



PERTH AMBOY BOARD OF EDUCATION
MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2015



**PERTH AMBOY BOARD OF EDUCATION
AUDITOR’S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS–
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Education
Perth Amboy Board of Education
County of Middlesex, New Jersey

We have audited, in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the City of Perth Amboy School District, County of Middlesex, as of and for the year ended June 30, 2015, and have issued our report thereon dated December 21, 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 Perth Amboy Board of Education'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 21, 2015

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Scope of Audit

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

Administrative Practices and Procedures

Insurance

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>
Derek J. Jess	School Business Administration/Board Secretary	\$ 150,000
Michael Adamshick	Treasurer of School Moneys	\$ 1,000,000

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 under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

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

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

Salary withholdings were promptly remitted to the proper agencies, including health benefit premium amounts withheld due to the general fund, where applicable.

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

Our review of the payroll accounts did not reveal any exceptions.

A review 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, and 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 did not disclose any exceptions.

Treasurer's Records

Our review of the financial and accounting records maintained by the Treasurer did not disclose any exceptions.

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 exceptions as identified on the accompanying schedule of audited enrollments. 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.

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

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 ESEA indicated no instances of noncompliance and/or questionable costs.

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 OMB Circular A-133 or NJ OMB 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 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.

Non-Public State Aid

Our review of the Nonpublic State Aid completion reports disclosed no exceptions.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2010 and thereafter, the bid thresholds in accordance with *N.J.S.A.* 18A:18A-2 and 18A:18A-3(a) are \$36,000 (with a Qualified Purchasing 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 currently \$18,300 for 2014-15.

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, amended.

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

No exceptions were noted.

School Food Service

The financial transactions and statistical records of the school food service fund were reviewed and appear to be maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis, with no exceptions identified in the A.S.S.A. section of this report.

Cash receipts and bank records were reviewed on a test basis for timely deposit, without exception.

Expenses were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified on a test check basis. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used. No exceptions were noted.

The cash disbursements records reflected expenses for program related goods and services. The District deposited and expended program monies in accordance with *N.J.S.A.* 18A:17-34, and 19-1 through 19-4.1. The appropriate revenue and expense 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 expenses.

Time sheets were reviewed and labor costs verified on a test basis. Payroll records were maintained on all School Food Services employees authorized by the Board of Education. No exceptions were noted.

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 and no exceptions noted. The number of free and reduced price meals claimed as served was compared to the number of valid applications on file and/or to the list of directly certified students, 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. There were no sites participating in Provisions I or II. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

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

Exhibits reflecting the Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section B of the CAFR.

Student Body Activities

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

Finding:

During our testing of the District's Herbert N. Richardson School and Robert N. Wilentz School, we noted instances where receipts did not have supporting documentation (*N.J.A.C. 6A:23A-16.12*).

Recommendation:

We suggest the District implement procedures at each of its schools to ensure compliance with State Department of Education requirements.

Finding:

During our testing of the District's Adult Education School, Edward J. Patten School and Perth Amboy High School, we noted instances where receipts were not deposited in a timely manner (*N.J.A.C. 6A:23A-16.12*).

Recommendation:

We suggest the District implement procedures at each of its schools to ensure deposits are made timely.

Finding:

During our testing of the District's Adult Education School, we noted that a properly dated cash receipt ledger was not maintained for the last four months of the fiscal year (*N.J.A.C. 6A:23A-16.12*).

Recommendation:

We suggest the District implement procedures to ensure compliance with State Department of Education requirements.

Finding:

During our testing of the District's Herbert N. Richardson School and Robert N. Wilentz School, we noted cancelled checks that only contained one signature, where the District's policy requires two signatures. (*N.J.A.C. 6A:23A-16.12*)

Recommendation:

We suggest the District implement procedures to ensure compliance with State Department of Education requirements.

Application for State School Aid (A.S.S.A.)

Our audit procedures included a test of information reported in the 2015-16 Application for State School Aid (ASSA), with a student count date of October 15, 2014, 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 and exceptions were noted 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 written procedures appear to be adequate for the recording of student enrollment data.

