



**TOMS RIVER REGIONAL SCHOOL DISTRICT  
COUNTY OF OCEAN**

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

**JUNE 30, 2015**



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## INDEPENDENT AUDITORS' REPORT

Honorable President and Members  
of the Board of Education  
Toms River Township Board of Education  
County of Ocean, 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 Board of Education of the Toms River Regional School District, County of Ocean as of and 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 of the Toms River Regional School District's management, Board of Education members, others within the entity and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



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**TOMS RIVER REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL,  
COMPLIANCE AND PERFORMANCE**

**Scope of Audit**

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

**Administrative Practices and Procedures**

Insurance

Fire insurance coverage was carried in the amounts as detailed on J-20, Insurance Schedule contained in the District's CAFR.

Official Bonds *N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13*

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Matt K. Varley	Treasurer of School Monies	\$ 725,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than or less than estimated costs. The District made a proper adjustment to the billings to sending Districts for the increase (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*.

**Financial Planning, Accounting and Reporting**

Examination of Claims

An examination of claims paid during the period did not indicate any discrepancies with respect to signatures, certification or supporting documentation. No discrepancies or exceptions were noted.

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 Superintendent and were certified by the President of the Board and the Board Secretary/Business Administrator.

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

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

**TOMS RIVER REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL,  
COMPLIANCE AND PERFORMANCE**

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. No exceptions were noted.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6A:23A-16.2(f)* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.3*. As a result of the procedures performed, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed no exceptions.

Treasurer's Records

Our review of the financial and accounting records maintained by the Treasurer disclosed no exceptions.

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 of the Elementary and Secondary School Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. /I.A.S.A. /N.C.L.B. indicated no exceptions.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (K-4) located in the CAFR.

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

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

The study of compliance for the special projects indicated the following areas of improvement to be in compliance with Federal OMB Circular A-133 or State Circular 15-08.

**TOMS RIVER REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL,  
COMPLIANCE AND PERFORMANCE**

*Finding 2015-001:*

In accordance with Federal OMB Circular A-110, A-192 Common Rule, and the OMB Compliance Supplement, the District is required to ensure that no sub-award, contract, or agreement of goods or services is made with any debarred or suspended party. During our testing of the IDEA (Basic & Preschool) major program, we identified that the District did not verify that vendors paid with federal funds were not listed as federally suspended or debarred parties, as determined by the General Services Administration, through review of the Excluded Parties List System located at [www.sam.gov](http://www.sam.gov). It should be noted however, that our testing found that the District did not make any payments to a vendor on the Excluded Parties List.

*Recommendation:*

We suggest the District access the sam.gov site and confirm that the vendors are not listed as federally debarred or suspended prior to any transactions or commitment of funds are made.

The District has already implemented a new procedure, effective November 2, 2015, which requires the purchasing department's review of the Excluded Parties List System located at [www.sam.gov](http://www.sam.gov). Once the vendor is deemed to be in good standing, the purchasing department documents that information on the purchase requisition before a purchase order is committed.

*Finding 2015-002:*

In accordance with EDGAR, 34 CFR Part 76.708, the project period for the IDEA-B Basic and Preschool grant is July 1- June 30. Several expenditures were paid with the 2015 IDEA-B Basic or Preschool award dated July 1, 2014 through June 30, 2015 that pertained to goods or services that related to the year ended June 30, 2014. Consequently, these transactions were spent outside of the period of performance of the grant period.

*Recommendation:*

As part of the District's review process over federal grant related purchases, we suggest the District review the dates of the service, and the purchase date of the goods to ensure the cash disbursement or commitment of funds is within the grants' period of performance to conform to federal compliance standards and regulations.

T.P.A.F. Reimbursement

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

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 reviewed subsequent to the reimbursement and no exceptions were noted.

**TOMS RIVER REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL,  
COMPLIANCE AND PERFORMANCE**

Non-Public State Aid

Our review of non-public state aid did not disclose any exceptions.

**School Purchasing Programs**

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2011 and thereafter, the bid thresholds in accordance with *18A:18A-2 and 18A:18A-3(a)* are \$36,000 (with a Qualified Purchasing Agent) and \$26,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under 18A:39-3 is currently \$18,300 for 2014-2015.

The District has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Procedures were performed on a test basis, to indicate if any individual payments, contracts, or agreements were made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A. 18A:18A-4*, as amended.

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 services fund were reviewed on a test check basis. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis and no exceptions were noted.

