

NUTLEY BOARD OF EDUCATION  
SYNOPSIS OF AUDIT  
FOR THE YEAR ENDED JUNE 30, 1999

NUTLEY BOARD OF EDUCATION  
 Combined Balance Sheet - All Fund Types and Account Groups  
 as of June 30, 1999  
 (With Comparative Totals as of June 30, 1998)

	Governmental Fund Types			Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Totals	
	General	Special Revenue	Debt Service	Enterprise	Trust and Agency	General Fixed Assets	Long-Term Debt	(Memorandum Only)	
								June 30, 1999	June 30, 1998
<b>ASSETS AND OTHER DEBITS</b>									
Cash and Cash Equivalents	\$ 2,660,119	\$ 172,947	\$ 4,005		\$ 560,621			\$ 3,397,692	\$ 3,584,156
Intergovernmental Accounts Receivable									
State Aid	108,015	1,148		\$ 484				109,647	68,628
Federal Aid				5,027				5,027	11,779
Accounts Receivable								-	41,222
Tuition	30,166							30,166	
Transportation	23,336							23,336	17,478
Interfunds	13,386							13,386	-
Other	2,944			7,876				10,820	6,250
Inventory				11,149				11,149	8,030
Fixed Assets (Net, where Applicable of Accumulated Depreciation of \$114,407)	-	-	-	3,598	-	\$ 10,246,417	-	10,250,015	9,543,841
<b>Total Assets</b>	<b>2,837,966</b>	<b>174,095</b>	<b>4,005</b>	<b>28,134</b>	<b>560,621</b>	<b>10,246,417</b>	<b>-</b>	<b>13,851,238</b>	<b>13,281,384</b>
<b>OTHER DEBITS:</b>									
Amount to be Provided for Retirement of General Long-Term Debt	-	-	-	-	-	-	\$ 2,780,181	2,780,181	2,791,884
<b>Total Other Debits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,780,181</b>	<b>2,780,181</b>	<b>2,791,884</b>
<b>Total Assets and Other Debits</b>	<b>\$ 2,837,966</b>	<b>\$ 174,095</b>	<b>\$ 4,005</b>	<b>\$ 28,134</b>	<b>\$ 560,621</b>	<b>\$ 10,246,417</b>	<b>\$ 2,780,181</b>	<b>\$ 16,631,419</b>	<b>\$ 16,073,268</b>

The Notes to the Financial Statements are an Integral Part of this Statement

NUTLEY BOARD OF EDUCATION  
 Combined Balance Sheet - All Fund Types and Account Groups  
 as of June 30, 1999  
 (With Comparative Totals as of June 30, 1998)

	Governmental Fund Types			Proprietary Fund Types Enterprise	Fiduciary Fund Types Trust and Agency	Account Groups		Totals	
	General	Special Revenue	Debt Service			General Fixed Assets	Long-Term Debt	(Memorandum Only) June 30, 1999    June 30, 1998	
<b>LIABILITIES:</b>									
Cash Overdraft									\$ 12,947
Interfund Payable				\$ 13,386				\$ 13,386	
Intergovernmental Accounts Payable									
State		\$ 65,998			\$ 7,984			73,982	71,081
Federal									498
Accounts Payable	\$ 93,526	13,616						107,142	192,750
Due to Student Groups					114,363			114,363	119,063
Deferred Revenue		94,481	\$ 4,005	5,988				104,474	76,535
Compensated Absences Payable						\$ 1,770,181		1,770,181	1,666,884
Serial Bonds Payable	-	-	-	-	-	1,010,000		1,010,000	1,125,000
<b>Total Liabilities</b>	<u>93,526</u>	<u>174,095</u>	<u>4,005</u>	<u>19,374</u>	<u>122,347</u>	<u>-</u>	<u>2,780,181</u>	<u>3,193,528</u>	<u>3,264,758</u>
<b>EQUITY AND OTHER CREDITS:</b>									
Investment in General Fixed Assets						\$ 10,246,417		10,246,417	9,542,160
Contributed Capital				2,135				2,135	2,135
Retained Earnings, Unreserved				6,625				6,625	4,596
Fund Balances									
Reserved									
For Encumbrances	266,407							266,407	132,547
Unreserved									
Designated for Subsequent Year's Budget	840,000							840,000	750,000
Undesignated	1,638,033	-	-	-	438,274	-	-	2,076,307	2,377,072
<b>Total Equity and Other Credits</b>	<u>2,744,440</u>	<u>-</u>	<u>-</u>	<u>8,760</u>	<u>438,274</u>	<u>10,246,417</u>	<u>-</u>	<u>13,437,891</u>	<u>12,808,510</u>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<u>\$ 2,837,966</u>	<u>\$ 174,095</u>	<u>\$ 4,005</u>	<u>\$ 28,134</u>	<u>\$ 560,621</u>	<u>\$ 10,246,417</u>	<u>\$ 2,780,181</u>	<u>\$ 16,631,419</u>	<u>\$ 16,073,268</u>

