

**DELSEA REGIONAL HIGH SCHOOL
DISTRICT BOARD OF EDUCATION**
Franklinville, New Jersey

Auditor's Management Report on Administrative
Findings – Financial, Compliance, and Performance
For the Year Ended June 30, 2015

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

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Delsea Regional High School District
242 Fries Mill Road
P.O. Box 405
Franklinville, New Jersey 08322

We have audited, in accordance with generally accepted audit 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 Delsea Regional High School District in the County of Gloucester for the year ended June 30, 2015, and have issued our report thereon dated December 15, 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 solely for the information and use of the management of the Delsea Regional High School District, the New Jersey Department of Education, others within the organization and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542

December 15, 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 Monies, 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 District's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Joseph M. Collins	Board Secretary/Business Administrator	\$35,000
Angela M. Gregory	Treasurer of School Monies	\$245,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs of the items tested were greater than the estimated costs charged.

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

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.

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

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the General Fund.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (Superintendent, Assistant Superintendents, and Business Administrator) to the NJ Department of Treasury was filed by the March 15 due date.

Reporting of employee compensation for income tax related purposes complied with federal and state regulations regarding the compensation which is required to be reported.

The board of education did not make merit bonus payments.

Employee Position Control Roster

An inquiry and subsequent review of the Position Control Roster found inconsistencies between the payroll records, employee benefit records (e.g. pension reports and health benefit coverage reports), the general ledger accounts to where wages are posted (administrative versus instruction), and the Position Control Roster. The district is in the process of updating the Position Control Roster.

Unemployment Compensation Trust Fund

The Board adopted the direct reimbursement method and has established an Unemployment Compensation Trust Fund.

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. District personnel performed an analysis of outstanding purchase orders at June 30 and prepared separate listings of purchase orders comprising the balance sheet account balances for accounts payable and reserve for encumbrances.

Travel

The district has an approved board travel policy as required by NJAC 6A:23a-6.13 and NJSA 18A:11-12.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with NJAC 6A:23-2.2(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 classification to determine overall reliability and compliance with NJAC 6A:23-8.2. As a result of the procedures performed, we found no errors in the classification of expenditures 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 disclosed the following items:

Finding 2015-001: Three out of ten vendors tested were not issued a 1099 when required.

Recommendation: The District review the vendor listing at year end to insure that vendors are issued a Form 1099 when required.

Finding 2015-003: Numerous audit adjustments were required for prior period audit adjustments, adjustments to cash made by the Treasurer, interfunds, receivables, receipts, and disbursements, to bring the District's accounting records into compliance with NJAC 6A:23A-16.2, et. seq.

Recommendation: The Business Administrator review the transactions and balances in the general and subsidiary ledgers.

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

Treasurer's Records

The Treasurer's records were examined and were found to be in agreement with the records maintained by the Board Secretary. The Treasurer deposited all funds of the District in a timely manner in accordance with NJSA 18A:17-34. Monthly bank reconciliations were prepared by the Treasurer for the general operating account, payroll account, and payroll agency account (NJSA 18A-17-36).

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

The ESEA/NCLB financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I and VI of the Elementary and Secondary Education Act as amended.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the Single Audit Section of the District's CAFR.

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

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

TPAF Reimbursement

Our audit procedures included a test of the bi-weekly reimbursement filed with the Department of Education for District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

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 prior to the end of the 60 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

NJSA 18A:18A-3 states:

- a. When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection (b) of section 9 of P.L. 1971, c.198 (C40A:11-9), the board of education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b. Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection (a) of this section or the threshold amount

Contracts and Agreements Requiring Advertisement for Bids (Continued)

resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined, in NJSA 18A:18A-2 and shall round the adjustment to the nearest \$1,000. The governor shall notify all local school districts of the adjustment no later than June 1st of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made.

Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection (a) of NJSA 18A:18A-5 may be awarded for a period not exceeding 12 consecutive months.

NJSA 18A:18A-4 states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertisement for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law."

