

CORRECTIVE ACTION PLAN

NAME OF SCHOOL Nutley
 TYPE OF AUDIT Annual
 DATE OF BOARD MEETING December 17, 2012
 CONTACT PERSON Karen A. Yeamans
 TELEPHONE NUMBERS (973) 661-8797

RECOMMENDATION SECTION NUMBER II	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
1	The Capital Projects Fund outstanding receivable from the County of Essex be reviewed and cleared of record.	District must allocate funds to the Capital Projects Fund to clear the receivable.	Business Administrator	June, 2013
2	The General Fund and Special Revenue fund original budget be in agreement with the District's internal budget reports.	Review original budget entries by Business Administrator, Accountant and Bookkeeper to ensure they are in agreement with internal budget at the beginning of the year. Monitor throughout the year.	Business Administrator/Accountant	November, 2012
3	The District reconcile any differences between the elementary school point of sale reports and the deposit slips on a daily basis.	Food Service Management Company must review and reconcile reports on a daily basis. Staff Accountant will review reports weekly.	Business Administrator/Accountant	June, 2013
4	The Board reconcile the number of students reported in the ASSA to the District's workpapers, class registers and national school lunch free/reduced applications.	Full implementation of Real-Time will have all reporting data in one database eliminating manual entries.	Superintendent	January, 2013

 CHIEF SCHOOL ADMINISTRATOR

 BUSINESS ADMINISTRATOR/BOARD SECRETARY

DATE _____

DATE _____

SPECIFIC - CORRECTIVE ACTION PLAN

District: Nutley	County: <u>Essex</u>
Date of Board Meeting: December 17, 2012	
Contact Person: Karen A. Yeamans	Telephone Number: 973-661-8797

<u>Recommendation #</u>	<u>Conditions that caused the repeat recommendation(s);</u>	<u>Corrective actions taken or to be taken and the dates or projected dates of such actions</u>	<u>The administrator directly responsible for implementing the actions and controls</u>	<u>Internal controls put in place or to be put in place to prevent another repeat of the recommendation and the dates or projected dates of implementation of such controls</u>
1	The project was partially funded by a 2004 CDBG Grant from the county. The project was deemed ineligible by HUD. Due to several administrative changes at the County and Board of Education, this was finally discovered in August, 2012.	District must clear the outstanding receivable by June, 2013.	Business Administrator	All Capital Project Grants will be tracked to ensure payments are applied for and/or receivables resolved within the time frames stipulated in the grant.

Chief School Administrator	Date	Board Secretary/ School Business Administrator	Date

6A:23A-4.4 Repeat annual audit recommendations; action required

(a) Districts that had repeat audit findings in the Auditor's Management Report submitted with the CAFR in any year shall, within 30 days of the CAFR submission, submit to the Executive County Superintendent or State fiscal monitor, as applicable, a specific corrective action plan for addressing the repeat audit findings noted in the Auditor's Management Report. The corrective action plan shall include the following:

1. Conditions that caused the repeat recommendation(s);
2. Corrective actions taken or to be taken and the dates or projected dates of such actions;
3. Internal controls put in place or to be put in place to prevent another repeat of the recommendation and the dates or projected dates of implementation of such controls; and
4. The administrator directly responsible for implementing the actions and controls in 2 and 3 above.

FINANCE RESOLUTION #17:

