

**TENAFLY BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2018**

**TENAFLY BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Honorable President and Members
of the Board of Education
Tenafly Board of Education
Tenafly, 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 Tenafly Board of Education in the County of Bergen as of and for the fiscal year ended June 30, 2018, and have issued our report thereon dated January 22, 2019.

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 Education, 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.

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Donna L. Japhet
Public School Accountant
PSA Number CS002314

Fair Lawn, New Jersey
January 22, 2019

**TENAFLY BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule in Exhibit J-20 of the District's Comprehensive Annual Financial Report (the "CAFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Yas Usami	Board Secretary/School Business Administrator	\$50,000
Joanne Wilson	Treasurer of School Monies	350,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Selective Insurance covering all other employees with multiple coverage of \$100,000.

Tuition Charges

The District has entered into a five year contract with the Alpine Board of Education to receive Alpine's high school students. The tuition charges for the 2017/18 school year, by contract, are the State certified rates for the 2016/17 school year. The final tuition rate was calculated as a tuition adjustment in accordance with NJAC 6A:23A-17.1. The tuition rate for all other students are determined annually by the Board, and are not subject to adjustment.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any discrepancies with respect to each of signature, certifications 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 payroll taxes were deposited in the Payroll Agency Account.

All payrolls tested were certified by the President of the Board, the Board Secretary/Business Administrator and the Chief School Administrator.

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

**TENAFLY BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

The District maintains a personnel tracking and accounting (Position Control) system.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserve 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.

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, a separate test was made to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3 as it relates to administrative coding 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 cash reconciliation monthly financial reports was included in the minutes.

Elementary and Secondary Education Act (E.S.E.A.), as amended by the Every Student Succeeds Act (ESSA)

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 Titles 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 on 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 contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

Finding – Our audit of the District's Extraordinary Aid Application noted limited documentation available to support certain related services claimed.

Recommendation – The District maintain detailed workpapers to support each student's costs reported on the Extraordinary Aid Application.

**TENAFLY BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Financial Planning, Accounting and Reporting (Continued)

T.P.A.F. Reimbursements

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

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

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

Nonpublic State Aid

Project Completion Reports were finalized and transmitted to the State by the due date.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2015 and thereafter the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (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 currently \$19,000.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (c.40A:11-9), the Board of Education may establish that the bid threshold may be up to \$40,000. 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. The Board has designated the Business Administrator/Board Secretary as the qualified purchasing agent.

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 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.

The results of our examination indicated that no 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. 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. Our examination did reveal that purchases were made through the use of state contracts.

**TENAFLY BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

School Food Service

The District does not participate in the School Nutrition Program.

The financial transactions and statistical records of the school food services were maintained in good condition. The financial accounts were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursement records reflected expenditures for program related goods and services. The food service management company is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

The District contracted with Pomptonian, Inc. to manage the school food services operations. Provisions of the FSMC contract/addendum were reviewed. The Food Service management company contract includes an operating result provision which guarantees that the food service program will generate a profit of \$5,500. The operating results provision has been met. All vendor discounts, rebates and credits from vendors and/or FSMC were tracked and credited to the Food Service account and reconciled to supporting documentation at least annually.

Student Body Activity

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

Cash receipts and disbursements records were maintained in good condition.

Finding- Our audit of the Middle School, High School Class Account and High School Student Organization accounts revealed that the supporting documentation provided for collections did not always agree to the amounts deposited. In addition, a formal accounting of funds collected for trips is not always being maintained and is not being reconciled to deposits and related expenses associated with the trips.

Recommendation- It is recommended that supporting documentation for collections be reconciled to deposits made and that a formal accounting of funds collected for trips be maintained and reconciled to the collections and expenses of the trip.

Finding- Our audit of the Middle School noted numerous reimbursements to individuals.

Recommendation- It is recommended that efforts be made to limit reimbursements paid to individuals.

Finding- Our audit of the High School Class account noted numerous instances where deposits were not made in a timely manner.

Recommendation- It is recommended that all deposits for the High School Class account be made in a timely manner.

Finding- Our audit of the Athletic account noted instances where checks contained only one authorized signature.

Recommendation- It is recommended that two signatures be required on all checks issued from the Athletic account.

**TENAFLY BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

SACC (School Age Childcare) Program

Separate cash receipts and disbursement journals and billing records were maintained for the SACC program.

Tiger Tots Program

The financial records were maintained in good condition.

Voice IP Shared Service Program – Internal Service Fund

The financial records were maintained in good condition.

Application for State School Aid

Our audit procedures included a test of information reported in the October 13, 2017 Application for State School Aid (A.S.S.A.) for on-roll, private schools for handicapped, 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 no exceptions. The information that was included on the workpapers was verified with no exceptions. 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 2017-2018 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.