Cash receipts and bank records were reviewed on a test basis for timely deposit and no exceptions were noted.

The District operates food service transactions in house through the general receipts and disbursements process. 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 and/or to the list of directly certified students on file, times the number of operating days, on a school by school basis. The free and reduced price meal and free milk policy was reviewed for its uniform administration throughout the School System. Sites approved to participate in Provisions I and II were examined for compliance with all

**TOMS RIVER REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL,  
COMPLIANCE AND PERFORMANCE**

counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

Expenses 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 donation 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 B of the CAFR.

### **Student Body Activities**

During our audit of the student activity funds, we noted the following opportunities for improvement.

*Finding 2015-003:*

Intermediate School South could not provide support for four cash receipt transactions tested during the audit. Therefore, we could not conclude that the funds received and deposited agreed to appropriate supporting documentation.

*Recommendation:*

We suggest the school maintain appropriate documentation to substantiate all cash received and reported in the School's cash receipt ledger.

During our audit, we noted certain items that were purchased from the District's student activity funds that would be more appropriately purchased through the District's purchasing department. Most of the transactions tested were prior to the District's implementation of the corrective action plan from the 2014 audit. A new process was put into place prior to June 30, 2015. The administration office selected two months out of the year and requested all cash receipt and cash disbursement ledgers and supporting documentation from the respective schools and performed a thorough review of that schools documentation. This review consisted of confirming funds are deposited timely, and ensuring that the cash disbursements are appropriate student activity purchases. Since the District has already put a new process in place prior to June 30, 2015, further recommendations are not warranted.

**TOMS RIVER REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL,  
COMPLIANCE AND PERFORMANCE**

**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 information that was included on the workpapers was verified as presented in the Schedule of Audited Enrollments. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

The District 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.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The District purchased two buses during the 2014-2015 school year. No exceptions were noted in our review of transportation related purchases of goods and services.

**Facilities and Capital Assets**

There were no transactions with SDA during the 2015 fiscal year and therefore this section is not applicable.

**Other Suggestions to Management**

As indicated in the management and leasing contract between the District and NAI Atlantic Coast Realty dated June 12, 2014 and for the period July 1, 2014 through June 30, 2015, NAI is subject to all state laws and statutes, including procurement laws which govern local school districts. During our testing over expenditures of the Corporate Center enterprise fund, it was noted that the agent (NAI) does have a process in place to obtain quotes for transactions that exceed 15% of the bid threshold required to be in compliance with local public contracts law, however the process is informal and not well documented. It would benefit the District if NAI develops a formal process that is well documented to show that NAI obtained at least two written quotes to reflect that the District is receiving the best pricing and services.

**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.

**TOMS RIVER REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL,  
COMPLIANCE AND PERFORMANCE**

**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

TOMS RIVER REGIONAL SCHOOL DISTRICT  
FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -Federal  
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	329,785	329,785	329,785	-	\$ 0.28	
National School Lunch (Regular Rate)	Reduced	67,934	67,934	67,934	-	2.58	
National School Lunch (Regular Rate)	Free	382,200	382,200	382,200	-	2.98	
	TOTAL	<u>779,919</u>	<u>779,919</u>	<u>779,919</u>	-		<u>-</u>
National School Lunch	HHFKA	<u>779,919</u>	<u>779,919</u>	<u>779,919</u>	-	\$ 0.06	<u>-</u>
	TOTAL	<u>779,919</u>	<u>779,919</u>	<u>779,919</u>	-		<u>-</u>
National School Breakfast (Regular Rate)	Paid	4,803	4,803	4,803	-	\$ 0.28	
National School Breakfast (Regular Rate)	Reduced	792	792	792	-	1.32	
National School Breakfast (Regular Rate)	Free	12,368	12,368	12,368	-	1.62	
	TOTAL	<u>17,963</u>	<u>17,963</u>	<u>17,963</u>	-		<u>-</u>
National School Breakfast (Severe Needs)	Paid	29,122	29,122	29,122	-	\$ 0.28	
National School Breakfast (Severe Needs)	Reduced	12,948	12,948	12,948	-	1.63	
National School Breakfast (Severe Needs)	Free	108,458	108,458	108,458	-	1.93	
	TOTAL	<u>150,528</u>	<u>150,528</u>	<u>150,528</u>	-		<u>-</u>
<b>Total Net (Over) Under Claim</b>							<u>\$ -</u>