The Notes to the Financial Statements are an Integral Part of this Statement

NUTLEY BOARD OF EDUCATION  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balance -  
 All Governmental Fund Types and Expendable Trust Fund  
 For the Fiscal Year Ended June 30, 1999  
 (With Comparative Totals for the Fiscal Year Ended June 30, 1998)

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	General	Special	Debt		1999	1998
	<u>Fund</u>	<u>Revenue</u> <u>Fund</u>	<u>Service</u> <u>Fund</u>			
<b>REVENUES:</b>						
Local Sources:						
Local Tax Levy	\$ 29,515,875		\$ 158,864		\$ 29,674,739	\$ 28,810,776
Tuition	260,022				260,022	297,888
Interest on Investments	187,429			\$ 18,868	206,297	252,399
Miscellaneous	189,235	-	-	42,246	231,481	177,320
<b>Total Revenues - Local Sources</b>	<b>30,152,561</b>		<b>158,864</b>	<b>61,114</b>	<b>30,372,539</b>	<b>29,538,383</b>
State Sources	5,143,532	\$ 338,080	19,691		5,501,303	4,434,677
Federal Sources	-	535,880	-	-	535,880	454,874
<b>Total Revenues</b>	<b>35,296,093</b>	<b>873,960</b>	<b>178,555</b>	<b>61,114</b>	<b>36,409,722</b>	<b>34,427,934</b>
<b>EXPENDITURES:</b>						
Current						
Instruction	16,642,723	401,720			17,044,443	16,676,353
Undistributed	18,020,234	310,777		45,976	18,376,987	16,559,798
Capital Outlay	517,584	161,389			678,973	683,513
Special Schools	23,776				23,776	19,110
Debt Service			178,555		178,555	184,305
Transfer to Charter Schools	11,560	74	-	-	11,634	-
<b>Total Expenditures</b>	<b>35,215,877</b>	<b>873,960</b>	<b>178,555</b>	<b>45,976</b>	<b>36,314,368</b>	<b>34,123,079</b>

The Notes to the Financial Statements are an Integral Part of this Statement

NUTLEY BOARD OF EDUCATION  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balance -  
 All Governmental Fund Types and Expendable Trust Fund  
 For the Fiscal Year Ended June 30, 1999  
 (With Comparative Totals for the Fiscal Year Ended June 30, 1998)

	Governmental Fund Types			Fiduciary	Totals	
	General Fund	Special Revenue Fund	Debt Service Fund	Fund Type Expendable Trust	(Memorandum Only)	
					1999	1998
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ 80,216	-	-	\$ 15,138	\$ 95,354	\$ 304,855
Other Financing Sources (Uses) Transfer Out	(172,259)	-	-	-	(172,259)	(161,857)
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources	(92,043)	-	-	15,138	(76,905)	142,999
Fund Balance, Beginning of Year	2,836,483	-	-	423,136	3,259,619	3,116,620
Fund Balance, End of Year	\$ 2,744,440	\$ -	\$ -	\$ 438,274	\$ 3,182,714	\$ 3,259,619

