RESOURCE SCHEDULE

Net Cash Resources Did 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.	\$ 804,663.16
B-4		Due from Other Gov'ts	1,239,865.72
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	(162,382.31)
B-4		Less Deferred Revenue	
		Net Cash Resources	<u>\$ 1,882,146.57</u> (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	5,952,351.33	
B-5	Less Depreciation	<u>(54,373.61)</u>	
	Adj. Tot. Oper. Exp.	<u>\$ 5,897,977.72</u>	(B)

Average Monthly Operating Expense:

B / 10	<u>\$ 589,797.77</u>	(C)
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Three times monthly Average:

3 X C	<u>\$ 1,769,393.32</u>	(D)
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TOTAL IN BOX A	<u>\$ 1,882,146.57</u>	
LESS TOTAL IN BOX D	<u>\$ 1,769,393.32</u>	
NET	<u>\$ 112,753.25</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

SCHEDULE OF AUDITED ENROLLMENTS

**NEW BRUNSWICK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	2013-2014 Application for State School Aid						Sample for Verification						Private Schools for Handicapped				
	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 Verification	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Full Day Preschool 3 Years Old	111.0		111.0		-	-	4.0		4.0		-	-					
Full Day Preschool 4 Years Old	148.0		148.0		-	-	5.0		5.0		-	-					
Half Day Kindergarten					-	-					-	-					
Full Day Kindergarten	824.0		824.0		-	-	29.0		29.0		-	-					
One	825.0		825.0		-	-	29.0		29.0		-	-					
Two	728.0		728.0		-	-	26.0		26.0		-	-					
Three	685.0		685.0		-	-	24.0		24.0		-	-					
Four	654.0		654.0		-	-	23.0		23.0		-	-					
Five	556.0		556.0		-	-	19.0		19.0		-	-					
Six	547.0		547.0		-	-	19.0		19.0		-	-					
Seven	471.0		471.0		-	-	16.0		16.0		-	-					
Eight	480.0		480.0		-	-	17.0		17.0		-	-					
Nine	540.0		540.0		-	-	19.0		19.0		-	-					
Ten	385.0	1.0	385.0	1.0	-	-	13.0		13.0		-	-					
Eleven	346.0	1.0	346.0	1.0	-	-	12.0		12.0		-	-					
Twelve	330.0		330.0		-	-	12.0		12.0		-	-					
Adult High (15+ Credits)	4.0		4.0		-	-	1.0		1.0		-	-					
Adult High (1-14 Credits)					-	-					-	-					
Subtotal	7,634.0	2.0	7,634.0	2.0	-	-	268.0	-	268.0	-	-	-	-	-	-	-	
Special Ed - Elementary	536.0		536.0		-	-	19.0		19.0		-	-	11.0	9.0	9.0	-	
Special Ed - Middle	305.0	4.0	305.0	4.0	-	-	11.0	1.0	11.0	1.0	-	-	12.0	9.0	9.0	-	
Special Ed - High	258.0	1.0	258.0	1.0	-	-	10.0	1.0	10.0	1.0	-	-	45.5	31.0	30.0	1.0	
Subtotal	1,099.0	5.0	1,099.0	5.0	-	-	40.0	2.0	40.0	2.0	-	-	68.5	49.0	48.0	1.0	
Totals	8,733.0	7.0	8,733.0	7.0	-	-	308.0	2.0	308.0	2.0	-	-	68.5	49.0	48.0	1.0	
Percentage Error																	<u>2.0%</u>

