

WAYNE TOWNSHIP PUBLIC SCHOOLS  
COUNTY OF PASSAIC  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015

WAYNE TOWNSHIP PUBLIC SCHOOLS  
COUNTY OF PASSAIC  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
TABLE OF CONTENTS

	<u>Page</u>
Cover Letter	1
General Comments:	2
Scope of Audit	2
Administrative Practices and Procedures:	2
Insurance	2
Officials in Office and Surety Bonds	2
Tuition Charges (Not Applicable)	2
Financial Planning, Accounting and Reporting:	2
Examination of Claims	2
Payroll Account and Position Control Roster	2
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Board Secretary's Records	3
Treasurer's Records	3
No Child Left Behind (N.C.L.B.)	3
Other Special Federal and/or State Projects	3
T.P.A.F. Reimbursement	4
School Purchasing Programs:	4
Contracts and Agreements Requiring Advertisement for Bids	4
School Food Service	5
Extended Day Program Enterprise Fund	7
Student Body Activities	7
Application for State School Aid	7
Pupil Transportation	7
Travel Expense and Reimbursement Policy	7
Facilities and Capital Assets	8
Management Suggestions	8
Miscellaneous	9
Status of Prior Year's Findings/Recommendations	9
Schedule of Meal/Milk Count Activity (Not Applicable)	
Schedule of Net Cash Resources (Not Applicable)	
Schedule of Audited Enrollments	10
Excess Surplus Calculation	14
Summary of Recommendations	16



Mount Arlington Corporate Center  
200 Valley Road, Suite 300  
Mt. Arlington, NJ 07856  
973-328-1825 | 973-328-0507 Fax  
Lawrence Business Center  
11 Lawrence Road  
Newton, NJ 07860  
973-383-6699 | 973-383-6555 Fax

December 7, 2015

The Honorable President and Members  
of the Board of Education  
Wayne Township Public Schools  
County of Passaic, NJ

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 financial statements of the Board of Education of Wayne Township Public Schools in the County of Passaic for the fiscal year ended June 30, 2015, and have issued our report thereon dated December 7, 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 letter does not affect our report dated December 7, 2015, on the financial statements of the Board.

We will review the status of the comments, during our next audit engagement. We have already discussed any comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended for the information of the Wayne Township Public Schools' management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

NISIVOCCIA LLP

---

Kathryn L. Mantell  
Licensed Public School Accountant #2140  
Certified Public Accountant

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015

Scope of Audit

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

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Heather L. Reeves	Treasurer	\$ 550,000
Juanita A. Petty	School Business Administrator/Board Secretary	100,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

The net salaries of 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 certified by the President of the Board and the School Business Administrator, and the Superintendent.

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

The required certification (ECERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrators) to the NJ Department of Treasury was filed by the March 15 due date.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

Classification of Expenditures – General and Administrative

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, we reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

No Child Left Behind (N.C.L.B.)

The N.C.L.B. financial exhibits are contained herein within the Special Revenue Section of the District's CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I, II and III of the No Child Left Behind Act.

The study of compliance for the N.C.L.B. did not indicate any area of noncompliance.

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 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.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
 (Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Other Special Federal and/or State Projects (Cont'd)

A review was completed by the State of New Jersey Department of Education, Office of Fiscal Accountability and Compliance (the "State") for the I.D.E.A. Basic and Preschool and Elementary and Secondary Education Act (ESEA) grant programs for the period July 1, 2013 through February 28, 2015. The District received the consolidating monitoring report in July 2015 and the District implemented a state approved corrective action plan.

T.P.A.F. Reimbursement

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

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2015. The reimbursement form was reviewed and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 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 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 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 N.J.S.A. 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 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made . . . ."

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

N.J.S.A. 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 advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law . . . ."

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. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is \$18,300 for 2014-15.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$36,000.

The 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 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 the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. General compliance was noted.

The results of our examination indicated that no individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", 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.

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.

School Food Service

The financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test basis. Food Service accounting records maintained by the District's central administration office were reconciled with the records maintained by the food service contractor.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

School Food Service (Cont'd)

The number of meals claimed for reimbursement was compared to sales and meal count records on a test basis. 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. 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 on a test basis. 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 Fund. Net cash resources did not exceed three months average expenditures.

Cash receipts and bank records were reviewed for timely deposit.

