

**SUMMIT PUBLIC SCHOOLS
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2015**

**SUMMIT PUBLIC SCHOOLS
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Trustees
City of Summit Public Schools
Summit, 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 Summit Public Schools as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated November 24, 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

Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
November 24, 2015

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, 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 reported on Exhibit J-20 as contained in the district's Comprehensive Annual Financial Report (the "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>
Mr. Louis J. Pepe	Board Secretary/Assistant Superintendent for Business	\$150,000
Scott Olsen	Treasurer of School Monies	350,000

There is Employees' Dishonesty with Faithful Performance coverage with Selective Insurance Company of America covering all other employees.

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll/Personnel

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 certified 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 the General Fund.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Financial Planning, Accounting and Reporting (Continued)

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.

Travel

The District had an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

Payments made to employees for a travel event were in accordance with the approved travel policy.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-A-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 .11 percent overall was 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.

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

Bids received were summarized in the minutes.

Treasurer's Records

The Treasurer did perform cash reconciliations for all the accounts as required (N.J.S.A. 18A:17-36).

All cash receipts were promptly deposited.

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

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the Fiduciary Fund.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Financial Planning, Accounting and Reporting (Continued)

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

The E.S.E.A. financial exhibits are contained within the Special Revenue section of the CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I, II and III of the Elementary and Secondary Education Act as amended and reauthorized.

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

Other Special Federal and/or State Projects

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

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

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

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.

TPAF 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 for all federal awards for the school district (or charter school or renaissance school project) to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district (or charter school or renaissance school project) for those employees whose salaries are identified as being paid from federal funds was made subsequent to the end of the 60 day grant liquidations 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 for all federal awards.

Non-Public State Aid

Project completion reports were finalized and transmitted to the State by the due date.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 qualifying purchasing agent) and \$26,000 (without a qualifying purchasing agent), respectively. On May 16, 2011 the Board appointed the Business Administrator/Board Secretary as the District's qualified purchasing agent which 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 Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Board Attorney'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:18-4.

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

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, however, that the district purchased items through the use of State contracts.

The District had a Public School Contracts Law compliance review that cited one immaterial comment, therefore no recommendation warranted.

Food Service Fund

The financial transactions and statistical records of the school food services were maintained in good condition. 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 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 reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the Food Service will have a minimum profit of \$50,000. The operating results provision has been met.

The number of meals claimed for reimbursement was compared to sales and meal count records, resulting in immaterial differences. As part of the claims review process the edit check worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Food Service Fund (Continued)

Applications for free and reduced 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 directly certified students on file, times the number of operating days, on a school-by-school basis. The required verification procedures for free and reduced price applications were completed and available for review.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified.

Inventory records on food 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 exceed three months average expenditures.

Net cash resources did not exceed three months average expenditures.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education. No exceptions were noted.

Food Distribution Program commodities were reviewed 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.

Flash Program

The records for the Flash Program were in satisfactory condition.

Student Activity Funds

The District had a policy and procedures in place for regulating the student activity funds.

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 school for the handicapped, low-income, related services and bilingual education. 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 with isolated exceptions. The information that was included on the workpapers was verified with isolated exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

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

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2014-2015 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with isolated exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

Facilities and Capital Assets

Our procedures included a review of 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 contracts for eligible facilities construction.

Follow-Up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action has been taken on the prior year finding. The District had a consolidated monitoring report completed on their federal programs by the Department of Education. The report was issued subsequent to year end and the District is in the process of implementing corrective action.