SCHEDULE OF AUDITED ENROLLMENTS

**NEW BRUNSWICK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	Low Income									Sample for Verification								
	Free Reported on A.S.S.A as Low Income	Free Reported on A.S.S.A as Low Income S/T	Reduced Reported on A.S.S.A as Low Income	Free Reported on Workpapers as Low Income	Free Reported on Workpapers as Low Income S/T	Reduced Reported on Workpapers as Low Income	Free Errors	Free Errors S/T	Reduced Errors	Free Sample Selected from Workpapers	Free Sample Selected from Workpapers S/T	Reduced Sample Selected from Workpapers	Free Verified to Application and Register	Free Verified to Application and Register S/T	Reduced Verified to Application and Register	Free Sample Errors	Free Sample Errors S/T	Reduced Sample Errors
Full Day Preschool 3 Years Old							-	-	-							-	-	-
Full Day Preschool 4 Years Old							-	-	-							-	-	-
Half Day Kindergarten							-	-	-							-	-	-
Full Day Kindergarten	676.0		32.0	676.0		32.0	-	-	-	28.0		15.0	28.0		14.0	-	-	1.0
One	762.0		27.0	762.0		27.0	-	-	-	32.0		13.0	32.0		11.0	-	-	2.0
Two	661.0		39.0	661.0		39.0	-	-	-	28.0		19.0	28.0		15.0	-	-	4.0
Three	619.0		39.0	619.0		39.0	-	-	-	26.0		19.0	26.0		18.0	-	-	1.0
Four	600.0		32.0	600.0		32.0	-	-	-	26.0		15.0	26.0		14.0	-	-	1.0
Five	505.0		30.0	505.0		30.0	-	-	-	22.0		15.0	21.0		15.0	1.0	-	-
Six	489.0		23.0	489.0		23.0	-	-	-	20.0		11.0	19.0		11.0	1.0	-	-
Seven	411.0		22.0	411.0		22.0	-	-	-	17.0		11.0	15.0		11.0	2.0	-	-
Eight	417.0		19.0	417.0		19.0	-	-	-	17.0		10.0	17.0		9.0	-	-	1.0
Nine	448.0		23.0	448.0		23.0	-	-	-	18.0		11.0	17.0		10.0	1.0	-	1.0
Ten	314.0		30.0	314.0		30.0	-	-	-	13.0		15.0	13.0		15.0	-	-	-
Eleven	273.0		23.0	273.0		23.0	-	-	-	11.0		11.0	11.0		8.0	-	-	3.0
Twelve	262.0		20.0	262.0		20.0	-	-	-	11.0		11.0	11.0		9.0	-	-	1.0
Sub-Total	6,437.0	-	359.0	6,437.0	-	359.0	-	-	-	269.0	-	175.0	264.0	-	160.0	5.0	-	15.0
Special Ed - Elementary	502.0		24.0	502.0		24.0	-	-	-	20.0		12.0	20.0		12.0	-	-	-
Special Ed - Middle	282.0	2.0	12.0	282.0	2.0	12.0	-	-	-	11.0	1.0	5.0	11.0	1.0	4.0	-	-	1.0
Special Ed - High	219.0	1.0	11.0	219.0	1.0	11.0	-	-	-	10.0	1.0	5.0	10.0	-	5.0	-	1.0	-
Sub-Total	1,003.0	3.0	47.0	1,003.0	3.0	47.0	-	-	-	41.0	2.0	22.0	41.0	1.0	21.0	-	1.0	1.0
Totals	7,440.0	3.0	406.0	7,440.0	3.0	406.0	-	-	-	310.0	2.0	197.0	305.0	1.0	181.0	5.0	1.0	16.0
Percentage Error																1.6%	50.0%	8.1%

Transportation

	Reported on DRTS by DOE	Reported on DRTS by District	Errors	Tested	Verified	Errors	Reported	Recalculated
Reg - Public Schools	1,362.0	1,362.0	-	206.0	206.0		Average Mileage - Regular Including Grade PK Students	4.1
Trans Nonpublic	104.0	104.0	-	15.0	15.0		Average Mileage - Regular Special Education	4.1
Reg - Special Education Nonpublic Schools (AIL)	73.0	74.0	(1.0)	18.0	14.0	4.0	Average Mileage - Special Ed with Special Needs	10.1
Spec - Special Needs	218.0	218.0	-	19.0	19.0			
Totals	1,757.0	1,758.0	(1.0)	270	266.0	4.0		
Percentage Error			-0.05%			1.48%		

SCHEDULE OF AUDITED ENROLLMENTS

**NEW BRUNSWICK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014**

	Resident LEP NOT Low Income			Sample for Verification			Bilingual Education Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Kindergarten	30.0	30.0	-	13.0	13.0	-	245.0	215.0	30.0	31.0	9.0	22.0
One	6.0	6.0	-	4.0	4.0	-	211.0	205.0	6.0	39.0	26.0	13.0
Two	5.0	5.0	-	3.0	3.0	-	199.0	194.0	5.0	32.0	18.0	14.0
Three	4.0	4.0	-	4.0	4.0	-	207.0	203.0	4.0	28.0	19.0	9.0
Four	3.0	3.0	-	2.0	2.0	-	56.0	53.0	3.0	10.0	6.0	4.0
Five	-	-	-	-	-	-	26.0	26.0	-	7.0	6.0	1.0
Six	14.0	14.0	-	2.0	2.0	-	53.0	39.0	14.0	11.0	5.0	6.0
Seven	6.0	6.0	-	2.0	2.0	-	39.0	33.0	6.0	8.0	1.0	7.0
Eight	20.0	20.0	-	3.0	3.0	-	71.0	51.0	20.0	5.0	1.0	4.0
Nine	28.0	28.0	-	1.0	1.0	-	103.0	75.0	28.0	11.0	1.0	10.0
Ten	12.0	12.0	-	2.0	2.0	-	47.0	35.0	12.0	3.0	-	3.0
Eleven	7.0	7.0	-	2.0	2.0	-	24.0	17.0	7.0	6.0	4.0	2.0
Twelve	3.0	3.0	-	2.0	2.0	-	25.0	22.0	3.0	6.0	3.0	3.0
Sub-Total	138.0	138.0	-	40.0	40.0	-	1,306.0	1,168.0	138.0	197.0	99.0	98.0
Special Ed - Elementary	-	-	-	-	-	-	44.0	44.0	-	1.0	1.0	-
Special Ed - Middle	-	-	-	-	-	-	2.0	2.0	-	-	-	-
Special Ed - High	-	-	-	-	-	-	2.0	2.0	-	-	-	-
Sub-Total	-	-	-	-	-	-	48.0	48.0	-	1.0	1.0	-
Totals	138.0	138.0	-	40.0	40.0	-	1,354.0	1,216.0	138.0	198.0	100.0	98.0
Percentage Error									0.1%			49.49%