The bid thresholds in accordance with NJSA 18A:18A-2 and 18A:39-3(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 contract under NJSA 18A:39-3 is currently \$18,300.

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.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or good 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.

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

Finding 2015-004: The District purchased smartboards from a vendor approved as a national cooperative contract, at a cost of \$88,721. However, no board approval was obtained, no documentation of the cost savings determination was made, nor did the contracting unit provide public notice to current contract holders and prospective bidders of their decision to utilize a national cooperative purchasing agreement that would otherwise require public bidding as required by P.L. 2011, c.139.

Recommendation: The School District adopt internal control procedures over procurement and purchasing through a national cooperative contract to ensure documentation of compliance with P.L. 2011, c.139.

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. No exceptions noted.

Cash receipts and bank records were reviewed for timely deposit.

School Food Service (Continued)

The District utilizes a food service management company and is depositing and expending funds in accordance with NJSA 18A:17-34, and 19-1 through 19-4.1.

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.

Payroll records were maintained on all school food service 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. The number of free and reduced price meals claimed as served was compared to the number of valid applications on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal policy was reviewed for uniform administration throughout the school system.

Sites approved to participate in Provisions 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 review. No exceptions noted.

Food Distribution Program commodities were received and a separate 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 District's CAFR.

Student Body Activities

A review of the Student Activity Funds disclosed that cash receipts were deposited in a timely manner and cash disbursements contained proper supporting documentation.

Application for State School Aid

The audit procedures of the previous auditor included a test of information reported in the October 15, 2014, Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low-income, and bilingual. We also performed a review of the District's procedures related to its completion. The information on the ASSA was compared to the District's work papers. The information that was included on the work papers was verified. The results of the procedures are presented in the Schedule of Audited Enrollments.

The District maintained work papers on the prescribed state forms or their equivalent.

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

Application for State School Aid (Continued)

Finding 2015-002: District work papers do not agree with totals on the Application for State School Aid.

Recommendation: Application for State School Aid should agree with District work papers.

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 without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

Miscellaneous

The School District complied with continuing disclosure agreements made in relation to prior year's bond issuances. This obligation included filing audit reports on the Electronic Municipal Market Access (EMMA).

Follow-up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action had been taken on all prior year findings with the exception of the following, which is repeated in this year's recommendations noted as current year finding:

Finding 2015-002: District work papers do not agree with totals on the Application for State School Aid.

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

DELSEA REGIONAL HIGH SCHOOL DISTRICT
 FOOD SERVICE FUND
 NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL
 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)
National School Lunch (Regular Rate)	Paid	69,634	69,634	69,634	0	0.28	0.00
National School Lunch (Regular Rate)	Reduced	13,443	13,443	13,443	0	2.58	0.00
National School Lunch (Regular Rate)	Free	45,882	45,882	45,882	0	2.98	0.00
	Total	<u>128,959</u>	<u>128,959</u>	<u>128,959</u>	<u>0</u>		<u>0.00</u>
National School Lunch	HHFKA-PB Lunch Only	128,959	128,959	128,959	0	0.06	0.00
School Breakfast (Regular Rate)	Paid	4,767	4,767	4,767	0	0.28	0.00
	Reduced	3,023	3,023	3,023	0	1.32	0.00
	Free	15,532	15,532	15,532	0	1.62	0.00
	Total	<u>23,322</u>	<u>23,322</u>	<u>23,322</u>	<u>0</u>		<u>0.00</u>
Total Net Overclaim							<u>0.00</u>

SCHEDULE OF MEAL COUNT ACTIVITY
DELSEA REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - STATE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(CONTINUED)

Program	Meal Category	Meals Claimed	Meals Tested	Meals Verified	Difference	Rate (a)	(Over) Under - Claim (b)
State Reimbursement - National School Lunch (Regular Rate)	Paid	69,634	69,634	69,634	0	0.040	0.00
State Reimbursement - National School Lunch (Regular Rate)	Reduced	13,443	13,443	13,443	0	0.055	0.00
State Reimbursement - National School Lunch (Regular Rate)	Free	45,882	45,882	45,882	0	0.055	0.00
	Total	<u>128,959</u>	<u>128,959</u>	<u>128,959</u>	<u>0</u>		<u>0.00</u>