The Notes to the Financial Statements are an Integral Part of this Statement

NUTLEY BOARD OF EDUCATION  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balance -  
 General, Special Revenue and Debt Service - Budget and Actual  
 for the Fiscal Year Ended June 30, 1999

	General Fund			Special Revenue Fund (Budgetary Basis)			Debt Service Fund		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>									
Local Sources									
Local Tax Levy	\$29,515,875	\$29,515,875					\$ 158,864	\$ 158,864	
Tuition	261,789	260,022	\$ (1,767)						
Interest on Investments	130,000	187,429	57,429						
Miscellaneous	106,000	189,235	83,235	-	-	-	-	-	-
Total - Local Sources Revenues	30,013,664	30,152,561	138,897	-	-	-	158,864	158,864	-
State Sources									
Federal Sources	2,585,101	5,143,532	2,558,431	\$ 406,075	\$ 336,135	\$ 69,940	19,691	19,691	
	-	-	-	593,550	535,767	57,783	-	-	-
	2,585,101	5,143,532	2,558,431	999,625	871,902	127,723	19,691	19,691	-
Total Revenues	32,598,765	35,296,093	2,697,328	999,625	871,902	127,723	178,555	178,555	-
<b>EXPENDITURES</b>									
Current									
Instruction	16,788,095	16,642,723	145,372	462,721	399,886	62,835			
Undistributed Expenditures	15,836,741	18,020,234	(2,183,493)	423,745	319,547	104,198			
Capital Outlay	650,295	517,584	132,711	113,159	152,395	(39,236)			
Special Schools	23,860	23,776	84		74	(74)			
Transfer to Charter Schools	11,900	11,560	340						
Debt Service	-	-	-	-	-	-	178,555	178,555	\$ -
Total Expenditures	33,310,891	35,215,877	(1,904,986)	999,625	871,902	127,723	178,555	178,555	-
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(712,126)	80,216	792,342	-	-	-	-	-	-

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NUTLEY BOARD OF EDUCATION  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balance -  
 General, Special Revenue and Debt Service - Budget and Actual  
 for the Fiscal Year Ended June 30, 1999

	General Fund			Special Revenue Fund (Budgetary Basis)			Debt Service Fund		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other Financing (Uses): Transfer Out	\$ (208,000)	\$ (172,259)	\$ 35,741	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(208,000)	(172,259)	35,741	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(920,126)	(92,043)	828,083	-	-	-	-	-	-
Fund Balance, Beginning of Year	2,836,483	2,836,483	-	-	-	-	-	-	-
Fund Balance, End of Year	\$ 1,916,357	\$ 2,744,440	\$ 828,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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## RECOMMENDATIONS

### I. Administrative Practices and Procedures

There are none.

### Financial Planning, Accounting and Reporting

It is recommended :

- 1) A detailed listing of fixed asset deletions be maintained and be made available for audit .
- 2) Personnel charged to Special Revenue grants be designated by the Board as federally funded employees.

### III. School Purchasing Program

It is recommended:

- 1) Internal controls be enhanced to ensure that goods or materials be ordered only after a purchase order has been executed.
- 2) The opinion of the Board attorney be sought to determine if the board of Education is permitted to utilize gasoline credit cards.

### IV. School Food Services

It is recommended:

- 1) The middle school cash registers register tapes be reconciled with the daily deposits.
- 2) Whenever possible, elementary schools deposit all monies within forty-eight hours of receipt.

### V. Student Body Activities

It is recommended that:

- 1) Two signatures be required on all checks.
- 2) Checks be made payable only to a named payee.
- 3) Internal controls over accounting and financial record keeping be reviewed and enhanced.

### VI. Application for State School Aid

There are none.

### VII. Pupil Transportation

There are none.

### VIII. Miscellaneous

There are none.