

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2018**

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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## AUDITOR'S MANAGEMENT REPORT

Honorable President and Members  
of the Board of Trustees  
Frankford Township Board of Education  
Branchville, New Jersey

We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Frankford Township Board of Education as of and for the fiscal year ended June 30, 2018, and have issued our report thereon dated January 22, 2019.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

LERCH, VINCI & HIGGINS, LLP  
Certified Public Accountants  
Public School Accountants

Gary W. Higgins  
Public School Accountant  
PSA Number CS00814

Fair Lawn, New Jersey  
January 22, 2019

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's Comprehensive Annual Financial Report (the "CAFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Christopher Lessard	Business Administrator/Board Secretary	\$ 25,000
Sharon Yarozs	Treasurer of School Monies	\$190,000

There is a blanket dishonesty bond covering all other employees, including faithful performance for elected officials, in the amount of \$500,000 per loss.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

**Payroll Account**

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

All payrolls tested were certified by the President of the Board, the Board Secretary/School Business Administrator and the Chief School Administrator.

Salary withholdings were promptly remitted to the proper agencies, including employee health benefit premium withholdings due to the general fund.

The required certification (E-CERTI) of compliance with requirements for income tax on compensation of administrators to the New Jersey Department was filed by the March 15 due date.

The Board has implemented and maintains a personnel tracking and accounting (position control) system.

**Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Financial Planning, Accounting and Reporting (continued)**

Travel

The District has an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

Payments made to employees for travel were in accordance with the approved travel policy.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(g) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-2.4. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in satisfactory condition.

The prescribed contractual order system was followed.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

**Finding** – The District had uncollected property taxes of \$113,750 in the General Fund as of June 30, 2018.

**Recommendation** – Procedures be implemented to ensure that the school property taxes are collected from the municipality prior to year end.

Treasurer's Records

The Treasurer did perform cash reconciliations for all District bank accounts.

All cash receipts were promptly deposited.

The Treasurer's records were in agreement with the Board Secretary.

Elementary and Secondary Education Act (E.S.E.A.)/as amended by the Every Student Succeeds Act (ESSA)

The E.S.E.A. financial exhibits are contained within the Special Revenue section of the CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I, Title IIA and Title IV of the Elementary and Secondary Education Act, as amended.

I.D.E.A. Part B

Separate accounting records were maintained for each approved project.

Grant application approvals and acceptance of grant funds were made by Board resolution.

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Financial Planning, Accounting and Reporting (continued)**

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibits K-3 and K-4 located in the CAFR.

Our audit of the Federal and State funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. Reimbursements to State for Federal Salary Expenditures

None.

**School Purchasing Programs**

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2015 and thereafter the bid threshold in accordance with N.J.S.A. 18:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The Business Administrator has been designated the chief purchasing agent of the District and the Board of Education has adopted a resolution increasing the bid threshold to \$40,000.

The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is \$19,000 for 2017-18.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Board Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination did not indicate that payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S. 18A:18A-4.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal that purchases were made through the use of state contracts. These contracts were approved in the official minutes.

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**School Food Service**

The School Food Service Program has not been audited as a major program and has not expended \$100,000 or more in Federal and State support.

The financial transactions and statistical records of the school food services were maintained in satisfactory condition. The financial accounts, meal and milk count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The District utilizes a food service management company, Maschio's Food Services (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has been met.

Expenditures were separately recorded as food, labor and other costs. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources did not exceed three months average expenditures.

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (CAFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

The District maintains the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool at least annually.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds.

**Student Body Activities**

The Board has a policy which clearly establishes the regulation of student activity funds.

All cash receipts were promptly deposited.

All cash disbursements had proper supporting documentation.

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Application for State School Aid**

Our audit procedures included a test of information reported in the October 13, 2017 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, on-roll related services and low-income. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

The district maintained workpapers on the prescribed state forms or their equivalent.

The district has adequate written procedures for the recording of student enrollment data.

**Pupil Transportation**

Our audit procedures included a test of on roll status reported in the 2017-2018 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

**Facilities and Capital Assets**

The District had no SDA grant projects during the year.

The District maintained detail records for its capital assets.

**Testing for Lead of all Drinking Water in Educational Facilities**

The school district adhered to all requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The school district submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).



**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
FOOD SERVICE FUND  
SCHEDULE OF MEAL COUNT ACTIVITY  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOT APPLICABLE**

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
FOOD SERVICE FUND  
SCHEDULE OF NET CASH RESOURCES  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**NOT APPLICABLE**

