

CORRECTIVE ACTION PLAN - 2014-2015
 SALEM COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
 BOARD MEETINGS - 12/22/15
 CONTACT: JOHN H. BOJIL
 856-769-0101 X5312

REC. #	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
1	NEW PAYROLL AGENCY TEMPLATE TO BE DEVELOPED WITH TREASURER AND REVISED PROCESS TO BE DEVELOPED AND IMPLEMENTED	ANALYSIS, EVALUATION AND IMPLEMENTATION	BA/TREASURER/PAYROLL SPECIALIST	1/31/2016
2	REALIGNMENT OF DUTIES AND NEW TREASURER	APPOINTMENT/TRAINING	BA/TREASURER	1/31/2016
3	Accrual procedure will be implemented as part of the grant close out process	REVIEW AND RECONCILIATION	ASST. SUPT/BA	6/30/2016
4	Accrual procedure will be implemented as part of the grant close out process	REVIEW AND RECONCILIATION	ASST. SUPT/BA	6/30/2016
5	PROCEDURES REVISED AS A RESULT OF MONITORING PROCESS	ANALYSIS, EVALUATION AND IMPLEMENTATION	REVIEW AND RECONCILIATION	2/28/2016
7	A/R problem caused by process used to track services for Opportunity for NJ GRANT. Grant will not be operated by the district in 16-17	REVIEW AND RECONCILIATION	REVIEW AND RECONCILIATION	2/28/2016
8	Grants will be closed out by 8/15/16 allowing for prompt payment within 90 days.	ANALYSIS, EVALUATION AND IMPLEMENTATION	ASST. SUPT/BA	6/30/2016
9	HOME SCHOOL STUDENTS STATUS WILL BE REVIEWED	REVIEW AND RECONCILIATION	BA/REGISTRAR	11/30/2016
P/N				
4	A/R to be reviewed at year end and old A/R written off.	ANALYSIS, EVALUATION AND IMPLEMENTATION	BA/AR CLERK	6/30/2016

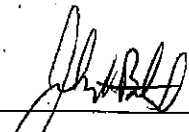
BOARD OF EDUCATION
SALEM COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
SYNOPSIS OF COMPREHENSIVE ANNUAL FINANCIAL REPORT AND AUDIT
FISCAL YEAR ENDED JUNE 30, 2015

The following is a synopsis of the audit as set forth in the audit report pertaining to the
BOARD OF EDUCATION OF THE SALEM COUNTY VOCATIONAL TECHNICAL
DISTRICT

for the fiscal year ended June 30, 2015, as prepared by:

NIGHTLINGER, COLAVITA & VOLPA, P.A.
WILLIAMSTOWN, NEW JERSEY

A complete copy of the audit report from which the following synopsis was taken is on file in the office of the School Board Secretary and will be made available for inspection upon proper request.



John Bolil
Business Administrator / School Board Secretary

SALEM COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS:				
Cash and Cash Equivalents	\$ 159,266	\$ 14,212	\$ 1,055,727	\$ 1,229,205
Accounts Receivable:				
State Government	23,667	1,500		25,167
Federal Government		251,135		251,135
Other	740,089		1,899,364	2,639,433
Interfund Accounts Receivable	168,518	12,605		181,123
Total Assets	\$ 1,091,520	\$ 279,452	\$ 2,955,091	\$ 4,326,063
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable:				
State Government	\$ 22,476	\$ 24,899		\$ 47,375
Federal Government		17,088		17,088
Other	28,829	4,341	1,790	34,960
Interfund Payable	278,786	192,326	252	471,364
Loan Payable	480,334			480,334
Unearned Revenue	3,045	40,998		44,043
Total Liabilities	793,470	279,452	2,042	1,074,964
Fund Balances:				
Restricted for:				
Capital Reserve Account	12,200			12,200
Excess Surplus	187,855			187,855
Excess Surplus - Designated For Subsequent Year's Expenditures	28,249			28,249
Assigned:				
Year-End Encumbrances	10,381		2,626,571	2,636,952
Unassigned, Reported In:				
General Fund	59,355			59,355
Capital Projects Fund			326,478	326,478
Total Fund Balances	298,050		2,953,049	3,251,099
Total Liabilities and Fund Balances	\$ 1,091,520	\$ 279,452	\$ 2,955,091	

Amounts reported for governmental activities in the statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$20,544,669 and the accumulated depreciation is \$10,046,445.