Finding:

We noted one instance where the District was being billed by a private school for the disabled after the child was no longer enrolled. Upon further investigation, it was determined that the District is subject to a refund for amounts incorrectly billed and paid.

Recommendation:

We recommend that the District strengthen controls over this process to ensure that the District does not pay educational costs for students that are no longer enrolled at the billing school.

Finding:

We noted that the District was not able to provide a detailed listing of students that supported the number of students classified as LEP Low Income nor LEP Not Low Income. The total number of LEP students was able to be reconciled to the ASSA submission with an immaterial difference of two students.

Recommendation:

We recommend that the District maintain the listing used when submitting the ASSA information.

Facilities and Capital Assets

Our procedures included a review of the New Jersey Schools Development Authority ("NJSDA") grant agreements for consistency with recording NJSDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction. No exceptions were noted in our review of NJSDA expenditures.

Miscellaneous

Finding:

During our testing of vending machine revenue, we noted that the District didn't have a formalized process to ensure that all monies collected from the vending machines are deposited to District bank accounts. However, subsequent to year-end and before the completion of our audit procedures, the District implemented a new internal control over the recording of the vending machine revenue. Each time cash is extracted from a vending machine, two people dually observe the transaction and sign off on the documentation used to support the deposit. Being that this control was implemented and we were able to observe its operation, we will not issue a recommendation for this finding.

Office of Fiscal Accountability and Compliance

The New Jersey Department of Education has completed a review of ESEA, IDEA, Race to the Top and Carl D. Perkins funds received and disbursed and issued a report dated September 23, 2015. In accordance with the monitoring report, the District adopted a resolution certifying the items identified in the report were discussed in a public meeting and approved a corrective action plan which addresses the issues identified in the report.

Follow-up on Prior Year's Findings

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations including findings. Corrective action has 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.

SCHEDULE OF MEAL COUNT ACTIVITY

PERTH AMBOY BOARD OF EDUCATION

FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND UNDERCLAIM -Federal

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE	(OVER) UNDER CLAIM
National School Lunch (High Rate)	Paid	116,404	116,404	116,404	-	\$ 0.30	\$ -
National School Lunch (High Rate)	Reduced	76,417	76,417	76,417	-	2.60	-
National School Lunch (High Rate)	Free	1,074,030	1,074,030	1,074,030	-	3.00	-
	TOTAL	1,266,851	1,266,851	1,266,851	-		-
HHFKA - PB Lunch							
National School Lunch	Only	1,266,851	1,266,851	1,266,851	-	\$ 0.06	\$ -
School Breakfast (Regular Rate)							
	Paid	-	-	-	-	\$ 0.28	\$ -
	Reduced	-	-	-	-	1.32	-
	Free	-	-	-	-	1.62	-
	TOTAL	-	-	-	-		-
School Breakfast (Severe Needs Rate)							
	Paid	158,439	158,439	158,439	-	\$ 0.28	\$ -
	Reduced	69,724	69,724	69,724	-	1.63	-
	Free	897,429	897,429	897,429	-	1.93	-
	TOTAL	1,125,592	1,125,592	1,125,592	-		-
After School Snack							
	Free (Area Eligible)	106,042	106,042	106,042	-	\$ 0.82	\$ -
	TOTAL	106,042	106,042	106,042	-		-
Total Net Underclaim							\$ -

SCHEDULE OF MEAL COUNT ACTIVITY

PERTH AMBOY BOARD OF EDUCATION

FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -STATE

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE (a)	(OVER) UNDER CLAIM (b)
State Reimbursement - National School Lunch (High Rate)	Paid	116,404	116,404	116,404	-	\$ 0.040	-
State Reimbursement - National School Lunch (High Rate)	Reduced	76,417	76,417	76,417	-	0.055	-
State Reimbursement - National School Lunch (High Rate)	Free	1,074,030	1,074,030	1,074,030	-	0.055	-
	TOTAL	<u>1,266,851</u>	<u>1,266,851</u>	<u>1,266,851</u>			

