

NUTLEY BOARD OF EDUCATION
SYNOPSIS OF AUDIT
FOR THE YEAR ENDED
JUNE 30, 2003

**NUTLEY BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2003**

	<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	\$ 771,639	\$ 205,491		\$ 1	\$ 977,131
Receivables, Net	37,290	1,100			38,390
Due from Other Funds	77,427				77,427
Receivables from Other Governments	64,218	1,541	\$ 1,949,069		2,014,828
Restricted Cash and Cash Equivalents	116,000	-	-	-	116,000
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Total Assets	<u>\$ 1,066,574</u>	<u>\$ 208,132</u>	<u>1,949,069</u>	<u>\$ 1</u>	<u>\$ 3,223,776</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 81,167	\$ 39,385	\$ 45,254		\$ 165,806
Due to Other Funds			72,666		72,666
Payable to State Government		39,742			39,742
Deferred Revenue	-	129,005	1,949,069	-	2,078,074
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Total Liabilities	<u>81,167</u>	<u>208,132</u>	<u>2,066,989</u>	<u>-</u>	<u>2,356,288</u>
Fund Balances					
Reserved for					
Encumbrances	101,488				101,488
Capital Reserve Account	116,000				116,000
Unreserved, Reported in					
Undesignated, Reported in					
General Fund	767,919				767,919
Debt Service Fund				1	1
Capital Projects Fund	-	-	(117,920)	-	(117,920)
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Total Fund Balances	<u>985,407</u>	<u>-</u>	<u>(117,920)</u>	<u>1</u>	<u>867,488</u>
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Total Liabilities and Fund Balances	<u>\$ 1,066,574</u>	<u>\$ 208,132</u>	<u>\$ 1,949,069</u>	<u>\$ 1</u>	<u>\$ 3,223,776</u>

**NUTLEY BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<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	\$ 32,800,135			\$ 138,463	\$ 32,938,598
Tuition	30,356				30,356
Transportation Fees	75,146				75,146
Miscellaneous	108,453	\$ 1,500	-	-	109,953
Total - Local Sources	<u>33,014,090</u>	<u>1,500</u>	<u>-</u>	<u>138,463</u>	<u>33,154,053</u>
State Sources	7,914,050	409,018		14,878	8,337,946
Federal Sources	-	872,074	-	-	872,074
Total Revenues	<u>40,928,140</u>	<u>1,282,592</u>	<u>-</u>	<u>153,341</u>	<u>42,364,073</u>
EXPENDITURES					
Current					
Regular Instruction	20,598,085	70,147			20,668,232
Special Education Instruction	4,597,911	470,772			5,068,683
Other Instruction	600,856	295,828			896,684
School-Sponsored Activities and Athletics	1,086,124				1,086,124
Community Services	5,469				5,469
Support Services and Undistributed Costs					-
Student and Instructional Related Services	4,209,803	420,158			4,629,961
School Administrative Services	921,792				921,792
General Administrative Services	2,666,740				2,666,740
Plant Operations and Maintenance	4,460,888				4,460,888
Pupil Transportation	1,366,364	10,430			1,376,794
Business Services	1,076,199				1,076,199

**NUTLEY BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
EXPENDITURES (Continued)					
Special Schools	\$ 23,778				\$ 23,778
Debt Service					
Principal				\$ 115,000	115,000
Interest and Other Charges				38,341	38,341
Capital Outlay	146,806	\$ 15,257	\$ 117,920	-	279,983
Total Expenditures	<u>41,760,815</u>	<u>1,282,592</u>	<u>117,920</u>	<u>153,341</u>	<u>43,314,668</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(832,675)</u>	<u>-</u>	<u>(117,920)</u>	<u>-</u>	<u>(950,595)</u>
OTHER FINANCING SOURCES (USES)					
Transfers Out	<u>(185,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(185,000)</u>
Total Other Financing Sources and Uses	<u>(185,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(185,000)</u>
Net Change in Fund Balances	(1,017,675)	-	(117,920)	-	(1,135,595)
Fund Balance, Beginning of Year	<u>2,003,082</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>2,003,083</u>
Fund Balance, End of Year	<u>\$ 985,407</u>	<u>\$ -</u>	<u>\$ (117,920)</u>	<u>\$ 1</u>	<u>\$ 867,488</u>

**NUTLEY BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. All salaries and wages charged to Federally funded programs be approved in the official minutes of the Board.
2. All extended day tuition be collected at the Board of Education office, be deposited within forty-eight hours of receipt and reconciled with the internal accounting records.
3. Time and activity records be prepared for all program funded employees.

III. School Purchasing Program

It is recommended that:

1. All purchases made by the District under State contracts be approved by the Board and included in the official minutes.
2. The District adhere to the Local Public Contracts Law with regard to accumulated purchases which exceed the bid threshold.

IV. School Food Services

There are none.

V. Student Body Activities

It is recommended that:

1. All deposits in the Lincoln School Activity Account be made within a timely manner.
2. Payment approval forms or payment approval list supporting the vendor/officials and amount paid, be utilized by the High School Athletic Account.

VI. Application for State School Aid

It is recommended that internal controls over the reporting of related services be reviewed and enhanced.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

There are none.

**NUTLEY BOARD OF EDUCATION
RECOMMENDATIONS
(Continued)**

IX. Miscellaneous

There are none.

X. 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 above.