The District utilizes a food service management company (FMSC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. The FMSC contract includes an operating results provision which guarantees a \$157,383 profit for the 2014-2015 school year. The guarantee is calculated based on total revenues generated by the program less the total costs of operations. If the profit should fall below the guaranteed amount, then the service provider will subsidize the difference up to but not in excess of its management fee. The operating results provision has been met.

Time sheets and payroll records provided to the District from the Food Service contractor were reviewed on a test basis.

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 "Proprietary Funds", Section G of the CAFR.

The District has a Type II SOC1 report (Service Organization Controls Report) of the food service management company on file as required by state requirements.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

Extended Day Program Enterprise Fund

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Extended Day Program Enterprise Fund records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities Fund for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

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 disabled, low income and bilingual students. 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 a few minor exceptions. The information that was included on the workpapers was verified on a test basis with one minor exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

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 on a test basis with a few minor 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.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Based upon the results of our testing, we have no comments.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreements 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. Based on these procedures, we have no comments except as noted herein.

Finding:

The District updated its capital assets inventory as of June 30, 2015. During our testing of the District capital assets, we noted that certain items tested did not contain an inventory tag number and certain items tested contained tag numbers that did not match the District's updated report.

Recommendation:

Although the District has been keeping track of capital assets internally since its last appraisal, it is recommended that consideration be given to contracting for an updated appraisal report to ensure that the capital assets inventory is accurate and all assets are tagged and properly identified by location.

Management's Response:

The District will determine the best approach for updating its capital assets inventory to ensure that it is accurate and all assets are tagged and properly identified by location.

Management Suggestions

Capital Projects Fund

During our review of the Capital Projects Fund expenditures it was noted that expenditures for the Energy Savings Improvement Program (ESIP) were being tracked utilizing a spreadsheet which is separate from the District's financial accounting system. It is suggested that the ESIP Capital Project activity be incorporated into District's financial accounting system.

Deferred Compensation Plans

The District has a fiduciary responsibility to its employees related to the deferred compensation plans offered by the District. The District should consider a periodic review of the benefits, features, costs, and performance of its deferred compensation plans and make that information available to employees to assist employees in making suitable choices for investing their retirement funds while fulfilling the District's fiduciary responsibilities.

Independent Contractors vs. Employees

The District should consider reviewing the status of "Independent Contractors" utilized by the District with Internal Revenue Service guidelines for determination of employment status. The IRS has been reviewing employers, including governments, to determine compliance. A proactive approach may help to minimize or eliminate potential penalties related to incorrect employment status determination.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

Miscellaneous

Continuing Disclosure Requirements

In connection with the issuance of bonds by a school district, the District agrees to the continuing disclosure of certain information to the Electronic Municipal Market Access (“EMMA”) website under the auspices of the Municipal Securities Rulemaking Board. The District should ensure that all continuing disclosure requirements with respect to the District’s bond issuances are met. These requirements include filing of certain financial information such as audit reports, budgets and certain operating data.

Single Audit

Effective for the fiscal year ended June 30, 2016, there will be significant changes to the Single Audit.

These changes include the following:

- An increase in the single audit threshold
- Low risk auditee criteria
- Type A and B threshold
- Coverage requirements for major programs tested for both low risk and non-low risk auditees.

Additionally, the cost principles and administrative requirements such as A-87 have been consolidated under the *OMB Uniform Guidance: Cost Principles, Audit and Administrative Requirements for Federal Awards*. This guidance was effective December 26, 2014 for all new federal awards and for any additional funding for existing awards made after December 26, 2014.

Governmental Accounting Standards Board Statements

The next Governmental Accounting Standards Board (“GASB”) statement which will have a significant impact on the District will be GASB#75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, will be effective for the fiscal year ending June 30, 2018. This standard replaces GASB#45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. It is similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* in that successful implementation of this standard will require the provision of certain key financial and non-financial information from the New Jersey Division of Pensions.

Status of Prior Year Findings/Recommendations

All prior year recommendations were corrected during the current year.