**FRANKFORD TOWNSHIP BOARD OF EDUCATION**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 13, 2017**

**SCHEDULE OF AUDITED ENROLLMENTS**

	<u>2018-19 Application for State School Aid</u>						<u>Sample for Verification</u>						<u>Private Schools for Disabled</u>					
	<u>Reported on</u>		<u>Reported on</u>		<u>Errors</u>		<u>Sample</u>		<u>Verified per</u>		<u>Errors per</u>		<u>Reported on</u>	<u>Sample</u>	<u>Sample</u>	<u>Sample</u>		
	<u>A.S.S.A.</u>	<u>On Roll</u>	<u>Workpapers</u>	<u>On Roll</u>			<u>Selected from</u>	<u>Workpapers</u>	<u>Registers</u>	<u>On Roll</u>	<u>Registers</u>	<u>On Roll</u>	<u>Private</u>	<u>Verifi-</u>			<u>cation</u>	
<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Schools</u>	<u>ation</u>	<u>Verified</u>	<u>Errors</u>	
Half Day Preschool - 4 YR	7	-	7	-	-	-	-	7	-	7	-	-	-	-	-	-	-	-
Full Day Preschool - 4 YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	50	-	50	-	-	-	-	50	-	50	-	-	-	-	-	-	-	-
One	53	-	53	-	-	-	-	53	-	53	-	-	-	-	-	-	-	-
Two	55	-	55	-	-	-	-	55	-	55	-	-	-	-	-	-	-	-
Three	52	-	52	-	-	-	-	52	-	52	-	-	-	-	-	-	-	-
Four	53	-	53	-	-	-	-	53	-	53	-	-	-	-	-	-	-	-
Five	44	-	44	-	-	-	-	44	-	44	-	-	-	-	-	-	-	-
Six	52	-	52	-	-	-	-	52	-	52	-	-	-	-	-	-	-	-
Seven	40	-	40	-	-	-	-	40	-	40	-	-	-	-	-	-	-	-
Eight	49	-	49	-	-	-	-	49	-	49	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	455	-	455	-	-	-	-	455	-	455	-	-	-	-	-	-	-	-
Special Ed - Elementary	38	-	38	-	-	-	-	30	-	30	-	-	-	-	-	-	-	-
Special Ed - Middle School	24	-	24	-	-	-	-	19	-	19	-	-	-	-	-	-	-	-
Special Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	62	-	62	-	-	-	-	49	-	49	-	-	-	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	517	-	517	-	-	-	-	504	-	504	-	-	-	-	-	-	-	-
Percentage Error					0.00%	0.00%						0.00%	0.00%					0.00%

**FRANKFORD TOWNSHIP BOARD OF EDUCATION**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 13, 2017**

**SCHEDULE OF AUDITED ENROLLMENTS**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	5	5	-	4	4	-	-	-	-	-	-	-
One	8	8	-	6	6	-	-	-	-	-	-	-
Two	8	8	-	6	6	-	-	-	-	-	-	-
Three	10	10	-	7	7	-	-	-	-	-	-	-
Four	2	2	-	2	2	-	-	-	-	-	-	-
Five	5	5	-	4	4	-	-	-	-	-	-	-
Six	4	4	-	3	3	-	1	1	-	1	1	-
Seven	8	8	-	6	6	-	-	-	-	-	-	-
Eight	3	3	-	2	2	-	1	1	-	1	1	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	53	53	-	40	40	-	2	2	-	2	2	-
Special Ed - Elementary	3	3	-	2	2	-	-	-	-	-	-	-
Special Ed - Middle	7	7	-	5	5	-	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	10	10	-	7	7	-	-	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	63	63	-	47	47	-	2	2	-	2	2	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

**Transportation**

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	326	326	-	57	57	-
Reg -SpEd, col. 4	-	-	-	-	-	-
Transported - Non-Public, col. 3	-	-	-	-	-	-
Special Ed Spec, col. 6	5	5	-	3	3	-
Totals	331	331	-	60	60	-
Percentage Error						0.00%

**FRANKFORD TOWNSHIP BOARD OF EDUCATION**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 13, 2017**

**SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindegarten	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	2	2	-	2	2	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>2</u>	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>	<u>-</u>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>2</u>	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**SECTION 1A - Two Percent (2%) - Calculation of Excess surplus (2017-2018) expenditures of \$100 million or less)**

2017-2018 Total General Fund Expenditures per the CAFR	\$	11,817,813
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund		200,000
		12,017,813
Decreased by:		
On-Behalf TPAF Pension & Social Security		1,623,656
Adjusted 2017-2018 General Fund Expenditures	\$	10,394,157
2% of Adjusted 2017-2018 General Fund Expenditures	\$	207,883
Enter Greater of 2% of Adjusted 2017-2018 General Fund Expenditures or \$250,000	\$	250,000
Increased by:		
Allowable Adjustment		204,737
Maximum Unassigned Fund Balance	\$	454,737

**SECTION 2**

Total General Fund - Fund Balance at June 30, 2018	\$	2,683,077
Decreased by:		
Year End Encumbrances		42,282
Emergency Reserve - Designated for Subsequent Year's Expenditures		215,734
Maintenance Reserve		256,012
Capital Reserve		598,046
Capital Reserve - Designated for Subsequent Year's Expenditures		716,266
Excess Surplus - Designated for Subsequent Year's Expenditures		150,000
Total Unassigned Fund Balance	\$	704,737

**SECTION 3**

Excess Surplus	\$	250,000
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**Recapitulation of Excess Surplus as of June 30, 2018**

Excess Surplus - Designated for Subsequent Year's Expenditures	\$	150,000
Excess Surplus		250,000
	\$	400,000

**Detail of Allowable Adjustments**

Extraordinary Aid 2017-2018	\$	196,703
Nonpublic Transportation Aid 2017-2018		4,640
Payment for Institutionalized Children		3,394
	\$	204,737

**FRANKFORD TOWNSHIP BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**RECOMMENDATIONS**

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that procedures be implemented to ensure that the school property taxes are collected from the municipality prior to year end.

III. School Purchasing Program

There are none.

IV. School Food Service

There are none.

V. Student Body Activities

There are none.

VI. Application for State School Aid

There are none.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

There are none.

IX. Status of Prior Years' Audit Findings/Recommendations

There were no prior year recommendations.

**ACKNOWLEDGEMENT**

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP



Gary W. Higgins  
Public School Accountant  
Certified Public Accountant