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.	\$ 101,766
B-4		Due from Other Gov'ts	46,959
B-4		Accounts Receivable	12,507
B-4		Investments	
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(2,954)
B-4		Less Accruals	
B-4		Less Due to Other Funds	(23,438)
B-4		Less Deferred Revenue	<u>(4,603)</u>
		Net Cash Resources	<u>\$ 130,237</u> (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	\$ 690,145	
B-5	Less Depreciation	<u>(2,011)</u>	
	Adj. Tot. Oper. Exp.	<u>\$ 688,134</u>	(B)

Average Monthly Operating Expense:

B / 10	<u>\$ 68,813</u>	(C)
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Three times monthly Average:

3 X C	<u>\$ 206,440</u>	(D)
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TOTAL IN BOX A	\$ 130,237
LESS TOTAL IN BOX D	<u>206,440</u>
NET	<u>\$ (76,203)</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

DELSEA REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014

	2014-2015 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on ASSA On Roll		Reported on Work Papers On Roll		Errors		Sample Selected from Work Papers		Verified per Registers on Roll		Errors per Registers on Roll		Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Seven	211		211					210		207		(3)				
Eight	252		252					252		252						
Nine	292		292					292		292						
Ten	238		238					238		238						
Eleven	246		246					246		246						
Twelve	254	1	254	1				254	1	254	1					
	<u>1,493</u>	<u>1</u>	<u>1,493</u>	<u>1</u>	<u>0</u>			<u>1,492</u>	<u>1</u>	<u>1,489</u>	<u>1</u>	<u>(3)</u>				
Special Ed - Middle School	75		75					10		13		3	3	3	3	
Special Ed - High School	136	1	135	1	(1)			15		15			17	15	15	
	<u>211</u>	<u>1</u>	<u>210</u>	<u>1</u>	<u>(1)</u>			<u>25</u>		<u>28</u>		<u>3</u>	<u>20</u>	<u>18</u>	<u>18</u>	
	<u>1,704</u>	<u>2</u>	<u>1,703</u>	<u>2</u>	<u>(1)</u>			<u>1,517</u>	<u>1</u>	<u>1,517</u>	<u>1</u>	<u>0</u>	<u>20</u>	<u>18</u>	<u>18</u>	
Percentage Error					<u>-0.06%</u>	<u>0.00%</u>						<u>0.00%</u>	<u>0.00%</u>			<u>0.00%</u>

	Resident Low Income						Resident LEP Low Income																	
	Reported on ASSA as Low Income		Reported on Work Papers as Low Income		Errors		Sample Selected from Work Papers		Verified to Application and Registers		Sample Errors		Reported on ASSA as Low Income		Reported on Work Papers as Low Income		Errors		Sample Selected from Work Papers		Verified to Application and Registers		Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Seven	48	48	0		11	11				0	0													
Eight	57	59	(2)		30	30																		
Nine	72	75	(3)		30	30																		
Ten	53	57	(4)		35	35																		
Eleven	59	62	(3)		33	33																		
Twelve	36	39	(3)		26	26																		
	<u>325</u>	<u>340</u>	<u>(15)</u>		<u>165</u>	<u>165</u>				<u>0</u>	<u>0</u>			<u>0</u>	<u>0</u>									
Special Ed - Middle School	27	27	0		12	12																		
Special Ed - High School	65	66	(1)		33	33																		
	<u>92</u>	<u>93</u>	<u>(1)</u>		<u>45</u>	<u>45</u>																		
Juvenile Detention Center	1		1																					
	<u>418</u>	<u>433</u>	<u>(15)</u>		<u>210</u>	<u>210</u>				<u>0</u>	<u>0</u>			<u>0</u>	<u>0</u>									
Percentage Error			<u>-3.59%</u>																					

DELSEA REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2014
(CONTINUED)