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2014

	2015-2016 Application for State School Aid						Sample for Verification					
	Reported on ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers on Roll	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool:												
3 Years Old	43		43				43		43			
4 Years Old	48		48				48		48			
Kindergarten:												
Half Day	307		307				307		307			
Full Day	35		35				35		35			
Grade One	489		489				489		489			
Grade Two	526		526				526		526			
Grade Three	499		499				499		499			
Grade Four	528		528				528		528			
Grade Five	535		535				535		535			
Grade Six	571		571				571		571			
Grade Seven	544		544				544		544			
Grade Eight	582		582				582		582			
Grade Nine	588		588				588		588			
Grade Ten	575		575				575		575			
Grade Eleven	604		604				604		604			
Grade Twelve	644		644				644		644			
Subtotal	<u>7,118</u>		<u>7,118</u>				<u>7,118</u>		<u>7,118</u>			
Special Education:												
Elementary School	406		406				20		20			
Middle School	274		274				10		10			
High School	307	12	307	12			10	2	10	2		
Subtotal	<u>987</u>	<u>12</u>	<u>987</u>	<u>12</u>			<u>40</u>	<u>2</u>	<u>40</u>	<u>2</u>		
Totals	<u>8,105</u>	<u>12</u>	<u>8,105</u>	<u>12</u>	<u>-0-</u>	<u>-0-</u>	<u>7,158</u>	<u>2</u>	<u>7,158</u>	<u>2</u>	<u>-0-</u>	<u>-0-</u>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>

Private Schools for Disabled

	Reported			
	on ASSA as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
Special Education:				
Elementary School	17	2	2	
Middle School	17	2	2	
High School	46	4	4	
Subtotals	<u>80</u>	<u>8</u>	<u>8</u>	
Totals	<u>80</u>	<u>8</u>	<u>8</u>	<u>-0-</u>
Percentage Error			<u>0.00%</u>	

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2014

	<u>Resident Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Kindergarten:						
Half Day	15	16	-1	1	1	
Full Day	13	13		1	1	
Grade One	47	48	-1	2	2	
Grade Two	52	52		5	5	
Grade Three	47	47		4	4	
Grade Four	46	46				
Grade Five	38	38		3	3	
Grade Six	45	45		3	3	
Grade Seven	51	51		5	5	
Grade Eight	34	34		3	3	
Grade Nine	52	52		2	2	
Grade Ten	50	50		2	2	
Grade Eleven	40	40				
Grade Twelve	45	45		2	2	
Subtotal	<u>575</u>	<u>577</u>	<u>-2</u>	<u>33</u>	<u>33</u>	<u>-0-</u>
Special Education:						
Elementary School	75	73	2	3	3	
Middle School	55	53	2	2	2	
High School	53	51	2	2	2	
Subtotal	<u>183</u>	<u>177</u>	<u>6</u>	<u>7</u>	<u>7</u>	<u>-0-</u>
Totals	<u>758</u>	<u>754</u>	<u>4</u>	<u>40</u>	<u>40</u>	<u>-0-</u>
Percentage Error			<u>0.53%</u>			<u>0.00%</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2014

	<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as LEP Low Income</u>	<u>Reported on Workpapers as LEP Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Scores, Application and Register</u>	<u>Sample Errors</u>
Kindergarten:						
Half Day	3	3				
Full Day	3	3				
Grade One	8	8		1	1	
Grade Two	10	10		1	1	
Grade Three	10	10		2	2	
Grade Four	6	6				
Grade Five	1	1				
Grade Six	5	5				
Grade Seven	5	5		1	1	
Grade Eight	1	1				
Grade Nine	2	2				
Grade Ten	4	4				
Grade Eleven	4	4		1	1	
Grade Twelve	2	2				
Totals	<u>64</u>	<u>64</u>	<u>-0-</u>	<u>6</u>	<u>6</u>	<u>-0-</u>
Special Education:						
Elementary School	2	2		1	1	
Subtotal	<u>2</u>	<u>2</u>	<u>-0-</u>	<u>1</u>	<u>1</u>	<u>-0-</u>
Totals	<u>66</u>	<u>66</u>	<u>-0-</u>	<u>7</u>	<u>7</u>	<u>-0-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SCHEDULE OF AUDITED ENROLLMENT  
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 ASSA as LEP NOT Low Income</u>	<u>Reported on Workpapers as LEP NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Scores and Register</u>	<u>Sample Errors</u>
Kindergarten:						
Half Day	7	8	-1	1	1	
Full Day	5	7	-2	1		1
Grade One	19	20	-1	2	2	
Grade Two	17	17		2	2	
Grade Three	11	11		1	1	
Grade Four	2	2				
Grade Five	2	2				
Grade Seven	4	4				
Grade Eight	2	2				
Grade Ten	1	1				
Grade Eleven	5	5		1	1	
Grade Twelve	1	1				
Totals	<u>76</u>	<u>80</u>	<u>-4</u>	<u>8</u>	<u>7</u>	<u>1</u>
Percentage Error			<u>-5.26%</u>			<u>12.50%</u>

