

**NORTH HALEDON BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2015**

**NORTH HALEDON BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Honorable President and
Members of the Board of Trustees
North Haledon Board of Education
North Haledon, New Jersey

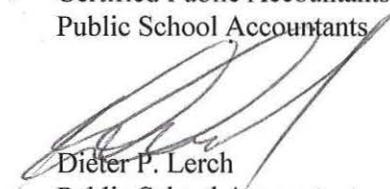
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the North Haledon Board of Education as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated November 16, 2015.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.



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



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 16, 2015

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

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the district's CAFR.

Officials Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Audrey Mioli	Board Secretary/School Business Administrator	\$100,000
Barbara Veltri	Treasurer of School Monies	\$200,000

There is a Public Employees' Faithful Performance Blanket Position Bond with General Security Property & Casualty Company covering all other employees with multiple coverage of \$250,000.

Finding – Our audit revealed that the Board Secretary and Treasurer reports were not filed on a monthly basis.

Recommendation – It is recommended that Board Secretary and Treasurer reports be filed on a monthly basis.

Financial Planning, Accounting and Reporting

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.

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

Financial Planning, Accounting and Reporting (Continued)

Payroll Account

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

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

Salary withholdings were properly remitted to the proper agencies.

Health benefit withholdings were always remitted to general fund.

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

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.

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 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-2.4.

Board Secretary's Records

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

Our review of the financial and accounting records maintained by the board secretary disclosed the following items.

Finding (CAFR 2015-001) - Our audit revealed that the District ended the fiscal year with a General Fund operating deficit in the amount of \$93,064 at June 30, 2015.

Recommendation – It is recommended that corrective action be taken to eliminate the deficit in the General Fund.

Finding (CAFR 2015-002) - Our audit revealed that approximately twenty-five (25) budget line accounts were overexpended at June 30, 2015. In addition, we noted the total General Fund budget appropriations were overexpended by \$470,696 at June 30, 2015.

Recommendation – Internal controls be enhanced to prevent budgetary overexpenditures.

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

Financial Planning, Accounting and Reporting (Continued)

Finding (CAFR 2015-003) - Our audit of the general ledger account balances revealed numerous adjusting journal entries were required to reconcile the Board records with subsidiary records and supporting documentation. We noted numerous instances where receipt, disbursement, revenue and expenditure account charges were misclassified. Furthermore, State and debit/credit memos were not properly posted to the District's records.

Recommendation – General ledger be reconciled on a monthly basis to all supporting reports including budgetary revenue and expenditure reports. Furthermore, all State aid and debit/credit memos be properly posted to the District records.

Finding – Our audit revealed that District revenues were not properly reported in the budgetary revenue report.

Recommendation – It is recommended that District revenues should be properly reported in the budgetary revenue report.

Finding (CAFR 2015-008) - The monthly and year to date 10% transfer reports were not submitted to the Executive County Superintendent and specific approval was not sought for transfers exceeding the maximum allowed.

Recommendation – The monthly and year to date 10% transfer reports be prepared and remitted to the Executive County Superintendent, and specific approval be sought for transfers exceeding the maximum allowed.

Treasurer's Records

The Treasurer performed cash reconciliations for the general operating account, payroll account and payroll agency account (N.J.S.A. 18A:17-36).

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

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

The Bank reconciliations included reconciling items.

Finding – Our audit revealed that the general and food service bank accounts included numerous reconciling items.

Recommendation – It is recommended that the general and food service bank accounts be reviewed monthly and all reconciling items be cleared of record.

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

Financial Planning, Accounting and Reporting (Continued)

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. Out audit revealed that the financial transactions of this fund were not reported in the Expendable Trust Fund.

Finding – Our audit revealed that the claims paid and board/employee contributions were not properly reflected in the unemployment insurance trust fund.

Recommendation – It is recommended that all claims paid and board/employee contributions are properly reflected in the unemployment insurance trust fund.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America’s Schools Act (IASA) as Reauthorized by the No Child Left Behind Act of 2001

The E.S.E.A. financial exhibits contained herein represent a true statement of the financial position pertaining to projects under Title I, Title II, Title IV and Title V of the Elementary and Secondary Education Act as amended.

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

Other Special Federal and/or State Projects

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

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

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

Finding – Our audit revealed that the district records for special revenue fund were not properly adjusted to reflect the final state grant awards.

Recommendation – It is recommended that the district records for the special revenue fund be adjusted to properly reflect final state grant awards.

Finding – Our audit revealed that the district records were not in agreement with the Chapter 192/193 completion report.

Recommendation – It is recommended that the district records be adjusted to be in agreement with Chapter 192/193 completion report.

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.

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

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 Agent) 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 \$18,300 for 2013-14.

The district 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.

Based on the results of examination, there were no individual payments, contracts, or agreements 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, amended.

