

*Summary of Fiscal Year 2014  
Audit Report of the  
Ridgewood Board of Education  
Bergen County, New Jersey as  
Required by N.J.S. 18A:23-4*

*June 30, 2014*

Ridgewood Board of Education  
Governmental Funds

Balance Sheet

Ridgewood School District

June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 1,208,087	\$ 1,060,524		\$ 35,728	\$ 2,304,339
Accounts receivable:					
State	1,668,466		\$ 1,138,945		2,807,411
Federal		434,897			434,897
Interfund	1,182,991				1,182,991
Other	270,312				270,312
Restricted assets:					
Cash and cash equivalents	3,771,884		105,277		3,877,161
Total assets	<u>\$ 8,101,740</u>	<u>\$ 1,495,421</u>	<u>\$ 1,244,222</u>	<u>\$ 35,728</u>	<u>\$ 10,877,111</u>
<b>Liabilities and fund balances</b>					
Liabilities:					
Accounts and retainage payable	\$ 152,879	\$ 29,490	\$ 114,250		\$ 296,619
Intergovernmental payables:					
State		6,527			6,527
Unearned revenue	354,733	461,898			816,631
Interfunds payable			927,272		927,272
Total liabilities	<u>507,612</u>	<u>497,915</u>	<u>1,041,522</u>	<u>-</u>	<u>2,047,049</u>
Fund balances:					
Restricted for:					
Capital reserve account	2,871,884				2,871,884
Emergency reserve account	900,000				900,000
Capital projects			202,700		202,700
Excess fund balance - prior year designated for subsequent years expenditures	750,000				750,000
Excess fund balance-current year	750,000				750,000
Debt service				\$ 35,728	35,728
Assigned to:					
Designated for subsequent years' expenditures		997,506			997,506
Other purposes	201,232				201,232
Unassigned	2,121,012				2,121,012
Total fund balances	<u>7,594,128</u>	<u>997,506</u>	<u>202,700</u>	<u>35,728</u>	<u>8,830,062</u>
Total liabilities and fund balances	<u>\$ 8,101,740</u>	<u>\$ 1,495,421</u>	<u>\$ 1,244,222</u>	<u>\$ 35,728</u>	<u>\$ 10,877,111</u>

Ridgewood Board of Education  
Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>Revenues</b>					
Local sources:					
Local tax levy	\$ 84,608,635			\$ 3,239,342	\$ 87,847,977
Tuition	879,643				879,643
Interest on investments	13,687				13,687
Miscellaneous	1,510,467	\$ 1,614,337			3,124,804
Total local sources	87,012,432	1,614,337	-	3,239,342	91,866,111
State sources	11,820,688	3,862		486,770	12,311,320
Federal sources	37,940	1,259,579			1,297,519
Total revenues	98,871,060	2,877,778	-	3,726,112	105,474,950
<b>Expenditures</b>					
Current:					
Instruction	41,304,334	1,253,372			42,557,706
Undistributed-current:					
Instruction	6,400,731				6,400,731
Attendance/social work	17,393				17,393
Health services	694,894				694,894
Support services	8,975,752	449,640			9,425,392
Improvement of instruction	1,320,675				1,320,675
School Library	1,602,713				1,602,713
Instructional staff training	148,683				148,683
General administration	896,078				896,078
School administration	3,734,917				3,734,917
Required maintenance of plant services	1,345,777				1,345,777
Operation of plant	6,999,791				6,999,791
Student transportation	2,939,264				2,939,264
Central services	1,246,810				1,246,810
Administrative information technology	679,276				679,276
Unallocated benefits	10,176,369				10,176,369
On-behalf TPAF social security and medical contributions	8,038,703				8,038,703
Special schools	1,010,334				1,010,334
Capital outlay	2,082,189	177,260	\$ 7,162		2,266,611
Debt service:					
Principal				1,755,000	1,755,000
Interest				1,946,348	1,946,348
Cost of issuance				58,369	58,369
Total expenditures	99,614,683	1,880,272	7,162	3,759,717	105,261,834
Excess (Deficiency) of revenues over (under) expenditures	(743,623)	997,506	(7,162)	(33,605)	213,116
Other financing sources (uses):					
Capital leases (non-budgeted)	975,000				975,000
Payment to Refunded Bond Escrow Agent				(5,206,728)	(5,206,728)
Refunding Bonds Issued				5,300,000	5,300,000
Discount on Bond Refunding				(31,800)	(31,800)
Total other financing sources (uses)	975,000	-	-	61,472	1,036,472
Change in fund balances before special item	231,377	997,506	(7,162)	27,867	1,249,588
Special item - legal settlement			105,000		105,000
Net change in fund balances	231,377	997,506	97,838	27,867	1,354,588
Fund balances, July 1	7,362,751	-	104,862	7,861	7,475,474
Fund balances, June 30	\$ 7,594,128	\$ 997,506	\$ 202,700	\$ 35,728	\$ 8,830,062

Ridgewood Board of Education

Recommendations

June 30, 2014

We suggest the following:

**Financial Planning, Accounting and Reporting**

- The Board examine the operations of the Food Service Enterprise Fund and develop corrective action to eliminate the overall deficit in net position.
- The District take the necessary steps to either ensure maximum participation in the SEMI program or pursue obtaining a waiver of the requirements.
- The District strengthen controls to ensure the purchasing process is properly adhered to, as it relates to ensuring purchases are properly encumbered prior to liabilities being incurred.
- The District strengthen controls over the travel policy to ensure attendance at conferences are approved prior to the employee attending the event.
- Controls be strengthened to ensure the Treasurer's Report agrees to the Report of the Board Secretary on a monthly basis.