

**BOARD OF EDUCATION OF THE
BOROUGH OF PINE HILL SCHOOL DISTRICT
COUNTY OF CAMDEN**

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

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**



BOROUGH OF PINE HILL SCHOOL DISTRICT
Auditor's Management Report on Administrative
Findings - Financial, Compliance and Performance

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

The Honorable President and
Members of the Board of Education
Borough of Pine Hill School District
County of Camden
1003 Turnerville Road
Pine Hill, New Jersey 08021

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 Borough of Pine Hill School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2015, which were separately issued in the Comprehensive Annual Financial Report dated December 11, 2015.

As part of our audit, we also performed procedures required by the Division of Administration and 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 issued in conjunction with the Comprehensive Annual Financial Report of the Board of Education of the Borough of Pine Hill School District, for the fiscal year ended June 30, 2015, and is intended for the information of the School District's management and the New Jersey Department of Education and should not be used by anyone other than these specified parties.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 002376

Voorhees, New Jersey
December 11, 2015

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

SCOPE OF AUDIT

The audit covered the financial transactions of the Board Secretary / School Business Administrator and the 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

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule, contained in the School District's Comprehensive Annual Financial Report ("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>
Nancy Lane	Board Secretary / School Business Administrator	\$105,000.00
Thomas Cardis	Treasurer	250,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond with the School Alliance Insurance Fund covering all other employees with \$500,000.00 of coverage per loss.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were less than estimated costs. The School District made a proper adjustment to the billings to sending districts for the 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

Sampled claims paid during the fiscal year under audit did not indicate any reportable noncompliance with respect to signatures, certification, or supporting documentation.

Payroll Account

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

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

Sampled salary withholdings were promptly remitted to the proper agencies, including health benefit premium withholdings due to the General Fund.

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

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)

Employee Position Control Roster

A sample of the Employee Position Control Roster indicated that it was in satisfactory condition.

Encumbrances and Accounts Payable

A sample of outstanding issued purchase orders was made as of June 30 for proper classification of orders as encumbrances and accounts payable. Our sample did not indicate any reportable noncompliance with respect to classification of orders.

Travel

A sample of travel expenditures during the fiscal year under audit did not indicate any reportable noncompliance.

Classification of Expenditures

The coding of expenditures was reviewed for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our randomly sampled expenditure transactions. We also reviewed the coding of all expenditures included in our compliance and single audit sampling procedures. In addition, a sample was selected that specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. Our samples did not indicate any reportable noncompliance with respect to classification of expenditures.

Board Secretary's Records

Our audit of the financial and accounting records maintained by the Board Secretary indicated that they were in satisfactory condition.

Treasurer's Records

Our audit of the financial and accounting records maintained by the Treasurer of School Moneys indicated that they were in satisfactory condition.

Elementary and Secondary Education Act (E.S.E.A.) / Improving America's Schools Act (I.A.S.A.) as reauthorized by the No Child Left Behind Act (N.C.L.B.) of 2001

The E.S.E.A. / N.C.L.B. 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 II of the Elementary and Secondary Education Act as amended and reauthorized.

The audit of compliance for E.S.E.A. did not indicate any reportable noncompliance.

Other Special Federal and / or State Projects

The School District's Other Special Projects were approved as listed on Exhibits K-3 and K-4 located in the CAFR.

Our audit of the federal and state funds on a sample 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 other special projects.

The audit of compliance for Other Special Projects did not indicate any reportable noncompliance.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)

T.P.A.F. Reimbursement

Our audit procedures included a sample of the biweekly reimbursements filed with the Department of Education for School 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 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 prior to the end of the 60 day grant liquidation period required by the Office of Grants Management. The expenditure was inspected subsequent to the reimbursement and no exceptions were noted.

SCHOOL PURCHASING PROGRAMS

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and the school contracts in general, are available on the following website: <http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>

Current statute is posted on the New Jersey Legislature website at: http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC Frame Pg42

Based on the results of my examination, I did note one contracts made for the performance of 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:

The following exception was noted in our test of compliance of the Public School Contracts Law:

Finding No. 2015-001

Our audit of compliance with the Local Public Contracts Law revealed that one contract was not bid, three contracts were not awarded in the minutes and three contract awards were not advertised.

Recommendation

That the district ensure compliance with all facets of the regulations set forth in the Local Public Contracts Law.

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

SCHOOL FOOD SERVICE

The financial transactions and statistical records of the school food service fund were audited. The financial accounts, meal count records, and eligibility applications were inspected on a sample basis. No exceptions were noted.