Total Net Overclaim

-

PERTH AMBOY PUBLIC SCHOOLS

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.	\$ 678,279	
B-4		Due from Other Gov'ts	531,441	
B-4		Accounts Receivable	-	
B-4		Due from Other Funds	-	
B-4		Investments	-	
CAFR		Current Liabilities		
B-4		Less Accounts Payable	(2,983)	
B-4		Less Accruals	(622,405)	
B-4		Less Due to Other Funds	(5,324)	
B-4		Less Unearned Revenue	-	
		Net Cash Resources	<u><u>\$ 579,008</u></u>	(A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	6,857,323	
B-5	Less Depreciation	<u>(76,415)</u>	
	Adj. Tot. Oper. Exp.	<u><u>\$ 6,780,908</u></u>	(B)

Average Monthly Operating Expense:

B / 10	<u><u>\$ 678,091</u></u>	(C)
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Three times monthly Average:

3 X C	<u><u>\$ 2,034,272</u></u>	(D)
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TOTAL IN BOX A	\$ 579,008
LESS TOTAL IN BOX D	<u>\$ 2,034,272</u>
NET	<u><u>\$ (1,455,264)</u></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

PERTH AMBOY BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	2015/2016 Application for State School Aid (10/15/14 data)						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 Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool - 3 yrs	505	-	505	-	-	-	317	-	317	-	-	-	-	-	-	-
Full Day Preschool - 4 yrs	569	-	569	-	-	-	201	-	201	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	820	-	820	-	-	-	121	-	121	-	-	-	-	-	-	-
One	911	-	911	-	-	-	152	-	152	-	-	-	-	-	-	-
Two	816	-	816	-	-	-	186	-	186	-	-	-	-	-	-	-
Three	785	-	785	-	-	-	174	-	174	-	-	-	-	-	-	-
Four	731	-	731	-	-	-	196	-	196	-	-	-	-	-	-	-
Five	713	-	713	-	-	-	371	-	371	-	-	-	-	-	-	-
Six	645	-	645	-	-	-	311	-	311	-	-	-	-	-	-	-
Seven	636	-	636	-	-	-	329	-	329	-	-	-	-	-	-	-
Eight	633	-	633	-	-	-	311	-	311	-	-	-	-	-	-	-
Nine	532	-	532	-	-	-	532	-	532	-	-	-	-	-	-	-
Ten	592	-	592	-	-	-	592	-	592	-	-	-	-	-	-	-
Eleven	367	-	367	-	-	-	367	-	367	-	-	-	-	-	-	-
Twelve	327	-	327	-	-	-	327	-	327	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	165	-	165	-	-	-	-	-	-	-
Adult H.S. (15 + CR)	165	-	165	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	9,747	-	9,747	-	-	-	4,652	-	4,652	-	-	-	-	-	-	-
Sp Ed - Elementary	473	-	473	-	-	-	76	-	76	-	-	-	13	7	7	-
Sp Ed - Middle School	212	11	212	11	-	-	95	11	95	11	-	-	9	8	7	1
Sp Ed - High School	201	20	201	20	-	-	200	20	200	20	-	-	40	33	33	-
Subtotal	886	31	886	31	-	-	371	31	371	31	-	-	62	48	47	1
Total	10,633	31	10,633	31	-	-	5,023	31	5,023	31	-	-	62	48	47	1
Percentage Error					0.00%	0.00%					0.00%	0.00%				2.08%