**SUMMIT PUBLIC SCHOOLS
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

SCHEDULE OF MEAL COUNT ACTIVITY

<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>(Over) Under Claim</u>
National School Lunch (Regular Rate)	Paid	191,692	98,441	98,441	-	\$ 0.280	\$ -
	Reduced	15,138	7,745	7,745	-	2.530	-
	Free	<u>59,421</u>	<u>30,518</u>	<u>30,518</u>	<u>-</u>	<u>2.930</u>	<u>-</u>
	Total	<u>266,251</u>	<u>136,704</u>	<u>136,704</u>	<u>-</u>	<u>5.74</u>	<u>-</u>
National School Lunch	HHFKA- PB Lunch Only	<u>266,251</u>	<u>136,704</u>	<u>136,704</u>	<u>-</u>	<u>0.06</u>	<u>-</u>
School Breakfast (Regular Rate)	Paid	2,396	1,083	1,083	-	0.28	-
	Reduced	1,191	609	609	-	1.28	-
	Free	<u>8,290</u>	<u>4,152</u>	<u>4,152</u>	<u>-</u>	<u>1.58</u>	<u>-</u>
	Total	<u>11,877</u>	<u>5,844</u>	<u>5,844</u>	<u>-</u>	<u>3.14</u>	<u>-</u>
Severe Need School Breakfast	Paid	1,279	657	657	-	0.28	-
	Reduced	414	212	212	-	1.59	-
	Free	<u>2,402</u>	<u>1,077</u>	<u>1,077</u>	<u>-</u>	<u>1.89</u>	<u>-</u>
	Total	<u>4,095</u>	<u>1,946</u>	<u>1,946</u>	<u>-</u>	<u>3.76</u>	<u>-</u>
Total Net Under-Claim							<u><u>-</u></u>

**SUMMIT PUBLIC SCHOOLS
NET CASH RESOURCE SCHEDULE**

Net cash resources did/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.	\$ 412,631
B-4		Due from Other Gov'ts	28,074
B-4		Accounts Receivable	
B-4		Investments	
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(41,377)
B-4		Less Accruals	
B-4		Less Due to Other Funds	
B-4		Less Deferred Revenue	<u>(1,247)</u>
		Net Cash Resources	<u>\$ 398,081</u> (A)
 <u>Net Adj. Total Operating Expense:</u>			
B-5		Tot. Operating Exp.	1,741,238
B-5		Less Depreciation	<u>(40,025)</u>
		Adj. Tot. Oper. Exp.	<u>\$ 1,701,213</u> (B)
 <u>Average Monthly Operating Expense:</u>			
		B / 10	<u>\$ 170,121</u> (C)
 <u>Three times monthly Average:</u>			
		3 X C	<u>\$ 510,364</u> (D)

TOTAL IN BOX A	\$	398,081.00	
LESS TOTAL IN BOX D	\$	510,363.90	
NET	\$	<u>(112,282.90)</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

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

	Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A	Reported on Workpapers	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A	Reported on Workpapers	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Pre K (3yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Pre K (3yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Pre K (4yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Pre K (4yrs)	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	4	3	1	1	1	-	2	2	-	1	1	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Grade 1	40	40	-	8	8	-	17	17	-	10	10	-
Grade 2	37	37	-	6	6	-	20	20	-	12	12	-
Grade 3	39	39	-	8	8	-	9	9	-	6	6	-
Grade 4	29	29	-	5	4	1.0	6	6	-	3	3	-
Grade 5	30	30	-	5	6	(1.0)	3	3	-	2	2	-
Grade 6	26	26	-	6	6	-	2	2	-	1	1	-
Grade 7	34	34	-	6	6	-	4	4	-	3	3	-
Grade 8	40	40	-	7	7	-	1	1	-	1	1	-
Grade 9	43	43	-	8	8	-	3	3	-	2	2	-
Grade 10	48	49	(1)	10	9	1.0	9	9	-	4	4	-
Grade 11	32	31	1	6	7	(1.0)	6	6	-	3	3	-
Grade 12	32	32	-	7	7	-	-	-	-	-	-	-
Subtotal	434	433	1	83	83	-	82	82	-	48	48	-
Sp Ed - Elementary	35	35	-	26	26	-	1	1	-	1	1	-
Sp Ed - Middle School	36	36	-	15	15	-	-	-	-	-	-	-
Sp Ed - High School	55	54	1	22	22	-	-	-	-	-	-	-
Subtotal	126	125	1	63	63	-	1.0	1.0	-	1	1	-
Totals	560	558	2	146	146	-	83.0	83.0	-	49	49	-
Percentage Error			0.36%			0.00%			0.00%			0.00%

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	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	23.0	23	-	17	15	(2.0)
Special Ed. - Public	10.0	10.0	-	7	9	2.0
Transported - Non - Public	-	-	-	-	-	-
Special Needs - Public	34.0	34.0	-	25	25	-
Subtotal	67.0	67.0	-	49	49	-
Percentage Error			0.00%			0.00%