10,498,224

Deferred Outflow of Resources - Deferred Amount on Refinanced Debt

27,410

Deferred Outflow of Resources - Deferred Pension Contribution

262,983

Deferred Inflows of Resources - Pension Actuarial Gains

(509,340)

Long Term Net Pension Liability

(3,484,297)

Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(2,747,194)

Net Position of governmental activities

\$ 7,298,885

SALEM COUNTY VOCATIONAL TECHNICAL SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
County of Salem Budget Appropriation	\$ 1,828,758	\$	\$	\$ 1,828,758
Tuition Charges	2,166,925			2,166,925
Miscellaneous	18,982	14,003	252	33,237
State Sources	5,290,785	152,397		5,443,182
Federal Sources		711,713		711,713
Total Revenues	9,305,450	878,113	252	10,183,815
EXPENDITURES:				
Current:				
Regular Instruction	1,097,942	338,161		1,436,103
Regular Vocational	3,193,145			3,193,145
School Sponsored Co/Extracurricular Activities	20,823			20,823
Undistributed Expenditures and Support Services:				
Attendance & Social Work	88,172			88,172
Health Services	61,459			61,459
Students - Regular	308,242	485,147		803,389
Improvement of Instruction Services	170,250			170,250
Educational Media/School Library	183,199			183,199
General Administration	284,805			284,805
School Administration	314,382			314,382
Central Services	95,866			95,866
Operation and Maintenance of Plant Services	1,089,859			1,089,859
Student Transportation Services	14,538			14,538
Unallocated Benefits	1,449,471			1,449,471
On Behalf Contributions	682,105			682,105
Capital Outlay	299,473	44,805	487,032	831,310
Total Expenditures	9,353,531	878,113	487,032	10,718,676
Excess (Deficiency) of Revenues over Expenditures	(48,081)		(486,780)	(534,861)
OTHER FINANCING SOURCES (USES):				
Interest Transferred from Capital Projects Fund	252		(252)	
Bond Proceeds			3,149,364	3,149,364
Total Other Financing Sources and Uses	252		3,149,112	3,149,364
Net Change in Fund Balances	(47,829)		2,662,332	2,614,503
Fund Balance -- July 1	345,879		290,717	636,596
Fund Balance -- June 30	\$ 298,050	\$	\$ 2,953,049	\$ 3,251,099

RECOMMENDATIONS

It is recommended that:

Payroll Account and Position Control Roster

Finding 2015-1

Recommendation

Procedures to record bank transfers between the General Account and Payroll Agency should be reviewed and revised, in order to ensure that actual bank transfers agree to amounts recorded in the Client's accounting software program.

Treasurer's Records

Finding 2015-2

Recommendation

All bank accounts should be properly reconciled and in agreement with the records of the Board Secretary.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (IASA) as reauthorized by the No Child Left Behind Act of 2001 (NCLB)

Finding 2015-3

Recommendation

As part of the year end close out procedures, an additional review of the Special Revenue Fund accounts receivable should be conducted, in order to provide complete and accurate balances for the District's financial statements.

Other Special Federal and/or State Projects

Finding 2015-4

Recommendation

As part of the year end close out procedures, an additional review of the Special Revenue Fund accounts receivable should be conducted, in order to provide complete and accurate balances for the District's financial statements.

Finding 2015-5

Recommendation

Procedures to determine allowable expenditures per grant should be reviewed and strengthened, in order to ensure ending balances reflected in the Grant fund are complete and accurate.

Finding 2015-7

Recommendation

As part of the year end close out procedures, an additional review of the Special Revenue Fund accounts receivable should be conducted, in order to provide complete and accurate balances for the District's financial statements.

Other Enterprise Funds

Finding 2015-6

Recommendation

Additional efforts should be made to strengthen internal control over accounts receivable in the enterprise funds, in order to determine collectability, as well as remove items through proper disposition including revenue recognition in other funds.

TPAF Reimbursement to the State for Federal Salary Expenditures

Finding 2015-8

Recommendation

The district should adopt internal control procedures designed to ensure that reimbursements of TPAF/FICA paid by the State on-behalf of TPAF employees charged to federal grants are remitted within the statutory 90 day liquidation period.

Application for State School Aid

Finding 2015-9

Recommendation

Procedures to account for and report the number of students on roll should be reviewed and revised, in order to ensure future student enrollment data is accurate.

Status of Prior Years' Audit Finding/Recommendations:

In accordance with government auditing standards, our procedures included a review of all prior year recommendations, which were all resolved with the exception of the following:

Other Enterprise Funds

Finding 2014-4

Recommendation

Additional efforts should be made to strengthen internal control over accounts receivable in the enterprise funds, in order to determine collectability, as well as remove items through proper disposition including revenue recognition in other funds.