Facilities and Capital Assets

Our procedures included a review of the transfer of local funds from the General Fund or from the Capital Reserve Account, and awarding of contracts for eligible facilities construction.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The school district did submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

**TENAFLY BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOT APPLICABLE

**FOOD SERVICE FUND
SCHEDULE OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOT APPLICABLE-
DISTRICT DOES NOT PARTICIPATE IN
NATIONAL SCHOOL LUNCH PROGRAM**

**TENAFLY BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
SCHEDULE OF AUDITED ENROLLMENTS
OCTOBER 13, 2017**

	2018-2019 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 Register 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 - 3 years	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 3 years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4 years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4 years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	200	-	200	-	-	-	47.0	-	47.0	-	-	-	-	-	-	-	-
1st Grade	217	-	217	-	-	-	55.0	-	55.0	-	-	-	-	-	-	-	-
2nd Grade	235	-	235	-	-	-	62.0	-	62.0	-	-	-	-	-	-	-	-
3rd Grade	237	-	237	-	-	-	59.0	-	59.0	-	-	-	-	-	-	-	-
4th Grade	236	-	236	-	-	-	61.0	-	61.0	-	-	-	-	-	-	-	-
5th Grade	251	-	251	-	-	-	56.0	-	56.0	-	-	-	-	-	-	-	-
6th Grade	234	-	234	-	-	-	234.0	-	234.0	-	-	-	-	-	-	-	-
7th Grade	271	-	271	-	-	-	271.0	-	271.0	-	-	-	-	-	-	-	-
8th Grade	261	-	261	-	-	-	261.0	-	261.0	-	-	-	-	-	-	-	-
9th Grade	251	-	251	-	-	-	265.0	-	265.0	-	-	-	-	-	-	-	-
10th Grade	240	-	240	-	-	-	255.0	-	255.0	-	-	-	-	-	-	-	-
11th Grade	231	-	231	-	-	-	241.0	-	241.0	-	-	-	-	-	-	-	-
12th Grade	223	-	223	-	-	-	237.0	-	237.0	-	-	-	-	-	-	-	-
Subtotal	3,088	-	3,088	-	-	-	2,104	-	2,104	-	-	-	-	-	-	-	-
Spec Ed - Elementary	182	-	182	-	-	-	19	-	19	-	-	-	6	6	6	-	-
Spec Ed- Middle School	153	-	153	-	-	-	153	-	153	-	-	-	4	4	4	-	-
Spec Ed - High School	190	-	190	-	-	-	197	-	197	-	-	-	13	13	13	-	-
Subtotal	525	-	525	-	-	-	369	-	369	-	-	-	23	23	23	-	-
Totals	3,613	-	3,613	-	-	-	2,473	-	2,473	-	-	-	23	23	23	-	-
Percentage Error					0.00%					0.00%						0.00%	

**TENAFLY BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
SCHEDULE OF AUDITED ENROLLMENTS
OCTOBER 13, 2017**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool - 3 Yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 3 Yrs	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4 Yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4 Yrs	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	1.0	1.0	-	1.0	1.0	-	-	-	-	-	-	-
1st Grade	1.0	1.0	-	1.0	1.0	-	-	-	-	-	-	-
2nd Grade	1.0	-	1.0	-	-	-	-	-	-	-	-	-
3rd Grade	2.0	2.0	-	1.0	1.0	-	-	-	-	-	-	-
4th Grade	2.0	2.0	-	1.0	1.0	-	-	-	-	-	-	-
5th Grade	2.0	2.0	-	1.0	1.0	-	-	-	-	-	-	-
6th Grade	3.0	3.0	-	2.0	2.0	-	-	-	-	-	-	-
7th Grade	5.0	5.0	-	3.0	3.0	-	-	-	-	-	-	-
8th Grade	4.0	4.0	-	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
9th Grade	5.0	5.0	-	3.0	3.0	-	-	-	-	-	-	-
10th Grade	4.0	5.0	(1.0)	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
11th Grade	7.0	7.0	-	5.0	5.0	-	-	-	-	-	-	-
12th Grade	9.0	9.0	-	6.0	6.0	-	-	-	-	-	-	-
Subtotal	46.0	46.0	-	30.0	30.0	-	2.0	2.0	-	2.0	2.0	-
Spec Ed - Elementary	15.0	15.0	-	10.0	10.0	-	1.0	1.0	-	1.0	1.0	-
Spec Ed - Middle School	4.0	4.0	-	3.0	3.0	-	-	-	-	-	-	-
Spec Ed - High School	8.0	8.0	-	6.0	6.0	-	-	-	-	-	-	-
Subtotal	27.0	27.0	-	19.0	19.0	-	1.0	1.0	-	1.0	1.0	-
Totals	73.0	73.0	-	49.0	49.0	-	3.0	3.0	-	3.0	3.0	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	62.0	62.0	-	17.0	17.0	-
Transported - Non-Public	46.0	46.0	-	12.0	12.0	-
Regular - Spec.	7.0	7.0	-	2.0	2.0	-
Special Needs - Public	76.0	76.0	-	21.0	21.0	-
Totals	191.0	191.0	-	52.0	52.0	-
			<u>0.00%</u>			<u>0.00%</u>