**BOARD OF EDUCATION
NEW BRUNSWICK CITY SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FISCAL YEAR ENDED JUNE 30, 2015**

EXCESS SURPLUS CALCULATION

SCHOOL BASED BUDGET DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2014-15 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>175,363,824.31</u> (A)	
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____ (A1a)	
Transfer from Capital Reserve to Capital Projects Fund	\$ _____ (A1a)	
Less: Expenditures Allocated to Restricted Federal Resources as Reported on Exhibit D-2	\$ _____ (A1b)	
Decreased by:		
On-Behalf TPAF Pension and Social Security	\$ <u>13,225,448.12</u> (A4)	
Assets Acquired Under Capital Leases in Fund 15	\$ _____ (A5)	
 Adjusted 13-14 General Fund Expenditures	 \$ <u>162,138,376.19</u> (A9)	
 2% of Adjusted 2014-15 General Fund Expenditures [(A9) times .02]	 \$ <u>3,242,767.52</u> (A10)	
Enter Greater of (B4) or \$100,000	\$ <u>3,242,767.52</u> (A11)	
Increased by: Allowable Adjustment *	\$ <u>0.00</u> (K)	
 Maximum Unassigned Fund Balance [(A11)+(K)]		 \$ <u>3,242,767.52</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-15 <u>(Per CAFR Budgetary Comparison Schedule C-1)</u>	\$ <u>23,607,184.22</u> (C)	
Decreased by:		
Year ended Encumbrances	\$ <u>4,846,558.17</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ <u>15,612,072.00</u> (C2)	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ _____ (C3)	
Other Restricted Fund Balances ***	\$ <u>75.00</u> (C4)	
Assigned - Fund Balance - Designated for Subsequent Year's Expenditures	\$ _____ (C5)	
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		 \$ <u>3,148,479.05</u> (U1)

**BOARD OF EDUCATION
NEW BRUNSWICK CITY SCHOOL DISTRICT
COUNTY OF MIDDLESEX
FISCAL YEAR ENDED JUNE 30, 2015**

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U2)-(M)] IF NEGATIVE ENTER -0- \$ 0.00 (E)

Recapitulation of Excess Surplus as of June 30, 2015

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>0.00</u> (C3)
Reserved Excess Surplus***[(E)]	\$ <u>0.00</u> (E)
Total [(C3) + (E) + (F)]	\$ <u>0.00</u> (D)

* This adjustment line (as detailed below) is to be utilized for Impact Aid, Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10) and Extraordinary Aid, and Additional Nonpublic School Transportation Aid and unbudgeted TPAF Wage Freeze Grant Funding. Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ _____ (H)
Sale and Lease-Back	\$ _____ (I)
Extraordinary Aid	\$ _____ (J1)
Additional Nonpublic School Transportation Aid	\$ _____ (J2)
Total Adjustments [(H)+(I)+(J1)+(J2)]	\$ <u>0.00</u> (K)

** This amount represents the June 30, 2015 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 10025.

*** Amounts must agree to the June 30, 2015 CAFR and the sum of the two lines must agree to Audit Summary Worksheet Line 10024.

**** 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 Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Capital outlay for a district with a capital outlay Cap Waiver	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ <u>75.00</u>
Maintenance reserve	\$ _____
Tuition reserve	\$ _____
Other state/government mandated reserve	\$ _____
[Other Restricted Fund Balance not noted above] ****	\$ _____
Total Other Restricted Fund Balance	\$ <u>75.00</u> (C4)

NEW BRUNSWICK CITY SCHOOL DISTRICT

ENCUMBRANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Encumbrances June 30, 2015

\$ 4,846,558.17

<u>Description</u>	<u>Total by Category</u>	<u>Amount Properly Encumbered</u>	<u>Encumbrances Cancelled Through Audit Adjustments</u>
Purchased Professional and Technical	\$ 126,310.89	\$ 126,310.89	\$ -
Purchased Professional Education Services	23,432.50	23,432.50	-
Other Purchased Professional Services	182,818.25	182,818.25	-
Legal	10,154.75	10,154.75	-
Cleaning, Repairs and Maintenance Services	1,003,714.11	1,003,714.11	-
Construction Services	1,155,915.25	1,155,915.25	-
Other Purchased Services	102,011.25	102,011.25	-
Supplies and Material	39,923.73	39,923.73	-
General Supplies	76,518.07	76,518.07	-
Equipment	2,124,568.96	2,124,568.96	-
Other Objects	1,190.41	1,190.41	-
	<u>4,846,558.17</u>	<u>4,846,558.17</u>	<u>-</u>
Total Encumbrances Cancelled During the Audit			<u>-</u>
Fund Balance Reserved for Encumbrances in the CAFR			<u>\$ 4,846,558.17</u>