SCHEDULE OF MEAL COUNT ACTIVITY

TOMS RIVER REGIONAL SCHOOL DISTRICT  
FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -STATE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE (a)	(OVER) UNDER CLAIM (b)
State Reimbursement -National School Lunch (Regular Rate)	Paid	329,785	329,785	329,785	-	\$ 0.040	-
State Reimbursement -National School Lunch (Regular Rate)	Reduced	67,934	67,934	67,934	-	0.055	-
State Reimbursement -National School Lunch (Regular Rate)	Free	382,200	382,200	382,200	-	0.055	-
	<b>TOTAL</b>	<b>779,919</b>	<b>779,919</b>	<b>779,919</b>	<b>-</b>		<b>-</b>

**Total Net (Over) Under Claim**

\$ -

# NET CASH RESOURCE SCHEDULE

## TOMS RIVER REGIONAL SCHOOL DISTRICT

Net cash resources did/did not exceed three months of expenditures  
 Proprietary Funds - Food Service  
 Year ended June 30, 2015

<u>Net Cash Resources:</u>			Food Service B - 4/5		
CAFR	*	<b>Current Assets</b>			
B-4		Cash & Cash Equiv.	\$	57,133	
B-4		Due from Other Gov'ts			
B-4		Accounts Receivable		446,958	
B-4		Investments			
CAFR		<b>Current Liabilities</b>			
B-4		Less Accounts Payable		(1,845)	
B-4		Less Accruals		(4,343)	
B-4		Less Interfund Payable		(297,674)	
B-4		Less Compensated Absences		(112,888)	
B-4		Less Unearned Revenue		(93,703)	
		<b>Net Cash Resources</b>	<b>\$</b>	<b>(6,362)</b>	<b>(A)</b>

<u>Net Adj. Total Operating Expense:</u>					
B-5		Tot. Operating Exp.		4,637,519	
B-5		Less Depreciation		(76,738)	
		Adj. Tot. Oper. Exp.	<b>\$</b>	<b>4,560,781</b>	<b>(B)</b>

<u>Average Monthly Operating Expense:</u>					
		B / 10	<b>\$</b>	<b>456,078.10</b>	<b>(C)</b>

<u>Three times monthly Average:</u>					
		3 X C	<b>\$</b>	<b>1,368,234.30</b>	<b>(D)</b>

TOTAL IN BOX A	\$	(6,362.00)	
LESS TOTAL IN BOX D	\$	1,368,234.30	
NET	<b>\$</b>	<b>(1,374,596.30)</b>	
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.			

**SCHEDULE OF AUDITED ENROLLMENTS**

**Toms River Regional 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 Disabled				
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi-cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	771.0	-	771.0	-	-	-	56.0	-	56.0	-	-	-	-	-	-	-	-
Full Day Kindergarten	55.0	-	55.0	-	-	-	55.0	-	55.0	-	-	-	-	-	-	-	-
One	1,052.0	-	1,052.0	-	-	-	122.0	-	122.0	-	-	-	-	-	-	-	-
Two	1,073.0	-	1,073.0	-	-	-	104.0	-	104.0	-	-	-	-	-	-	-	-
Three	1,041.0	-	1,041.0	-	-	-	118.0	-	118.0	-	-	-	-	-	-	-	-
Four	1,004.0	-	1,004.0	-	-	-	106.0	-	106.0	-	-	-	-	-	-	-	-
Five	1,075.0	-	1,075.0	-	-	-	120.0	-	120.0	-	-	-	-	-	-	-	-
Six	1,018.0	-	1,018.0	-	-	-	359.0	-	359.0	-	-	-	-	-	-	-	-
Seven	1,066.0	-	1,066.0	-	-	-	298.0	-	298.0	-	-	-	-	-	-	-	-
Eight	1,051.0	-	1,051.0	-	-	-	363.0	-	363.0	-	-	-	-	-	-	-	-
Nine	1,084.0	-	1,084.0	-	-	-	313.0	-	313.0	-	-	-	-	-	-	-	-
Ten	1,102.0	-	1,102.0	-	-	-	524.0	-	524.0	-	-	-	-	-	-	-	-
Eleven	1,012.0	123	1,012.0	123.0	-	-	256.0	37.0	256.0	37.0	-	-	-	-	-	-	-
Twelve	1,046.0	132	1,046.0	132.0	-	-	450.0	32.0	450.0	32.0	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	13,450.0	255	13,450.0	255.0	-	-	3,244.0	69.0	3,244.0	69.0	-	-	-	-	-	-	-
Special Ed - Elementary	942.0	-	942.0	-	-	-	-	-	-	-	-	-	20.0	17.0	17.0	-	-
Special Ed - Middle School	574.0	-	574.0	-	-	-	-	-	-	-	-	-	13.0	8.0	8.0	-	-
Special Ed - High School	603.0	148	603.0	148.0	-	-	174.0	67.0	174.0	67.0	-	-	35.5	28.0	28.0	-	-
Subtotal	2,119.0	148	2,119.0	148.0	-	-	174.0	67.0	174.0	67.0	-	-	68.5	53.0	53.0	-	-
Co. Voc. - Regular																	
Co. Voc. Ft. Post Sec.																	
Totals	15,569.0	403	15,569.0	403.0	-	-	3,418.0	136.0	3,418.0	136.0	-	-	68.5	53.0	53.0	-	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%	