PERTH AMBOY BOARD OF EDUCATION
 SCHEDULE OF AUDITED ENROLLMENTS
 APPLICATION FOR STATE SCHOOL AID SUMMARY (continued)
 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 Application and Register	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Workpapers	and Register	Errors	Full	Shared	Full	Shared	Full	Shared	Workpapers	and Register	Errors
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	661	-	661	-	-	-	34	34	-	217	-	226	-	(9.0)	-	-	-	-
One	724	-	724	-	-	-	35	35	-	216	-	244	-	(28.0)	-	47	47	-
Two	615	-	615	-	-	-	37	37	-	174	-	194	-	(20.0)	-	30	30	-
Three	623	-	623	-	-	-	33	33	-	163	-	176	-	(13.0)	-	30	30	-
Four	556	-	556	-	-	-	33	33	-	81	-	96	-	(15.0)	-	20	20	-
Five	563	-	563	-	-	-	23	23	-	71	-	75	-	(4.0)	-	17	17	-
Six	486	-	486	-	-	-	25	25	-	94	-	108	-	(14.0)	-	15	15	-
Seven	487	-	487	-	-	-	25	25	-	84	-	89	-	(5.0)	-	18	18	-
Eight	479	-	479	-	-	-	17	17	-	84	-	104	-	(20.0)	-	11	11	-
Nine	424	-	424	-	-	-	12	12	-	122	-	148	-	(26.0)	-	12	12	-
Ten	424	-	424	-	-	-	8	8	-	67	-	92	-	(25.0)	-	8	8	-
Eleven	252	-	252	-	-	-	8	8	-	56	-	73	-	(17.0)	-	8	8	-
Twelve	214	-	214	-	-	-	9	9	-	37	-	48	-	(11)	-	9	9	-
Subtotal	6,508	-	6,508	-	-	-	299	299	-	1,466	-	1,673	-	(207.0)	-	225	225	-
Sp Ed - Elementary	353	-	353	-	-	-	10	10	-	38	-	76	-	(38.0)	-	5	5	-
Sp Ed - Middle School	158	-	158	-	-	-	1	1	-	16	-	18	-	(2.0)	-	1	1	-
Sp Ed - High School	143	-	143	-	-	-	2	2	-	13	-	12	-	1.0	-	2	2	-
Subtotal	654	-	654	-	-	-	13	13	-	67	-	106	-	(39.0)	-	8	8	-
Total	7,162	-	7,162	-	-	-	312	312	-	1,533	-	1,779	-	(246.0)	-	233	233	-

Percentage Error 0.00% 0.00% 0.00% -16.05% 0.00% 0.00%

	Reported on DRTRS by District	Reported on DRTRS by County	Errors	Tested	Verified	Errors
	Regular - Public School	218.0	218.0	-	56	56
Non-Public Transportation	-	-	-	-	-	-
Regular Special Education	35.5	35.5	-	9	9	-
Special Needs	649.5	649.5	-	167	167	-
Totals	903.0	903.0	-	232	232	-

	Reported	Recalculated
Average mileage - regular including Grade PK students	8.6	8.6
Average mileage - regular excluding Grade PK students	8.6	8.6
Average mileage - special education with special needs	4.1	4.1

Percentage Error 0.00% 0.00%

PERTH AMBOY BOARD OF EDUCATION

SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY (continued)

ENROLLMENT AS OF OCTOBER 15, 2014

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on ASSA as Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Full Day Preschool						
Full Day Kindergarten	26.0	8	18.0	-	-	-
One	36.0	2	34.0	10	10	-
Two	29.0	1	28.0	7	7	-
Three	20.0	2	18.0	2	2	-
Four	15.0	1	14.0	4	4	-
Five	8.0	2	6.0	1	1	-
Six	15.0	2	13.0	2	2	-
Seven	8.0	3	5.0	1	1	-
Eight	20.0	-	20.0	6	6	-
Nine	28.0	3	25.0	1	1	-
Ten	25.0	-	25.0	3	3	-
Eleven	18.0	1	17.0	5	5	-
Twelve	13.0	5	8.0	1	1	-
Subtotal	<u>261.0</u>	<u>30</u>	<u>231</u>	<u>43</u>	<u>43</u>	<u>-</u>
Sp Ed - Elementary	12.0	3	9	3	3	-
Sp Ed - Middle School	1.0	-	1	-	-	-
Sp Ed - High School	2.5	-	3	-	-	-
Subtotal	<u>15.5</u>	<u>3</u>	<u>13</u>	<u>3</u>	<u>3</u>	<u>-</u>
Total	<u><u>276.5</u></u>	<u><u>33</u></u>	<u><u>244</u></u>	<u><u>46</u></u>	<u><u>46</u></u>	<u><u>-</u></u>
Percentage Error			<u>88.07%</u>			<u>0.00%</u>