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

Finding (CAFR 2015-004) - Our audit revealed purchases were made and contracts were entered into without the issuance of a purchase order.

Recommendation – It is recommended that internal controls be enhanced to ensure all purchase orders and contract awards are encumbered.

School Food Services

The financial transactions and statistical records of the school food services revealed that there was a cash overdraft of the account at year end.

Finding – Our audit revealed that there was a cash overdraft at year end.

Recommendation – It is recommended that the district enhance their internal controls to prevent cash overdrafts.

Finding – Our audit revealed that the District ended the fiscal year with an unrestricted net position deficit in the Food Service Fund.

Recommendation – It is recommended that corrective action be taken to eliminate the deficit in the Food Service Fund.

The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

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 vouchers were submitted/certified in a timely manner.

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

School Food Services (Continued)

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 meal 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.

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.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all school food services employees 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 exceed three months average expenditures.

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

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

Student Activity Funds

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

Receipts were promptly deposited.

Pre-numbered receipts were utilized.

Upon review of the cash disbursements from the student accounts, our audit revealed supporting documentation was available for disbursements, with minor exceptions.

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, bilingual and low-income. 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 with some minor exceptions.

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.

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

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2014-15 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the district complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

Finding – Our audit revealed that fixed asset reports did not reflect all asset additions and deletions made by the District.

Recommendation – It is recommended that fixed asset reports be updated to reflect all additions and deletions.

Follow-up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings.

**NORTH HALEDON BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(MEMORANDUM ONLY)**

NOT APPLICABLE

**SCHEDULE OF NET CASH RESOURCES
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

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

	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 Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool - 3 years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4 years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	85	-	85	-	-	-	85	-	85	-	-	-	-	-	-	-
1st Grade	63	-	63	-	-	-	63	-	63	-	-	-	-	-	-	-
2nd Grade	82	-	82	-	-	-	82	-	82	-	-	-	-	-	-	-
3rd Grade	67	-	67	-	-	-	67	-	67	-	-	-	-	-	-	-
4th Grade	61	-	61	-	-	-	61	-	61	-	-	-	-	-	-	-
5th Grade	55	-	55	-	-	-	55	-	55	-	-	-	-	-	-	-
6th Grade	53	-	52	-	1	-	52	-	52	-	-	-	-	-	-	-
7th Grade	82	-	82	-	-	-	82	-	82	-	-	-	-	-	-	-
8th Grade	61	-	61	-	-	-	61	-	61	-	-	-	-	-	-	-
9th Grade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10th Grade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11th Grade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12th Grade	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	609	-	608	-	1	-	608	-	608	-	-	-	-	-	-	-
Spec Ed - Elementary	71	-	71	-	-	-	57	-	57	-	-	-	6	6	6	-
Spec Ed - Middle School	27	-	28	-	(1)	-	28	-	28	-	-	-	2	2	2	-
Spec Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	98	-	99	-	(1)	-	85	-	85	-	-	-	8	8	8	-
Totals	707	-	707	-	-	-	693	-	693	-	-	-	8	8	8	-
Percentage Error	<u>0.00%</u>						<u>0.00%</u>						<u>0.00%</u>			

NORTH HALEDON BOARD OF EDUCATION
A.S.S.A.
SCHEDULE OF AUDITED ENROLLMENTS
10/15/2014

	Low Income			Sample for Verification			LEP Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Pre-School (3 Yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Pre-School (4 Yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	12	12	-	9	8	1	-	-	-	-	-	-
1st Grade	10	10	-	7	7	-	1	1	-	1	1	-
2nd Grade	18	18	-	12	12	-	-	-	-	-	-	-
3rd Grade	18	18	-	12	12	-	-	-	-	-	-	-
4th Grade	11	11	-	7	6	1	-	-	-	-	-	-
5th Grade	9	9	-	6	6	-	1	1	-	1	1	-
6th Grade	8	8	-	5	5	-	-	-	-	-	-	-
7th Grade	12	12	-	8	8	-	1	1	-	1	1	-
8th Grade	7	7	-	5	5	-	-	-	-	-	-	-
9th Grade	-	-	-	-	-	-	-	-	-	-	-	-
10th Grade	-	-	-	-	-	-	-	-	-	-	-	-
11th Grade	-	-	-	-	-	-	-	-	-	-	-	-
12th Grade	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	105	105	-	71	69	2	3	3	-	3	3	-
Spec Ed - Elementary	21	21	-	14	14	-	-	-	-	-	-	-
Spec Ed - Middle School	14	14	-	8	8	-	-	-	-	-	-	-
Spec Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	35	35	-	22	22	-	-	-	-	-	-	-
Totals	140	140	-	93	91	2	3	3	-	3	3	-
Percentage Error			<u>0.00%</u>			<u>2.15%</u>			<u>0.00%</u>			<u>0.00%</u>

