

**PLAINFIELD BOARD OF EDUCATION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2015**

**PLAINFIELD BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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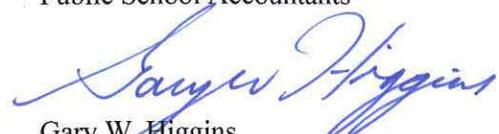
Honorable President and
Members of the Board of Trustees
Plainfield Board of Education
Plainfield, New Jersey

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 Plainfield Board of Education in the County of Union for the fiscal year ended June 30, 2015, and have issued our report thereon dated December 9, 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


Gary W. Higgins
Public School Accountant
PSA Number CS00814

Fair Lawn, New Jersey
December 9, 2015

**PLAINFIELD 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, 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.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Gary Ottmann	Business Administrator	\$182,000
Yolanda D. Koon	Asst. Business Administrator	103,000

There is a policy for Public Employees Dishonesty with Faithful Performance with the New Jersey School Boards Association Insurance Group covering all other employees with coverage of \$100,000.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any discrepancies with respect to signatures and supporting documentation.

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 were approved by the President of the Board, the Board Secretary/Business Administrator, and the Chief School Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits premium withholding due to general fund.

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

The Board has implemented and maintains a personnel tracking and accounting (Position Control) system.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

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

Financial Planning, Accounting and Reporting (Continued)

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-2.4. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in good condition.

Bids received were summarized in the minutes (N.J.S.A.18A:18A-21).

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

The prescribed contractual order system was followed.

The Chief School Administrator did perform cash reconciliations for the general operating account, payroll account and payroll agency account (N.J.S.A. 18A:17-36).

The Chief School Administrator's records were in agreement with the records of the Board Secretary.

Unemployment Compensation Insurance Trust Fund

The Board had adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the Expendable 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./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, II and III and the Elementary and Secondary Education Act as amended and reauthorized.

Our examination of the ESEA/NCLB 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 Exhibits K-3 and 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 contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

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

Financial Planning, Accounting and Reporting (Continued)

T.P.A.F. Reimbursements

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.

The reimbursement to the State for the amount of the expenditure charged to the current year's Final Report 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 required by the Office of Grants Management and also subsequent to the 90 days required by *N.J.S.A. 18A:66-90*. Accordingly, the expenditure was not in accordance with State law (90 days).

Recommendation -- The district should remit payment to the State for the TPAF/FICA payments made by the State on behalf of the school district within the 60 day grant liquidation period and/or within the statutory 90 day liquidation period.

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.

Pursuant to *N.J.S.A. 18A:18A-3*, a board of education may increase the bid threshold to \$36,000 if the District employs a Qualified Purchasing Agent. The District's School Administrator is qualified pursuant to subsection b of section 9 of *P.L. 1971, c. 198 (c.40A:11-9)* and the board of education has increased the bid threshold to \$36,000.

The law regulating bidding for public school student transportation contracts under *N.J.S.A. 18A:39-3* is currently \$18,300.

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.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or goods or service, 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 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*.

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 that purchases were made through the use of State contracts and cooperative agreements.

Finding -- The audit indicated the District utilized a state contract vendor for the purchase of gasoline and diesel fuel, however, the vendor was not approved by Board resolution. No recommendation is warranted since this is considered an isolated instance.

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

School Food Service

The financial transactions and statistical records of the School Food Services were reviewed. 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 deposit.

The District has contracted with Sodexo Management, Inc. as its 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 return a profit of at least \$250,000. The operating results provision has been met.

As part of the claims review process the Edit Check Worksheet was completed. Reimbursement vouchers were timely filed and no exceptions were noted between meals claimed and meal count records.

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 and/or to the list of certified students on file, times the number of operating days. The free and reduced price meal policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications was completed timely 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 maintained in order to substantiate the non-profit status of the school food service. Net cash resources did not exceed three months average expenditures.

Food Distribution Program commodities were received 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 Body Activity

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

Finding – Our audit of the student activity funds revealed the following:

- Certain cash receipts were not deposited in a timely manner.
- Certain cash receipts could not be verified to supporting documents.
- The composition of deposit did not agree to the detail on the bank deposit ticket for certain cash receipts.
- Supporting documentation for certain payments were not available for audit.
- Only one authorized check signature was included on certain checks issued from student activity bank accounts.

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

Student Body Activity (Continued)

- Withdrawal authorization forms were not utilized for certain cash disbursements.
- Approval signatures were missing on withdrawal authorization forms.