Cash receipts and bank records were sampled for timely deposit. No exceptions were noted.

SCHOOL FOOD SERVICE (CONT'D)

The School 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 inspected and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return a profit. The operating results provision has been met.

Expenditures should be separately recorded as food, labor, and other costs. Vendor invoices were sampled 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.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources did not exceed three months average expenditures.

Sampled time sheets were inspected and labor costs verified. Payroll records were maintained on all School food service employees authorized by the School District. 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.

Sampled applications for free and reduced price meals were inspected for completeness and accuracy. The free and reduced price meal and free milk policy was inspected for uniform administration throughout the school system. Sites approved to participate were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for audit.

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

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

STUDENT BODY ACTIVITIES

Our audit of the financial and accounting records for student activities indicated that they were in satisfactory condition.

APPLICATION FOR STATE SCHOOL AID

Our audit procedures included a sample of information reported in the October 15, 2014 Application for State School Aid ("A.S.S.A.") for on-roll, private schools for the disabled, low-income and bilingual. We also performed an inspection of the School District procedures related to its completion. The information on the A.S.S.A. was compared to the School District workpapers without exception. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

The School District maintained workpapers on the prescribed State forms or their equivalent.

The School District has adequate written procedures for the recording of student enrollment data.

PUPIL TRANSPORTATION

Our audit procedures included a sample of on-roll status reported in the 2014-2015 District Report of Transported Resident Students (“DRTRS”). The information that was reported 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 sample of transportation related contracts and purchases. Based on our sample, the School District complied with proper bidding procedures and award of contracts. No exceptions were noted in our sample of transportation related purchases of goods and services.

MISCELLANEOUS

Continuing Disclosure Agreements

The School District complied with its most recent continuing disclosure agreements made in relation to prior year bond issuances.

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

In accordance with Government Auditing Standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings with the exception of the following, most of which is repeated in this year's recommendations noted as current year finding number 2015-001.

Finding No. 2014-002

Our audit of compliance with the Local Public Contracts Law and Pay to Play Law revealed that one contract was not bid, eight contracts were not awarded in the minutes and four contract awards were not advertised.

There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2015.

ACKNOWLEDGMENT

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Daniel M. DiGangi
Public School Accountant No. CS 002376

BOROUGH OF PINE HILL SCHOOL DISTRICT
 Schedule of Meal Count Activity
 Food Service Fund
 Number of Meals Served and (Over) / Underclaim - Federal
 Enterprise Fund
 For the Fiscal Year Ended June 30, 2015

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Estimated (Over) / Under Claim</u>
National School Lunch (High Rate)	Paid	66,578	3,751	3,751	-	\$0.30	\$ -
	Reduced	26,434	1,497	1,497	-	2.60	-
	Free	115,271	6,700	6,700	-	3.00	-
	HHFKA*	<u>208,283</u>	<u>11,948</u>	<u>11,948</u>	<u>-</u>	0.06	<u>-</u>
	Total	<u>416,566</u>	<u>23,896</u>	<u>23,896</u>	<u>-</u>		<u>-</u>
School Breakfast (Severe Need Rate)	Paid	9,313	529	529	-	0.28	-
	Reduced	6,511	386	386	-	1.63	-
	Free	<u>55,084</u>	<u>3,100</u>	<u>3,100</u>	<u>-</u>	1.93	<u>-</u>
	Total	<u>70,908</u>	<u>4,015</u>	<u>4,015</u>	<u>-</u>		<u>-</u>
Special Milk	Paid	4,623	252	252	-	0.23	-
	Free	<u>3,741</u>	<u>192</u>	<u>192</u>	<u>-</u>	Average Cost	<u>-</u>
	Total	<u>8,364</u>	<u>444</u>	<u>444</u>	<u>-</u>		<u>-</u>
After School Snack	Free	<u>33,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.82	<u>-</u>
Total Net Underclaim / (Overclaim)							<u>\$ -</u>

* For "Federal Performance Based Lunch" Healthy Hunger-Free Kids Act of 2010

BOROUGH OF PINE HILL SCHOOL DISTRICT
 Schedule of Meal Count Activity
 Food Service Fund
 Number of Meals Served and (Over) / Underclaim - State
 Enterprise Fund
 For the Fiscal Year Ended June 30, 2015