**COMPREHENSIVE ANNUAL FINANCIAL REPORT/AUDIT
APPENDIX D**

NUTLEY BOARD OF EDUCATION

SYNOPSIS OF AUDIT

FOR THE YEAR ENDED

JUNE 30, 2012

NUTLEY BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2012

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and Cash Equivalents	\$ 3,056,788	\$ 124,249	\$ 2,535,412		\$ 5,716,449
Due from Other Funds	2,467				2,467
Receivables, Net					
Receivables from Other Governments	110,437	171,680	568,810		850,927
Other	<u>50,272</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,272</u>
Total Assets	<u>\$ 3,219,964</u>	<u>\$ 295,929</u>	<u>\$ 3,104,222</u>	<u>\$ -</u>	<u>\$ 6,620,115</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 187,299	\$ 97,313	\$ 36,187		\$ 320,799
Intergovernmental Payable	326,004	71,410			397,414
Deferred Revenue	<u>-</u>	<u>127,206</u>	<u>567,532</u>	<u>-</u>	<u>694,738</u>
Total Liabilities	<u>513,303</u>	<u>295,929</u>	<u>603,719</u>	<u>-</u>	<u>1,412,951</u>
Fund Balances					
Restricted					
Capital Reserve	124,182				124,182
Excess Surplus	1,644,392				1,644,392
Excess Surplus - Designated for Subsequent Year's Budget	242,188				242,188
Capital Projects			2,500,503		2,500,503
Assigned					
Encumbrances	346,862				346,862
Unassigned	<u>349,037</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>349,037</u>
Total Fund Balances	<u>2,706,661</u>	<u>-</u>	<u>2,500,503</u>	<u>-</u>	<u>5,207,164</u>
Total Liabilities and Fund Balances	<u>\$ 3,219,964</u>	<u>\$ 295,929</u>	<u>\$ 3,104,222</u>	<u>\$ -</u>	<u>\$ 6,620,115</u>

**NUTLEY BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Local Tax Levy	\$ 48,142,637			\$ 2,913,506	\$ 51,056,143
Tuition	130,494				130,494
Transportation Fees	53,493				53,493
Miscellaneous	458,667	\$ 54,314	\$ 2,837	-	515,818
Total - Local Sources	48,785,291	54,314	2,837	2,913,506	51,755,948
State Sources	11,132,356	239,306		826,730	12,198,392
Federal Sources	8,200	1,179,992	-	-	1,188,192
Total Revenues	59,925,847	1,473,612	2,837	3,740,236	65,142,532
EXPENDITURES					
Current					
Regular Instruction	26,592,909	518,839			27,111,748
Special Education Instruction	8,777,535	820,195			9,597,730
Other Instruction	1,389,023				1,389,023
School-Sponsored Activities and Athletics	1,235,319				1,235,319
Community Services	11,555				11,555
Support Services					
Student and Instructional Related Services	6,444,334	129,262			6,573,596
School Administrative Services	4,115,123				4,115,123
General Administrative Services	1,526,592				1,526,592
Plant Operations and Maintenance	5,182,274				5,182,274
Pupil Transportation	1,881,001				1,881,001
Business Services	1,344,469				1,344,469
Debt Service					
Principal	86,442			1,500,000	1,586,442
Interest and Other Charges	28,891			2,240,236	2,269,127
Capital Outlay	163,740	5,316	2,247,139	-	2,416,195
Total Expenditures	58,779,207	1,473,612	2,247,139	3,740,236	66,240,194
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,146,640	-	(2,244,302)	-	(1,097,662)
OTHER FINANCING SOURCES (USES)					
Capital Leases	98,022				98,022
Transfers In	2,837				2,837
Transfers Out	-	-	(2,837)	-	(2,837)
Total Other Financing Sources and Uses	100,859	-	(2,837)	-	98,022
Net Change in Fund Balances	1,247,499	-	(2,247,139)	-	(999,640)
Fund Balance, Beginning of Year	1,459,162	-	4,747,642	-	6,206,804
Fund Balance, End of Year	\$ 2,706,661	\$ -	\$ 2,500,503	\$ -	\$ 5,207,164

**NUTLEY BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

- * 1. The Capital Projects Fund outstanding receivable from the County of Essex be reviewed and cleared of record.
- 2. The General Fund and Special Revenue Fund original budget be in agreement with the District's internal budget reports.

III. School Purchasing Program

It is recommended that the District reconcile any differences between the elementary school point of sale reports and the deposit slips on a daily basis.

IV. School Food Services

There are none.

V. Extended Day Program

There are none.

VI. Student Activity and Athletic Association Accounts

There are none.

VII. Application for State School Aid

It is recommended that the Board reconcile the number of students reported in the ASSA to the District's workpapers, class registers and national school lunch free/reduced applications.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all except those denoted with an asterisk(*).