Recommendation – Internal controls over the Student Activity funds be reviewed and enhanced.

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, low-income and bilingual. 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 results of our procedures are presented in the Schedule of Audited Enrollments.

The district maintained workpapers on the prescribed state forms or their equivalent.

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

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2014-2015 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments which includes immaterial exceptions.

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

Our procedures included a review of the School Development Authority (SDA) grant agreement for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction.

Since the District is classified as a School Based Budget District, certain SDA grant activity was conducted by the State on behalf of the Board.

Suggestions to Management

- It is suggested that old outstanding checks on certain District bank reconciliations be reviewed and cleared of record.
- Interfunds be cleared of record as of June 30.

Follow-up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action was taken on all prior year findings.

**PLAINFIELD BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<u>Program</u>	<u>Meals Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Under (Over) Claim</u>
National School Lunch (High Rate)	Paid	102,590	39,753	39,753	-	\$ 0.30	-
	Reduced	60,930	24,087	24,087	-	2.60	-
	Free	<u>798,624</u>	<u>305,110</u>	<u>305,110</u>	<u>-</u>	3.00	<u>-</u>
	Total Lunch	<u>962,144</u>	<u>368,950</u>	<u>368,950</u>	<u>-</u>		<u>-</u>
National School Lunch	HHFKA-PB Lunch Only	<u>962,144</u>	<u>368,950</u>	<u>368,950</u>	<u>-</u>	0.06	<u>-</u>
	School Breakfast (Severe Needs Rate)						
	Paid	60,216	19,066	19,066	-	0.28	-
	Reduced	29,584	10,095	10,095	-	1.63	-
	Free	<u>341,384</u>	<u>116,787</u>	<u>116,787</u>	<u>-</u>	1.93	<u>-</u>
	Total Breakfast	<u>431,184</u>	<u>145,948</u>	<u>145,948</u>	<u>-</u>		<u>-</u>
School Snacks (At Risk/Area Eligible)	Paid						
	Reduced						
	Free	<u>89,314</u>	<u>30,712</u>	<u>30,712</u>	<u>-</u>	0.82	<u>\$ -</u>
	Total Snacks	<u>89,314</u>	<u>30,712</u>	<u>30,712</u>	<u>-</u>		<u>-</u>
		<u>2,444,786</u>	<u>914,560</u>	<u>914,560</u>	<u>-</u>		<u>\$ -</u>

**PLAINFIELD BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
CALCULATION OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Current Assets	
Cash and Cash Equivalents	\$ 732,322
Due from Other Governments	276,031
Accounts Receivable	111,825
Current Liabilities	
Due to Other Funds	(440,191)
Net Cash Resources	<u>\$ 679,987</u>
<u>Adjusted Total Operating Expense:</u>	
Total Operating Expenses	\$ 4,616,279
Less Depreciation	(50,235)
Adjusted Total Operating Expense	<u>\$ 4,566,044</u>
<u>Average Monthly Operating Expense:</u>	<u>\$ 456,604</u>
<u>Three Times Monthly Average:</u>	<u>\$ 1,369,813</u>
Total Net Cash Resources	\$ 679,987
Three Times Monthly Average	1,369,813
Excess(Deficit) Cash Resources	<u>\$ (689,826)</u>

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

	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
Half Day Preschool 3 Years Old						
Full Day Preschool 3 Years Old						
Half Day Preschool 4 Years Old						
Full Day Preschool 4 Years Old						
Half Day Kindergarten						
Full Day Kindergarten	614	614	-	13	13	-
Grade 1	652	652	-	12	11	1
Grade 2	615	615	-	12	12	-
Grade 3	589	589	-	11	11	-
Grade 4	535	535	-	11	11	-
Grade 5	411	411	-	9	9	-
Grade 6	354	354	-	7	7	-
Grade 7	317	317	-	6	6	-
Grade 8	340	340	-	8	8	-
Grade 9	338	338	-	8	8	-
Grade 10	359	359	-	8	8	-
Grade 11	334	334	-	8	8	-
Grade 12	269	269	-	6	6	-
Post- Graduate	-	-	-	-	-	-
Adult High School (15+ Credits)	-	-	-	-	-	-
Adult High School (1-14 Credits)	-	-	-	-	-	-
Subtotal	5,727	5,727	-	119	118	1
Sp Ed - Elementary	450.0	450.0	-	8	8	-
Sp Ed - Middle School	227.0	227.0	-	5	5	-
Sp Ed - High School	214.0	214.0	-	5	5	-
Subtotal	891.0	891.0	-	18	18	-
County Vocational - Regular	-	-	-	-	-	-
County Vocational - F.T. Post-Second	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	6,618.0	6,618.0	-	137.0	136.0	1.0
Percentage Error			<u>0.00%</u>			<u>0.73%</u>