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Estimated (Over) / Under Claim</u>
National School Lunch (Regular Rate)	Paid	66,578	3,751	3,751	-	\$ 0.040	\$ -
	Reduced	26,434	1,497	1,497	-	0.055	-
	Free	<u>115,271</u>	<u>6,700</u>	<u>6,700</u>	<u>-</u>	0.055	<u>-</u>
	Total	<u>208,283</u>	<u>11,948</u>	<u>11,948</u>	<u>-</u>		
Total Net Underclaim / (Overclaim)							<u>\$ -</u>

PINE HILL BOROUGH SCHOOL DISTRICT
 Schedule of Net Cash Resources
 Net Cash Resources Did/Did Not Exceed Three Months of Expenditures
 Proprietary Funds - Food Service Fund
 For the Fiscal Year Ended June 30, 2015

<u>Net Cash Resources:</u>	<u>Food Service B - 4/5</u>	
CAFR	Current Assets	
B-4	Cash & Cash Equivalents	\$ 100,413.37
B-4	Due from Other Governments	36,789.96
B-4	Due from Other Funds	
B-4	Other Accounts Receivable	4,009.35
CAFR	Current Liabilities	
B-4	Less Accounts Payable	
B-4	Less Accruals	
B-4	Less Due to Other Funds	(1,660.19)
B-4	Less Unearned Revenue	(6,577.91)
	Net Cash Resources	<u><u>\$ 132,974.58</u></u> (A)

<u>Net Adjusted Total Operating Expense:</u>		
B-5	Total Operating Expenditures	\$ 969,612.30
B-5	Less Depreciation	(20,867.98)
	Adjusted Total Operating Expense	<u><u>\$ 948,744.32</u></u> (B)

<u>Average Monthly Operating Expense:</u>		
	B / 10	<u><u>\$ 94,874.43</u></u> (C)

<u>Three Times Monthly Average:</u>		
	3 X C	<u><u>\$ 284,623.30</u></u> (D)

TOTAL IN BOX A	\$ 132,974.58
LESS TOTAL IN BOX D	\$ 284,623.30
NET	<u><u>\$ (151,648.72)</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.	

BOROUGH OF PINE HILL SCHOOL DISTRICT
 Application for State School Aid Summary
 Enrollment as of October 15, 2014

	2015-2016 Application for State School Aid				Sample for Verification				Private Schools for the Disabled					
	Reported on A.S.S.A. On Roll		Workpapers On Roll		Errors		Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool	61		61				29		29					
Full Day Preschool														
Half Day Kindergarten	134		134				61		61					
Full Day Kindergarten	116		116				55		55					
One	134		134				57		57					
Two	116		116				42		42					
Three	108		108				49		49					
Four	98		98				41		41					
Five	72		72				69		69					
Six	102		102				94		94					
Seven	90	1	90	1			83		83					
Eight	149		149				145		145					
Nine	155		155				151		151					
Ten	122		122				122		122					
Eleven	150		150				148		148					
Twelve														
Post-Graduate														
Adult H.S. (15+CR.)														
Adult H.S. (1-14CR.)														
Subtotal	1,607	1	1,607	1	-	-	1,146	-	1,146	-	-	-	-	-
Special Education-Elementary	111		111				9		9				5	5
Special Education-Middle School	72		72				1		1				6	6
Special Education-High School	143		143				25		25				14	11
Subtotal	326	-	326	-	-	-	35	-	35	-	-	-	25	22
Co. Voc. - Regular														
Co. Voc. Ft. Post Sec.														
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	1,933	1	1,933	1	-	-	1,181	-	1,181	-	-	-	25	22
Percentage Error														

BOROUGH OF PINE HILL SCHOOL DISTRICT
 Application for State School Aid Summary
 Enrollment as of October 15, 2014

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application, Test Score and Register	Sample Errors
Half Day Preschool	86	86										
Full Day Preschool	71	71		3	3		4	4		2	2	
Half Day Kindergarten	76	76					1	1		1	1	
Full Day Kindergarten	72	72		4	4		2	2		2	2	
One	61	61		8	8		2	2		2	2	
Two	45	45		33	33		1	1		1	1	
Three	37	37		32	32							
Four	55	55		15	15							
Five	51	51										
Six	41	41		32	32		1	1		1	1	
Seven	37	37		15	15							
Eight	25	25										
Nine	40	40		1	1							
Ten												
Eleven												
Twelve												
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14CR.)												
Subtotal	697	697	-	143	143	-	11	11	-	9	9	-
Special Education-Elementary	87	87		40	40							
Special Education-Middle School	48	48		36	36							
Special Education-High School	48	48										
Subtotal	183	183	-	76	76	-	-	-	-	-	-	-
Co. Voc. -Regular												
Co. Voc. Ft. Post Sec.												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Totals	880	880	-	219	219	-	11	11	-	9	9	-
Percentage Error												
Transportation												
	Reported on DTRTS by DOE/County	Reported on DTRTS by District	Errors	Tested	Verified	Errors				Reported	Re-Calculated	
Reg. - Public Schools, Col. 1	376	376		128	128					3.8	3.8	
Reg. - SpEd, Col. 4	163	163		55	55					3.8	3.8	
Transported - Non-Public, Col. 2	36	36		12	12					7.2	7.2	
Special Needs, Col. 6	97	97		33	33							
Totals	672	672	-	228	228	-						
Percentage Error												