**SCHEDULE OF AUDITED ENROLLMENTS**

**Toms River Regional School District  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2014**

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	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 Test Score and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	194.0	194.0	-	13.0	13.0	-	20.0	20.0	-	11.0	11.0	-
Full Day Kindergarten	31.0	31.0	-	3.0	3.0	-	-	-	-	-	-	-
One	347.0	347.0	-	24.0	24.0	-	40.0	40.0	-	20.0	20.0	-
Two	350.0	350.0	-	23.0	23.0	-	7.0	7.0	-	5.0	5.0	-
Three	321.0	321.0	-	21.0	21.0	-	1.0	1.0	-	1.0	1.0	-
Four	274.0	274.0	-	19.0	19.0	-	4.0	4.0	-	3.0	3.0	-
Five	282.0	282.0	-	19.0	19.0	-	1.0	1.0	-	1.0	1.0	-
Six	275.0	275.0	-	20.0	20.0	-	2.0	2.0	-	2.0	2.0	-
Seven	280.0	280.0	-	19.0	19.0	-	1.0	1.0	-	2.0	2.0	-
Eight	270.0	270.0	-	19.0	19.0	-	2.0	2.0	-	2.0	2.0	-
Nine	285.0	285.0	-	19.0	19.0	-	2.0	2.0	-	2.0	2.0	-
Ten	245.0	245.0	-	16.0	16.0	-	5.0	5.0	-	4.0	4.0	-
Eleven	224.5	224.5	-	15.0	15.0	-	2.0	2.0	-	2.0	2.0	-
Twelve	211.0	211.0	-	14.0	14.0	-	1.0	1.0	-	1.0	1.0	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>3,589.5</u>	<u>3,589.5</u>	<u>-</u>	<u>244.0</u>	<u>244.0</u>	<u>-</u>	<u>88.0</u>	<u>88.0</u>	<u>-</u>	<u>56.0</u>	<u>56.0</u>	<u>-</u>
Special Ed - Elementary	398.0	398.0	-	27.0	27.0	-	2.0	2.0	-	2.0	2.0	-
Special Ed - Middle	257.0	257.0	-	15.0	15.0	-	-	-	-	-	-	-
Special Ed - High	256.0	256.0	-	17.0	17.0	-	1.0	1.0	-	1.0	1.0	-
Subtotal	<u>911.0</u>	<u>911.00</u>	<u>-</u>	<u>59.0</u>	<u>59.00</u>	<u>-</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	<u>4,500.5</u>	<u>4,500.5</u>	<u>-</u>	<u>303.0</u>	<u>303.0</u>	<u>-</u>	<u>91.0</u>	<u>91.0</u>	<u>-</u>	<u>59.0</u>	<u>59.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

**Transportation**

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
	Reg - Public Schools, col. 1	5,133.0	5,133.0	-	221.0	221.0
Reg -SpEd, col. 4	864.5	864.5	-	37.0	37.0	-
Transported - Non-Public, col. 3	703.0	703.0	-	30.0	30.0	-
Special Ed Spec, col. 6	568.5	568.5	-	24.0	24.0	-
Totals	<u>7,269.0</u>	<u>7,269.0</u>	<u>-</u>	<u>312.0</u>	<u>312.0</u>	<u>-</u>
Percentage Error						<u>0.00%</u>

	Reported	Recalculated
Reg Avg (Mileage) = Regular Including Grade PK students (Part A)	4.2	4.2
Reg Avg (Mileage) = Regular Excluding Grade PK students (Part B)	4.2	4.2
Spec Avg. = Special Ed with Special Needs	7.8	7.8