	Transportation			Tested	Verified	Errors
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors			
Regular - Public Schools	-	-	-	-	-	-
Transported - Non-Public	113	113	-	75	75	-
Regular - Spec.	-	-	-	-	-	-
Special Needs - Public	17	17	-	13	13	-
Totals	130	130	-	88	88	-
			<u>0.00%</u>			<u>0.00%</u>

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

	LEP Not Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Register	Sample Errors
Half Day Pre-School (3 Yrs)						
Half Day Pre-School (4 Yrs)						
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	2	2	-	2	2	-
1st Grade	-	-	-	-	-	-
2nd Grade						
3rd Grade	-	-	-	-	-	-
4th Grade	-	-	-	-	-	-
5th Grade						
6th Grade	-	-	-	-	-	-
7th Grade	-	-	-	-	-	-
8th Grade	-	-	-	-	-	-
9th Grade	-	-	-	-	-	-
10th Grade	-	-	-	-	-	-
11th Grade	-	-	-	-	-	-
12th Grade	-	-	-	-	-	-
Subtotal	2	2	-	2	2	-
Spec Ed - Elementary	-	-	-	-	-	-
Spec Ed - Middle School	-	-	-	-	-	-
Spec Ed - High School	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	2	2	-	2	2	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

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

SECTION 1A - Two Percent (2%) - Calculation of Excess surplus (2014-2015 expenditures of \$100 million or less)

2014-2015 Total General Fund Expenditures per the CAFR	\$	11,101,602
Decreased by:		
On-Behalf TPAF Pension & Social Security		(942,512)
Adjusted 2014-2015 General Fund Expenditures		10,159,090
2% of Adjusted 2014-2015 General Fund Expenditures		203,182
Enter Greater of 2% of Adjusted 2014-2015 General Fund Expenditures or \$250,000		250,000
Increased by:		
Allowable Adjustment		106,874
Maximum Unassigned Fund Balance	\$	356,874

SECTION 2

Total General Fund - Fund Balance at June 30, 2015 (Per CAFR Budgetary Comparison schedule/statement)	\$	47,880
Decreased by:		
Reserved for Encumbrances		9,456
Capital Reserve		11,708
Maintenance Reserve		45,000
Maintenance Reserve - Designated for Subsequent Year's Expenditures		30,000
Excess Surplus - Designated for Subsequent Year's Expenditures		44,488
Assigned - Designated for SEMI ARRA		292
Total Unreserved/Undesignated Fund Balance for Excess Surplus Calculation	\$	(93,064)

SECTION 3

Restricted Fund Balance - Excess Surplus		
Excess Surplus Designated for Subsequent Year Expenditures	\$	44,488
	\$	44,488

Detail of Allowable Adjustments

Non-Public Transportation Aid	\$	19,662
Extraordinary Aid		87,212
	\$	106,874

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

RECOMMENDATIONS

I. Administration Practices and Procedures

It is recommended that Board Secretary and Treasurer reports be filed on a monthly basis.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Corrective action be taken to eliminate the deficit in the General Fund.
2. Internal controls be enhanced to prevent budgetary overexpenditures.
- * 3. General ledger be reconciled on a monthly basis to all supporting reports including budgetary revenue and expenditure report. Furthermore, all State aid and debit/credit memos be properly posted to the District records.
- * 4. District revenues should be properly classified and reported in the budgetary revenue report.
- * 5. The monthly and year to date 10% transfer reports be prepared and remitted to the Executive County Superintendent, and specific approval be sought for transfers exceeding the maximum allowed.
- * 6. General and food service bank accounts be reviewed monthly and all reconciling items be cleared of record.
- * 7. All claims paid and board/employee contributions be properly reflected in the unemployment insurance trust fund.
- * 8. The district records for the special revenue fund be adjusted to properly reflect final state grant awards.
9. The District records for the Special Revenue Fund be adjusted to be in agreement with Chapter 192/193 completion report.

III. School Purchasing Program

It is recommended that internal controls be enhanced to ensure all purchase orders and contract awards are encumbered.

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

RECOMMENDATIONS

IV. School Food Services

It is recommended that:

1. Internal controls be enhanced to prevent cash overdrafts.
2. Corrective action be taken to eliminate the deficit in the Food Service Fund.

V. Student Body Activities

There are none.

VI. Transportation

There are none.

VII. Application for State School Aid

There are none.

VIII. Facilities and Capital Assets

It is recommended that fixed asset reports be updated to reflect all addition and deletions.

IX. Status of Prior Year's Audit Findings/Recommendations

The prior year recommendations have been corrected by management, except those denoted with an asterisk (*).

ACKNOWLEDGEMENT

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,
LERCH, VINCI & HIGGINS, LLP



Dieter P. Lerch
Public School Accountant
Certified Public Accountant