	<u>Transportation</u>					
	<u>Reported on DRTRS by DOE</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Regular - Public Schools	2,085	2,083	2	25	25	
Regular - Special Ed	109	109		11	11	
Transported - Non Public	70	70		7	7	
AIL - Non Public	339	338	1	34	34	
Special Needs - Public	80	80		8	8	
Special Needs - Private	69	69		7	7	
Totals	<u>2,752</u>	<u>2,749</u>	<u>3</u>	<u>92</u>	<u>92</u>	
Percentage Error			<u>-0.11%</u>			<u>0.00%</u>

	<u>Reported</u>	<u>Re- calculated</u>
Average Mileage:		
Regular Including Grade PK Students	3.5	3.4
Regular Excluding Grade PK Students	3.5	3.4
Special Education with Special Needs	7.1	7.2

WAYNE TOWNSHIP PUBLIC SCHOOLS  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2015

**REGULAR DISTRICT****SECTION 1****2% Calculation of Excess Surplus**

2014-15 Total General Fund Expenditures per the CAFR, Ex. C-1	<u>\$ 155,386,141</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ 165,075</u> (B1b)
Transfer from General Fund to SRF for PreK - Regular	<u>\$</u> (B1c)
Transfer from General Fund to SRF for PreK - Inclusion	<u>\$</u> (B1d)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 13,704,251</u> (B2a)
Assets Acquired Under Capital Leases	<u>\$ 1,515,800</u> (B2b)
Adjusted 2014-15 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 140,331,165</u> (B3)
2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	<u>\$ 2,806,623</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 2,806,623</u> (B5)
Increased by: Allowable Adjustments	<u>\$ 299,687</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u>\$3,106,310</u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6/30/15 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 8,034,499</u> (C)
Decreased by:	
Year-End Encumbrances	<u>\$ 322,388</u> (C1)
Legally Restricted:	
Designated for Subsequent Year's Expenditures	<u>\$</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$</u> (C3)
Other Restricted Fund Balances	<u>\$ 1,605,801</u> (C4)
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	<u>\$ 3,000,000</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$3,106,310</u> (U1)

WAYNE TOWNSHIP PUBLIC SCHOOLS  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2015  
(Continued)

**SECTION 3**

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

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

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ -0- (C3)

Restricted Excess Surplus [(E)] \$ -0- (E)

Total [(C3)+(E)] \$ -0- (D)

**Detail of Allowable Adjustments**

Impact Aid \$ -0- (H)

Sale & Lease-back \$ -0- (I)

Extraordinary Aid \$ 299,687 (J1)

Additional Nonpublic School Transportation Aid \$ -0- (J2)

Current Year School Bus Advertising Revenue Realized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)] \$ 299,687 (K)

**Detail of Other Restricted Fund Balances**

## Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$ 1,605,801

Maintenance Reserve \$ -0-

Emergency Reserve \$ -0-

Tuition Reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Current Year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Prior Year \$ -0-

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-

Impact Aid General Fund Reserve (Sections 8007 and 8008) \$ -0-

Other State/Government Mandated Reserve \$ -0-

Other Restricted Fund Balances Not Noted Above \$ -0-

Total Other Restricted Fund Balances \$ 1,605,801 (C4)

WAYNE TOWNSHIP PUBLIC SCHOOLS  
SUMMARY OF RECOMMENDATIONS  
FISCAL YEAR ENDED JUNE 30, 2015

It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. Other Special Federal and/or State Projects

None

4. School Purchasing Program

None

5. School Food Service

None

6. Extended Day Program Enterprise Fund

None

7. Student Body Activities

None

8. Application for State School Aid

None

9. Pupil Transportation

None

10. Travel Expense and Reimbursement Policy

None

11. Facilities and Capital Assets

Consideration be given to contracting for an updated appraisal report to ensure that the capital assets inventory is accurate and all assets are tagged and properly identified by location.

12. Status of Prior Year's Findings/Recommendations

All prior year recommendations were corrected during the current year.