

BELLEVILLE TOWNSHIP SCHOOL DISTRICT

SYNOPSIS OF AUDIT

FOR THE YEAR ENDED

JUNE 30, 2016

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 1,816,674			\$ 1,816,674
Receivables From Other Governments	168,976	\$ 847,560		1,016,536
Other Accounts Receivable, Net	37,031			37,031
Due from Other Funds	750,564			750,564
Restricted Assets				
Cash and Cash Equivalents with Fiscal Agent	-	-	\$ 1,807,776	1,807,776
Total Assets	<u>\$ 2,773,245</u>	<u>\$ 847,560</u>	<u>\$ 1,807,776</u>	<u>\$ 5,428,581</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 299,748	\$ 91,368	\$ 157,280	548,396
Accrued Salaries and Wages	81,205			81,205
Compensated Absences Payable	155,872			155,872
Due to Other Funds		589,303		589,303
Payable to State Government		67,562		67,562
Payable to Federal Government	7,924	60,979		68,903
Delayed State Aid Loan Payable	2,449,473			2,449,473
Unearned Revenue	-	38,348	-	38,348
Total Liabilities	<u>2,994,222</u>	<u>847,560</u>	<u>157,280</u>	<u>3,999,062</u>
Fund Balances (Deficits):				
Restricted				
Capital Reserve	676,149			676,149
Capital Projects			1,650,496	1,650,496
Assigned				
Year End Encumbrances	966,275			966,275
Unassigned	1,010,876	-	-	1,010,876
Total Fund Balances - Budgetary Basis	<u>2,653,300</u>	<u>-</u>	<u>1,650,496</u>	<u>4,303,796</u>
Reconciliation to GAAP Basis				
Less: Budgetary State Aid Revenue Not Recognized as GAAP Basis Revenue	(2,874,277)	-	-	(2,874,277)
Total Fund Balance (Deficit) - GAAP Basis	<u>(220,977)</u>	<u>-</u>	<u>1,650,496</u>	<u>1,429,519</u>
Total Liabilities and Fund Balances	<u>\$ 2,773,245</u>	<u>\$ 847,560</u>	<u>\$ 1,807,776</u>	<u>\$ 5,428,581</u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local sources:				
Property Tax Levy	\$ 37,665,506			\$ 37,665,506
Tuition	230,509			230,509
Miscellaneous	284,269	\$ 809	\$ 1,198	286,276
Total - Local Sources	38,180,284	809	1,198	38,182,291
State Sources	33,307,496	118,238		33,425,734
Federal Sources	164,183	3,018,300	-	3,182,483
Total Revenues	71,651,963	3,137,347	1,198	74,790,508
EXPENDITURES				
Instruction				
Regular	26,258,200	1,518,318		27,776,518
Special Education	11,653,305	1,230,268		12,883,573
Other Instruction	3,052,154	73,054		3,125,208
School Sponsored Activities and Athletics	909,795			909,795
Support Services				
Student and Instruction Related Services	7,872,989	208,936		8,081,925
General Administrative Services	2,665,188			2,665,188
School Administrative Services	5,471,386			5,471,386
Central Administrative Services	1,624,441			1,624,441
Plant Operations and Maintenance	5,981,135			5,981,135
Pupil Transportation	2,898,679	19,125		2,917,804
Debt Service				
Principal	1,916,388			1,916,388
Interest	107,605			107,605
Capital Outlay	30,961	87,646	1,852,773	1,971,380
Total Expenditures	70,442,226	3,137,347	1,852,773	75,432,346
Excess (Deficiencies) of Revenues				
Over/(Under) Expenditures	1,209,737	-	(1,851,575)	(641,838)
OTHER FINANCING SOURCES				
Capital Lease Proceeds (Non-Budgeted)	-	-	2,193,829	2,193,829
Total Other Financing Sources	-	-	2,193,829	2,193,829
Net Change in Fund Balances	1,209,737	-	342,254	1,551,991
Fund Balance (Deficit), Beginning of Year, (Restated)	(1,430,714)	-	1,308,242	(122,472)
Fund Balance (Deficit), End of Year	\$ (220,977)	\$ -	\$ 1,650,496	\$ 1,429,519

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RECOMMENDATIONS**

I. Administration Practices and Procedures

It is recommended that:

- * 1. The District implement and maintain vehicle use logs for all District vehicles in accordance with Board policy and State regulations.
- 2. The District issue IRS Form 1099 to any non-incorporated entity paid \$600 or more in the calendar year in accordance with IRS regulations.

II. Financial Planning, Accounting and Reporting

It is recommended that:

- 1. An accounting ledger be maintained by individual for amounts being invoiced and received for the reimbursement of dental or family leave benefit premiums.
- 2. Payments made by manual paychecks be supported by approved timesheets or other documentation and adjusted on the employee's payroll records.
- 3. Procedures be implemented to ensure all overtime and hourly salary payments are accurately calculated and supported by time sheets.
- 4. Greater care be exercised to ensure retroactive salary amounts paid are correctly calculated by District personnel.
- * 5. Greater care be exercised over classifying payments to ensure amounts are budgeted and charged to the proper budget lines in accordance with The Uniform Minimum Chart of Accounts for New Jersey Public Schools.
- * 6. The practice of backdating checks processed and issued after June 30, 2016 be discontinued by the District.
- 7. Greater care be taken at year end to ensure all liabilities and encumbrances are recorded in the District's accounting records at June 30.
- * 8. The District record all transactions of its capital lease bank accounts in their financial accounting records.
- 9. Procedures be reviewed and revised to ensure travel expenditures are made and accounted for in accordance with Board policy and State guidelines.
- 10. Greater care be taken when preparing monthly bank account reconciliations to ensure all reconciling items are properly reviewed for validity and appropriately accounted for in the District's internal records.
- 11. Internal control procedures be revised to ensure the Treasurer's monthly reports are in agreement with the supporting reconciled bank account balances and all discrepancies be reviewed and resolved accordingly.

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**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RECOMMENDATIONS**

II. Financial Planning, Accounting and Reporting (Continued)

It is recommended that:

12. With respect to the salary amounts charged to the Title I grant program:

- Internal controls be enhanced to ensure hourly employees charged to the Title I grant program are supported with approved timesheets.
- Time and effort calculations be completed to support individual's salary allocations to the grant program for all employees.

13. All equipment acquired using Title I and Title II funds be included in the District's capital asset records and be identified as federally funded program assets.

III. School Purchasing Program

There are none.

IV. School Food Service

It is recommended that greater care be exercised when reviewing applications for determination of eligibility for free and reduced price meals of the child nutrition program.

V. Student Body Activities

It is recommended that:

- * 1. Prenumbered receipt tickets be utilized for monies collected in all the District's student activity accounts and they be issued at the time of receipt by the account treasurer.
- * 2. Deposits be made in a timely manner in the High School account.
- * 3. Vouchers be utilized for payments made from the Summer Program account.
- 4. All Summer Program receipts collected be deposited into the bank account and the District discontinue the practice of paying expenses directly from undeposited funds.

VI. Application for State School Aid

It is recommended that internal control procedures be strengthened over the reporting of information on the Application for State School Aid (ASSA) to ensure District workpapers, class registers and related records support student counts and classifications reported on the A.S.S.A.