**TENAFLY BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
SCHEDULE OF AUDITED ENROLLMENTS
OCTOBER 13, 2017**

	LEP Not Low Income			Sample for Verification		
	Reported on A.S.S.A as Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers	Verified to Register	Sample Errors
Half Day Preschool (3 Yrs)	-	-	-	-	-	-
Full Day Preschool (3 Yrs)	-	-	-	-	-	-
Half Day Preschool (4 Yrs)	-	-	-	-	-	-
Full Day Preschool (4 Yrs)	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	15.0	15.0	-	4.0	4.0	-
1st Grade	23.0	23.0	-	6.0	6.0	-
2nd Grade	25.0	25.0	-	6.0	6.0	-
3rd Grade	21.0	21.0	-	5.0	5.0	-
4th Grade	15.0	15.0	-	4.0	4.0	-
5th Grade	18.0	18.0	-	4.0	4.0	-
6th Grade	22.0	22.0	-	5.0	5.0	-
7th Grade	18.0	18.0	-	4.0	4.0	-
8th Grade	19.0	19.0	-	5.0	5.0	-
9th Grade	14.0	14.0	-	3.0	3.0	-
10th Grade	9.0	9.0	-	2.0	2.0	-
11th Grade	7.0	7.0	-	2.0	2.0	-
12th Grade	2.0	2.0	-	1.0	1.0	-
Subtotal	208.0	208.0	-	51.0	51.0	-
Spec Ed - Elementary	4.0	4.0	-	1.0	1.0	-
Spec Ed- Middle School	-	-	-	-	-	-
Spec Ed - High School	4.0	4.0	-	1.0	1.0	-
Subtotal	8.0	8.0	-	2.0	2.0	-
Totals	216.0	216.0	-	53.0	53.0	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**TENAFLY BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

2017-18 Total General Fund Expenditures per the CAFR		\$75,033,158
Increased by:		
Transfer from Capital Reserve to Capital Projects Fund		<u>545,275</u>
		75,578,433
Decreased by:		
On-Behalf TPAF Pension & Reimbursed TPAF Social Security		<u>9,142,160</u>
Adjusted 2017-2018 General Fund Expenditures		<u>\$66,436,273</u>
2% of Adjusted 2017-2018 General Fund Expenditures		\$1,328,725
Increased by:		
Allowable Adjustment*		<u>1,034,499</u>
Maximum Unassigned Fund Balance		<u>\$2,363,224</u>
Total General Fund – Fund Balance at June 30, 2018		\$10,267,449
Decreased by:		
Year End Encumbrances	\$ 163,935	
Restricted Fund Balances – Capital Reserve	2,079,945	
Restricted Fund Balances – Maintenance Reserve	501,750	
Restricted Fund Balances – Emergency Reserve	300,000	
Designated for Subsequent Year’s Expenditures		
Maintenance Reserve	350,000	
Capital Reserve	1,316,975	
Designated for Subsequent Year’s Expenditures (Excess Surplus & Assigned)	<u>2,292,774</u>	
Total Unassigned Fund Balance		<u>\$3,262,070</u>
Fund Balance – Excess Surplus		<u>\$ 898,846</u>
<u>Recapitulation of Excess Surplus as of June 30, 2018</u>		
Excess Surplus – Designated for 2018/2019 Budget		\$1,289,274
Excess Surplus – Designated for 2019/2020 Budget		<u>898,846</u>
		<u>\$ 2,188,120</u>
Unbudgeted Extraordinary Aid		\$1,000,810
Unbudgeted Additional Nonpublic Transportation Aid		<u>33,689</u>
Total Allowable Adjustments		<u>\$ 1,034,499</u>

RECOMMENDATIONS

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that the District maintain detailed workpapers to support each student's costs reported on the Extraordinary Aid Application.

III. School Purchasing Program

There are none.

IV. School Food Services

There are none.

V. Student Body Activities

It is recommended that:

1. Supporting documentation for collections be reconciled to deposits made and that a formal accounting of funds collected for trips be maintained and reconciled to the collections and expenses of the trip.
2. Efforts be made to limit reimbursements paid to individuals.
- * 3. All deposits for the High School Class account be made in a timely manner
4. Two signatures be required on all checks issued from the Athletic account.

VI. SACC Program/ Tiger Tots Program/ Voice IP Shared Service Program

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.

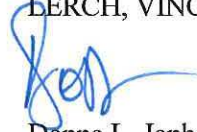
X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations. Corrective action was taken on the prior year recommendations except the item denoted with an asterisk (*).

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



Donna L. Japhet
Certified Public Accountant
Public School Accountant