	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
Half Day Preschool 3 Years Old						
Full Day Preschool 3 Years Old						
Half Day Preschool 4 Years Old						
Full Day Preschool 4 Years Old						
Half Day Kindergarten						
Full Day Kindergarten	345	345	-	10	10	-
Grade 1	346	346	-	11	11	-
Grade 2	343	343	-	10	10	-
Grade 3	323	323	-	10	10	-
Grade 4	165	165	-	5	5	-
Grade 5	55	55	-	2	2	-
Grade 6	54	54	-	2	2	-
Grade 7	48	48	-	2	2	-
Grade 8	81	81	-	2	2	-
Grade 9	114	114	-	3	3	-
Grade 10	110	110	-	3	3	-
Grade 11	109	109	-	3	3	-
Grade 12	46	46	-	1	1	-
Post- Graduate	-	-	-	-	-	-
Adult High School (15+ Credits)	-	-	-	-	-	-
Adult High School (1-14 Credits)	-	-	-	-	-	-
Subtotal	2,139	2,139	-	64	64	-
Sp Ed - Elementary	138.0	138.0	-	5	5	-
Sp Ed - Middle School	8.0	8.0	-	1	1	-
Sp Ed - High School	1.0	1.0	-	1	1	-
Subtotal	147.0	147.0	-	7	7	-
County Vocational - Regular	-	-	-	-	-	-
County Vocational - F.T. Post-Ser	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	2,286.0	2,286.0	-	71.0	71.0	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	812.0	812.0	-	118.0	115.0	3.0
Regular - Special Ed	441.0	441.0	-	64.0	63.0	1.0
Aid in Lieu	169.0	169.0	-	25.0	23.0	2.0
Transported - Non Public	292.0	292.0	-	43.0	43.0	-
Special Needs	202.0	202.0	-	29.0	29.0	-
Totals	1,916.0	1,916.0	-	279.0	273.0	6.0
Percentage Error			<u>0.00%</u>			<u>2.15%</u>

**PLAINFIELD BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2014
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on A.S.S.A as Not Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool 3 Years Old						
Full Day Preschool 3 Years Old						
Half Day Preschool 4 Years Old						
Full Day Preschool 4 Years Old						
Half Day Kindergarten						
Full Day Kindergarten	22	22	-	7	7	-
Grade 1	8	8	-	3	3	-
Grade 2	13	13	-	3	3	-
Grade 3	5	5	-	2	2	-
Grade 4	1	1	-	1	1	-
Grade 5	4	4	-	2	2	-
Grade 6	1	1	-	1	1	-
Grade 7	3	3	-	2	2	-
Grade 8	6	6	-	2	2	-
Grade 9	31	31	-	10	10	-
Grade 10	20	20	-	5	5	-
Grade 11	11	11	-	4	4	-
Grade 12	6	6	-	2	2	-
Post- Graduate						
Adult High School (15+ Credits)						
Adult High School (1-14 Credits)						
Subtotal	131	131	-	44	44	-
Sp Ed - Elementary	10.0	10.0	-	4	4	-
Sp Ed - Middle School	1.0	1.0	-	1	1	-
Sp Ed - High School			-			-
Subtotal	11.0	11.0	-	5	5	-
County Vocational - Regular						
County Vocational - F.T. Post-Second						
Subtotal	-	-	-	-	-	-
Totals	142.0	142.0	-	49.0	49.0	-
Percentage Error			0.00%			0.00%

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

Section 1

Calculation A: 2% Excess Surplus:

All districts required to use school-based budgeting are required to complete this calculation using 2%.