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

BOROUGH OF PINE HILL SCHOOL DISTRICT
 Application for State School Aid Summary
 Enrollment as of October 15, 2014

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten						
One		1		1	1	
Two		1		1	1	
Three						
Four						
Five						
Six						
Seven						
Eight						
Nine						
Ten						
Eleven						
Twelve						
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14CR.)						
Subtotal	2	2	-	2	2	-
Special Education-Elementary						
Special Education-Middle School						
Special Education-High School						
Subtotal	-	-	-	-	-	-
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Subtotal	-	-	-	-	-	-
Totals	2	2	-	2	2	-
Percentage Error			-			-

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT

SECTION 1

2% Calculation of Excess Surplus

2014-15 Total General Fund Expenditures Reported on CAFR Exhibit C-1	\$ 35,126,159.97 (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	_____ (B1a)
Transfer from Capital Reserve 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	_____ 3,103,716.84 (B2a)
Assets Acquired Under Capital Leases	_____ (B2b)
Adjusted 2014-15 General Fund Expenditures [(B)+(B1s)-(B2s)]	<u>\$ 32,022,443.13 (B3)</u>
2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	<u>\$ 640,448.86 (B4)</u>
Enter Greater of (B4) or \$250,000	<u>\$ 640,448.86 (B5)</u>
Increased by: Allowable Adjustment *	<u>92,658.00 (K)</u>
Maximum Unassigned Fund Balance [(B5) + (K)]	<u>\$ 733,106.86 (M)</u>

SECTION 2

Total General Fund - Fund Balances at June 30, 2015 (Per CAFR Budgetary Comparison Schedule, Ex. C-1)	\$ 4,259,652.85 (C)
Decreased by:	
Year-End Encumbrances	_____ 481,483.59 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	_____ (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	_____ 190,502.38 (C3)
Other Restricted Fund Balances ****	_____ 2,291,574.03 (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	_____ 587,106.98 (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 708,985.87 (U1)</u>

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0- _____ (E)

Recapitulation of Excess Surplus as of June 30, 2015

Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	<u>\$ 190,502.38 (C3)</u>
Restricted - Excess Surplus *** [(E)]	<u>- (E)</u>
Total Excess Surplus [(C3)+(E)]	<u>\$ 190,502.38 (D)</u>

EXCESS SURPLUS CALCULATION (CONT'D)

REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT

Footnotes:

* This adjustment line (as detailed below) is to be utilized when applicable for:

Federal Impact Aid. The passage of P.L.2015, c46 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).

Sale & Lease-back, Extraordinary Aid, Additional Nonpublic School Transportation Aid, Recognized current year School Bus Advertising Revenue, and Family Crisis Transportation Aid. Refer to the Audit Program Section II, Chapter 10.

Detail of Allowable Adjustments

Federal Impact Aid	_____	(H)
Sale & Lease-back	_____	(I)
Extraordinary Aid	<u>\$ 86,259.00</u>	(J1)
Additional Nonpublic School Transportation Aid	<u>6,399.00</u>	(J2)
Current Year School Bus Advertising Revenue Recognized	_____	(J3)
Family Crisis Transportation Aid	_____	(J4)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	 <u>\$ 92,658.00</u>	 (K)

** This amount represents the June 30, 2014 Excess Surplus (C3 above) and must be included in the Audit Summary Line 90031. This amount was to be appropriated in the 2015-2016 general fund budget.

*** Amounts 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 another type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Division of Administration and Finance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	_____	
Sale/lease-back reserve	_____	
Capital reserve	<u>\$ 1,441,519.13</u>	
Maintenance reserve	<u>850,054.90</u>	
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 Capital Fund Reserve (Sections 8007 and 8008)	_____	
Other state/government mandated reserves	_____	
 [Other Restricted Fund Balance not noted above]****	 _____	
 Total Other Restricted Fund Balance	 <u>\$ 2,291,574.03</u>	 (C4)