Perth Amboy Board of Education
EXCESS SURPLUS CALCULATION

JUNE 30, 2015

SECTION 1 - Regular District

B. 2% Calculation of Excess Surplus

2014-15 Total General Fund Expenditures Reported on Exhibit C-1	\$ <u>189,687,563</u> (A)
Increased by Applicable Transfers:	
Transfer from Capital Outlay to Capital Projects	\$ _____ - (A1a)
Transfer from Capital Reserve to Capital Projects	\$ _____ - (A1a)
Transfer from General Fund to SRF for PreK-Regular	\$ <u>504,391</u> (A1a)
Transfer from General Fund to SRF for PreK-Inclusion	\$ _____ - (A1a)
Less: Expenditures Allocated to Restricted Federal Sources as Reported on Exhibit D-2	
	\$ <u>1,886,825</u> (A1b)
2014-15 Adjusted General Fund and Other State Expenditures [(A) + (A1a) - (A1b)]	\$ <u>188,305,129</u> (A2)
Decreased by:	
On-Behalf TPAF Pension and Social Security	\$ <u>14,452,645</u> (A3)
Assets Acquired Under Capital Leases:	\$ _____ -
General Fund 10 Assets Acquired Under Capital Leases reported on Exhibit C-1a	\$ _____ - (A4)
Add:	
General Fund and 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 Percent of Fund 15 Resources Reported on Exhibit D-2	<u>98.14%</u> (A6)
General Fund and State Resources Portion of Fund 15 Assets Acquired under Capital Leases [(A5) * (A6)]	\$ _____ - (A7)
Total Assets Acquired under Capital Leases [(A4) + (A7)]	\$ _____ - (A8)
Adjusted 2014-15 General Fund Expenditures [(A2)-(A3)-(A8)]	\$ <u>173,852,484</u> (A9)
2% of Adjusted 2014-15 General Fund Expenditures [(A9) times 0.02]	\$ <u>3,477,050</u> (A10)
Enter Greater of (A10) or \$250,000	\$ <u>3,477,050</u> (A11)
Increased by: Allowable Adjustment*	\$ <u>785,128</u> (K)
Maximum Unassigned Fund Balance [(A11)+(K)]	\$ <u>4,262,178</u> (M)

Perth Amboy Board of Education
EXCESS SURPLUS CALCULATION

JUNE 30, 2015

SECTION 2

Total General Fund - Fund Balances at June 30, 2015 (Per CAFR Budgetary Comparison Schedule C-1)	\$ 139,969,114 (C)
Decreased by:	
Year end Encumbrances	\$ 8,989,253 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ - (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ - (C3)
Other Restricted / Reserved Fund Balances****	\$ 87,294,637 (C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ 29,883,733 (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 \$ 13,801,491 (U)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U)-(M)] IF NEGATIVE ENTER -0-	\$ 9,539,313 (E)
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Recapitulation of Excess Surplus as of June 30, 2015

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ - (C3)
Reserved Excess Surplus *** [(E)]	\$ 9,539,313 (E)
Total [(C3)+(E)]	\$ 9,539,313 (D)

* 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	\$ - (H)
Sales & Lease-back	\$ - (I)
Extraordinary Aid	\$ 785,128 (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)]	\$ 785,128 (K)

** 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 must agree to 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.

Perth Amboy Board of Education

EXCESS SURPLUS CALCULATION

JUNE 30, 2015

Detail of Other Reserved Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 87,294,637
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	\$ -
Impact Aid Capital Fund Reserve	\$ -
Other Restricted/Reserved Fund Balance not noted above****	\$ -
Total Other Restricted/Reserved Fund Balance	\$ 87,294,637 (C4)