2014-2015 Total General Fund Expenditures reported on Exhibit C-1	\$ 156,147,072
Add: Transfer from General Fund to Special Revenue Fund for Preschool - Regular	468,384
Less: Expenditures allocated to restricted federal sources as reported on Exhibit D-2	(1,312,014)
2014-2015 Adjusted General Fund & Other State Expenditures	155,303,442
Decreased by:	
On-Behalf TPAF Pension & Social Security	(11,094,829)
2014-2015 General Fund Expenditures	\$ 144,208,613
2% of Adjusted 2014-2015 General Fund Expenditures (or \$250,000)	\$ 2,884,172
Increased by: Allowable Adjustment - Additional Nonpublic Transportation Aid	36,929
Allowable Adjustment - Extraordinary Aid (Excess of Budgeted Amount)	581,947
Maximum Unassigned Fund Balance	\$ 3,503,048

SECTION 2

Total General Fund - Fund Balances at June 30, 2015	\$ 29,796,511
(Per CAFR Budgetary Comparison schedule/statement)	
Decreased by:	
Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 1,606,783
Capital Reserve	8,000,000
Capital Reserve - Designated for Subsequent Year's Expenditures	3,000,000
Maintenance Reserve	3,000,000
Committed - Year End Encumbrances	3,931,040
Assigned - Year End Encumbrances	805,034
Assigned - ARRA/SEMI Designated for Subsequent Year's Expenditures	118,769
Assigned - Designated for Subsequent Year's Expenditures	5,838,654
	26,300,280
Total Unassigned Fund Balance	\$ 3,496,231

SECTION 3

Fund Balance - Excess Surplus \$ -

Recapitulation of Excess Surplus as of June 30, 2015

Excess Surplus - Designated for Subsequent Year's Expenditures	1,606,783
	\$ 1,606,783

**PLAINFIELD BOARD OF EDUCATION
ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

General Fund (Funds 11, 12, 13)

Encumbrances per the June 30, 2015 Board Secretary Report \$ 2,143,913

<u>Description</u>	<u>Total by Category</u>	<u>Amount Properly Encumbered</u>	<u>Encumbrances Cancelled Through Audit Adjustments</u>
Regular Instruction			
Special Education Instruction			
Other Instruction			
Student Support Services	\$ 60,400	\$ 60,400	
Plant Operations and Maintenance	632,473	632,473	
Transportation			
Capital Outlay	<u>1,451,040</u>	<u>1,451,040</u>	<u>-</u>
	<u>\$ 2,143,913</u>	<u>\$ 2,143,913</u>	<u>\$ -</u>

Total Encumbrances Created During the Audit 503,749

Committed Fund Balance - Year End Encumbrances in the CAFR - June 30, 2015 \$ 2,647,662

Blended Resource Fund (Fund 15)

Encumbrances per the June 30, 2015 Board Secretary Report \$ 112,161

<u>Description</u>	<u>Total by Category</u>	<u>Amount Properly Encumbered</u>	<u>Encumbrances Cancelled Through Audit Adjustments</u>
Regular Instruction	\$ 112,161	\$ 112,161	
Special Education Instruction			
Other Instruction			
Student Support Services			
Transportation			
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 112,161</u>	<u>\$ 112,161</u>	<u>\$ -</u>

Total Encumbrances Created During the Audit 1,976,251

Committed Fund Balance - Year End Encumbrances in the CAFR - June 30, 2015 \$ 2,088,412

**PLAINFIELD BOARD OF EDUCATION
ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Special Revenue Fund (Fund 20)

Encumbrances per the June 30, 2015 Board Secretary Report \$ 104,573

<u>Description</u>	<u>Total by Category</u>	<u>Amount Properly Encumbered</u>	<u>Encumbrances Cancelled Through Audit Adjustments</u>
Regular Instruction			
Special Education Instruction			
Other Instruction	\$ 77,784	\$ 77,784	
Student Support Services	26,789	26,789	
Transportation			
Capital Outlay	<u>-</u>	<u>-</u>	<u>\$ -</u>
	<u>\$ 104,573</u>	<u>\$ 104,573</u>	<u>\$ -</u>

Total Encumbrances Reclassified During the Audit -

Committed Fund Balance - Year End Encumbrances in the CAFR - June 30, 2015 \$ 104,573

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

RECOMMENDATIONS

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that the District should remit payment to the State for the TPAF/FICA payments made by the State on-behalf of the School District within the 60 day grant liquidation period and/or within the statutory 90 day liquidation period.

III. School Purchasing Program

There are none.

IV. School Food Service

There are none.

V. Student Body Activities

It is recommended that internal controls over the Student Activity funds be reviewed and enhanced.

VI. Application for State School Aid

There are none.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

There are none.

IX. Miscellaneous

There are none.

Status of Prior Years' Audit Findings/Recommendations

Corrective action was taken on all prior year audit findings/recommendations.

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

ACKNOWLEDGMENT

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

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP



Gary W. Higgins
Public School Accountant
Certified Public Accountant