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on ASSA as NOT Low Income	Reported on Work Papers as NOT Low Income	Errors	Sample Selected from Work Papers	Verified to Application and Registers	Sample Errors
Seven						
Eight						
Nine	2	2		2	2	
Ten	1	1		1	1	
Eleven						
Twelve						
	<u>3</u>	<u>3</u>		<u>3</u>	<u>3</u>	
Special Ed - Elementary						
Special Ed - Middle School						
	<u>3</u>	<u>3</u>		<u>3</u>	<u>3</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

	Transportation					
	Reported on DTRS by DOE/County	Reported on DTRS by District	Errors	Tested	Verified	Errors
Regular Public Schools	1,067.0	1,067.0		230	230	
Regular Special Education	139.5	139.5		50	50	
Transported Non-Public	31.0	31.0		20	20	
Special Needs - Public	85.5	85.5		35	35	
AIL Non-Public School Students	47.0	47.0		40	40	
	<u>1,370</u>	<u>1,370</u>		<u>375</u>	<u>375</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

	Reported	Recalculated
Reg. Avg. (Mileage) = Regular Including Grade PK (Part A)	5.95	5.95
Reg. Avg. (Mileage) = Regular Excluding Grade PK (Part B)	5.95	5.95
Spec Avg. = Special Ed. with Special Needs	9.4	9.4

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2014-2015 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>32,457,302</u> (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 Pre-K - Regular	\$ _____ (B1c)
Transfer from General Fund to SRF for Pre-K - Inclusion	\$ _____ (B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	\$ <u>2,375,287</u> (B2a)
Assets Acquired Under Capital Leases	\$ <u>384,076</u> (B2b)
 Adjusted 2014-2015 General Fund Expenditures [(B)+(B1s)-(B2s)]	 \$ <u>29,697,939</u> (B3)
 2% of Adjusted 2014-2015 General Fund Expenditures [(B3) times .02]	 \$ <u>593,959</u> (B4)
Enter Greater of (B4) or \$250,000	\$ <u>593,959</u> (B5)
Increased by: Allowable Adjustment *	\$ <u>91,161</u> (K)
 Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]	 \$ <u>685,120</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-2015 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>7,780,870</u> (C)
Decreased by:	
Year-end Encumbrances	\$ <u>1,061,002</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____ (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>2,458,405</u> (C3)
Other Restricted Fund Balances****	\$ <u>1,263,769</u> (C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures**	\$ <u>379,000</u> (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 \$ <u>2,618,694</u> (U1)

SECTION 3

Restricted Fund Balance - Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 1,933,574 (E)

Recapitulation of Excess Surplus as of June 30, 2015

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures** \$ 2,458,405 (C3)
 Reserved Excess Surplus*** [(E)] \$ 1,933,574 (E)

Total [(C3)+(E)] \$ 4,391,979 (D)

* (Refer to the Audit Program Section II, Chapter 10), for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Non-Public School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ <u>73,691</u>	(J1)
Additional Non-Public School Transportation Aid	\$ <u>17,470</u>	(J2)
Current Year School Bus Advertising Revenue Recognizer	\$ _____	(J3)
Family Crisis Transportation Aic	\$ _____	(J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>91,161</u>	(K)

** This amount represents the June 30, 2014, Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amounts must agree to the June 30, 2015, CAFR and must agree to Audit Summary Worksheet Line 90030.

**** Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory Restrictions:

Approved Unspent Separate Proposal	\$ _____
Capital Outlay for a District with a Capital Outlay Cap Waiver	\$ _____
Sale/Lease-back Reserve	\$ _____
Capital Reserve	\$ <u>1,263,769</u>
Maintenance Reserve	\$ _____
Emergency Reserve	\$ _____
Waiver Offset Revenue	\$ _____
Tuition Reserve	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - Current Year	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - Prior Year	\$ _____
Other State/Government Mandated Reserve	\$ _____
[Other Restricted Fund Balance not Noted Above]****	\$ _____
 Total Other Restricted Fund Balance	 \$ <u>1,263,769</u> (C4)