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

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	<u>Resident LEP Not Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A</u>	<u>Reported on Workpapers</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Pre K (3yrs)	-	-	-	-	-	-
Full Day Pre K (3yrs)	-	-	-	-	-	-
Half Day Pre K (4yrs)	-	-	-	-	-	-
Full Day Pre K (4yrs)	-	-	-	-	-	-
Half Day Kindergarten	26	26	-	16	16	-
Full Day Kindergarten	-	-	-	-	-	-
Grade 1	11	11	-	7	7	-
Grade 2	9	9	-	5	5	-
Grade 3	4	4	-	2	2	-
Grade 4	7	7	-	4	4	-
Grade 5	2	2	-	1	1	-
Grade 6	2	2	-	1	1	-
Grade 7	4	4	-	3	3	-
Grade 8	5	5	-	4	4	-
Grade 9	2	2	-	1	1	-
Grade 10	3	3	-	2	2	-
Grade 11	1	1	-	1	1	-
Grade 12	-	-	-	-	-	-
Subtotal	<u>76</u>	<u>76</u>	-	<u>47</u>	<u>47</u>	-
Sp Ed - Elementary	2	2	-	2	2	-
Sp Ed - Middle School	-	-	-	-	-	-
Sp Ed - High School	-	-	-	-	-	-
Subtotal	<u>2</u>	<u>2</u>	-	<u>2</u>	<u>2</u>	-
Totals	<u><u>78</u></u>	<u><u>78</u></u>	-	<u><u>49</u></u>	<u><u>49</u></u>	-
			<u><u>0.00%</u></u>			<u><u>0.00%</u></u>

**SUMMIT PUBLIC SCHOOLS
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

2014-2015 Total General Fund Expenditures per the CAFR	\$ 69,383,331
Increased by:	
Transfer from Capital Reserve to Capital Projects Fund	489,758
Decreased by:	
On-Behalf TPAF Pension & Social Security	6,694,521
Adjusted 2014-2015 General Fund Expenditures	\$ 63,178,568
2% of Adjusted 2014-2015 General Fund Expenditures	1,263,571
Increased by: Allowable Adjustment- Extraordinary Aid	56,493
Maximum Unassigned Fund Balance	\$ 1,320,064

SECTION 2

Total General Fund - Fund Balance at June 30, 2015	\$ 6,053,811
Decreased by:	
Year End Encumbrances	569,959
Legally Restricted- Excess Surplus- Designated for Subsequent Year's Expenditures	959,553
Other Restricted Fund Balances	2,119,040
Assigned Fund Balance-Unreserved-Designated for Subsequent Year's Expenditures	207,932
Assigned Fund Balance- ARRA Semi-Unreserved-Designated for Subsequent Year's Expenditures	24,015
Total Unassigned Fund Balance	\$ 2,173,312

SECTION 3

Reserved Fund Balance - Excess Surplus \$ 853,248

Recapitulation of Excess Surplus as of June 30, 2015

Reserve Excess Surplus- Designated for Subsequent Year's Expenditures	\$ 959,553
Reserve Excess Surplus	853,248
Total Excess Surplus	\$ 1,812,801

Detail of Allowable Adjustments

Extraordinary Aid \$ 56,493

Detail of Restricted Fund Balances

Capital Reserve	\$ 1,569,040
Emergency Reserve	400,000
Maintenance Reserve	150,000
	\$ 2,119,040

SUMMIT PUBLIC SCHOOLS

RECOMMENDATIONS

I. **Administration Practices and Procedures**

There are none.

II. **Financial Planning, Accounting and Reporting**

There are none.

III. **School Purchasing Program**

There are none.

IV. **Food Service Fund**

There are none.

V. **Flash Program**

There are none.

VI. **Student Body Activities**

There are none.

VII. **Application for State School Aid**

There are none.

VIII. **Pupil Transportation**

There are none.

IX. **Facilities and Capital Assets**

There are none.

X. **Miscellaneous**

There are none.

XI. **Status of Prior Year Audit Findings/Recommendations**

In accordance with government auditing standards, our procedures included a review of the prior year recommendations; corrective action has been taken on all prior year recommendations.

SUMMIT PUBLIC SCHOOLS

RECOMMENDATIONS

(continued)

ACKNOWLEDGEMENT

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

A handwritten signature in blue ink, appearing to read "Paul J. Lerch", is written over the printed name.

Paul J. Lerch
Public School Accountant
Certified Public Accountant