Toms River Regional School District

SCHEDULE OF AUDITED ENROLLMENTS

APPLICATION FOR STATE SCHOOL AID SUMMARY

ENROLLMENT AS OF OCTOBER 15, 2014

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	21.0	21.0	-	12.0	12.0	-
Full Day Kindergarten	-	-	-	-	-	-
One	11.0	11.0	-	4.0	4.0	-
Two	-	-	-	-	-	-
Three	4.0	4.0	-	1.0	1.0	-
Four	3.0	3.0	-	1.0	1.0	-
Five	1.0	1.0	-	1.0	1.0	-
Six	2.0	2.0	-	2.0	2.0	-
Seven	3.0	3.0	-	2.0	2.0	-
Eight	1.0	1.0	-	1.0	1.0	-
Nine	5.0	5.0	-	4.0	4.0	-
Ten	5.0	5.0	-	4.0	4.0	-
Eleven	1.0	1.0	-	1.0	1.0	-
Twelve	3.5	3.5	-	2.0	2.0	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>60.5</u>	<u>60.5</u>	<u>-</u>	<u>35.0</u>	<u>35.0</u>	<u>-</u>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>60.5</u>	<u>60.5</u>	<u>-</u>	<u>35.0</u>	<u>35.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**Toms River  
Regional School District**

**Excess Surplus Calculation**

**June 30, 2015**

**SECTION 1 – Regular District**

**A. 2% Calculation of Excess Surplus**

2014-15 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ 230,528,524 (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	\$ 19,218,084 (B2a)
Assets Acquired Under Capital Leases	\$ 1,651,236 (B2b)
Adjusted 2014-15 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ 209,659,204 (B3)
2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	\$ 4,193,184 (B4)
Enter Greater of (B4) or \$250,000	\$ 4,193,184 (B5)
Increased by: Allowable Adjustment*	\$ 658,839 (K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5) +	\$ 4,852,023 (M)

**Toms River  
Regional School District**

**Excess Surplus Calculation**

**June 30, 2015**

**SECTION 2**

Total General Fund - Fund Balances at 6-30-15 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 21,458,509</u> (C)
Decreased by:	
Year-end Encumbrances	<u>\$ 2,861,669</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -</u> (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	<u>\$ 403,454</u> (C3)
Other Restricted Fund Balances****	<u>\$ 11,376,620</u> (C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	<u>\$ 902,052</u> (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 <u>\$ 5,914,714</u> (U1)

**SECTION 3**

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	<u>\$ 1,062,691</u> (E)
--	-------------------------

**Recapitulation of Excess surplus as of June 30, 2015**

Reserve Excess Surplus- Designated for Subsequent Year's Expenditures**	<u>\$ 403,454</u> (C3)
Reserve Excess Surplus *** [(E)]	<u>\$ 1,062,691</u> (E)
Total [(C3)+(E)]	<u>\$ 1,466,145</u> (D)

\*Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

(H) Federal Impact Aid. The passage of P.L.2015, c.46 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

**Toms River  
Regional School District**

**Excess Surplus Calculation**

**June 30, 2015**

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);

- (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);
- (J1) Extraordinary Aid;
- (J2) Additional Nonpublic School Transportation Aid;
- (J3) Recognized current year School Bus Advertising Revenue; and
- (J4) Family Crisis Transportation Aid.

**Detail of Allowable Adjustments**

Impact Aid	\$ _____ - (H)
Sales & Lease-back	\$ _____ - (I)
Extraordinary Aid	\$ 634,131 (J1)
Additional Nonpublic School Transportation Aid	\$ 24,708 (J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____ - (J3)
Family Crisis Transportation Aid	\$ _____ - (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	<u>\$ 658,839 (K)</u>

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

\*\*\* Amount must agree to the June 30, 2015 CAFR and must agree to Audit Summary Worksheet 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 any other 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.

**Toms River  
Regional School District**

**Excess Surplus Calculation**

**June 30, 2015**

**Detail of Other Restricted Fund Balance**

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 4,023,926
Maintenance reserve	\$ 6,647,730
Emergency reserve	\$ 704,964
Tuition reserve	\$ -
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ -
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$ -
Impact Aid General Fund Reserve	\$ -
Impact Aid Capital Fund Reserve	\$ -
Other state/government mandated reserve	\$ -
[Other Restricted Fund Balance not noted above]****	\$ -
 Total Other Restricted Fund Balance	 <u>\$ 11,376,620 (C4)</u>