

**CLARK PUBLIC SCHOOL DISTRICT  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2019**

**CLARK PUBLIC SCHOOL DISTRICT  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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# LERCH, VINCI & HIGGINS, LLP

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REGISTERED MUNICIPAL ACCOUNTANTS

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Honorable President and Members  
of the Board of Education  
Clark Public School District  
Clark, 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 Clark Public School District as of and for the fiscal year ended June 30, 2019, and have issued our report thereon dated December 2, 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 Education, 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.

Respectfully submitted,

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

Andrew D. Parente  
Public School Accountant  
PSA Number CS00224600

Fair Lawn, New Jersey  
December 2, 2019

**CLARK PUBLIC SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**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>
R. Paul Vizzuso	Business Administrator/Board Secretary	\$250,000
James Testa	Treasurer of School Monies	\$250,000

There is a blanket dishonesty bond covering all other employees, including faithful performance for elected officials, in the amount of \$250,000 per loss.

**Financial Planning, Accounting and Reporting**

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made.

Examination of Claims

An examination of claims paid during the period under review did not indicate any material discrepancies with respect to signatures and certifications.

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 Superintendent.

Salary withholdings were remitted to the proper agencies including health benefit withholdings due to the General Fund.

The required certification (E-Cert1) of compliance with requirements of income tax on compensation of District Administration was filed with the New Jersey Department of Treasury by the due date.

**CLARK PUBLIC SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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.

**Finding** – Our audit of year end open purchase orders revealed the following:

- Certain General Fund and Special Revenue Fund purchase orders classified as accounts payable were determined to be encumbrances at year end.
- Certain Special Revenue Fund purchase orders classified as accounts payable were required to be cancelled at year end.

**Recommendation** – Open purchase orders be reviewed at year end for proper classification as accounts payable, encumbrances or cancelled.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) 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-8.3.

Travel

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

Board Secretary's Records

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

The prescribed contractual order system was followed.

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

Monthly Board Secretary's report and certifications were approved by the Board in a timely manner.

Treasurer's Records

The Treasurer did perform cash reconciliations for all 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, II, III and IV of the Elementary and Secondary Education Act, as amended and reauthorized.

**CLARK PUBLIC SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**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.

**Finding (CAFR Finding 2019-001)** – Our audit of the District’s Extraordinary Aid application revealed that student enrollment forms were not in agreement with student Individualized Education Plans (IEP).

**Recommendation** – The Extraordinary Aid application be reviewed to ensure that services reported on the student enrollment form are in agreement with the student’s Individual Education Plan (IEP).

IDEA Part B and Preschool

Separate accounting records were maintained for each approved project. Grant applications, approvals and acceptance of grant funds were made by Board resolution.

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.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The reimbursement to the State for the TPAF/FICA payments made by the State on-behalf of the School District for those employees whose salaries are identified as being paid from Federal funds was made prior to the 90 days required by *N.J.S.A. 18A:66-90*.

**School Purchasing Programs**

Contracts and Agreements Requiring Advertisement for Bids

*N.J.S.A. 18A:18A-4* states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law".

Effective April 17, 2000, *N.J.S.A. 18A:18A* (Public School Contracts Law) was revised by P.L. 1999, C. 440.

Effective July 1, 2015 and thereafter the bid thresholds in accordance with *N.J.S.A. 18A: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 law regulating bidding for public school transportation contracts under *N.J.S.A. 18A:39-3* is currently \$19,000.

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.

**CLARK PUBLIC SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**School Purchasing Programs (Continued)**

**Contracts and Agreements Requiring Advertisement for Bids (Continued)**

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, as amended.

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

**School Food Service**

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted. We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

The financial transactions and records of the school food services were maintained in satisfactory condition. The financial accounts and records were reviewed on a test-check basis.

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

The district utilizes a food service management company (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 return a \$50,000 profit to the District. The operating results provision has been met.

Cash receipts and bank records were reviewed for timely deposits.

Expenses were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. 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 expenses for program related goods and services. The appropriate revenue and expense 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.

**CLARK PUBLIC SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**School Food Service (Continued)**

Food distribution program commodities were received and a separate inventory was maintained on a first-in, first-out basis.

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

The District has contracted with Maschio's Food Services, Inc. to operate its school food service program.

**Before and After School Program**

The financial transactions of the Before and After School Program were maintained as an Enterprise Fund. The financial accounts and records were reviewed on a test-check basis.

Cash disbursement records had supporting documentation and reflected program related expenses.

**Finding** – Our audit of collections by the Before and After Care program revealed that a detailed daily cash receipt journal is not maintained.

**Recommendation** – A detailed daily cash receipts journal be maintained for collections by the Before and After Care Program to ensure deposits are made in a timely manner.

**Student Body Activities**

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

Cash receipts and cash disbursements records were maintained in good condition.

All cash disbursements had proper supporting documentation.

**Finding** – Our audit of the A.L.J. High School student activity account revealed that deposits were not made in a timely manner.

**Recommendation** – Deposits of A.L.J. High School student activity receipts be made in a timely manner.

**Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2018 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, on-roll low-income and Limited English Proficient. 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 without exception. The information on the District workpapers was verified without exceptions noted. 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.



**CLARK PUBLIC SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Pupil Transportation**

Our audit procedures included a test of on roll status reported in the 2018-2019 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary without exception. 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**

Our procedures included a review of the SDA grant agreement for consistency with recording SDA revenue, transfer of local funds from the General Fund or from the Capital Reserve Account, and awarding of contracts for eligible facilities construction.

**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).

**Follow-up Prior Year Findings**

In accordance with government standards, our procedures included a review of all prior year recommendations.

**CLARK PUBLIC SCHOOL DISTRICT  
FOOD SERVICE FUND  
SCHEDULE OF MEAL COUNT ACTIVITY  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOT APPLICABLE**

**CLARK PUBLIC SCHOOL DISTRICT  
COMPARISON OF NET CASH RESOURCES TO THREE  
MONTHS AVERAGE EXPENDITURES  
FOOD SERVICE ENTERPRISE FUND  
AS OF JUNE 30, 2019**

**Net Cash Resources:**

**Current Assets**

Cash	\$	267,153
Accounts Receivable		5,231
Interfunds Receivable		28,608

**Current Liabilities**

Less:		
Accounts Payable		(105,289)
Unearned Revenue		(19,119)

<b>Net Cash Resources</b>	<b>\$</b>	<b><u>176,584</u></b>
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**Adjusted Total Operating Expense:**

Total Operating Expenses	\$	678,862
Less Depreciation		(16,529)
<b>Adjusted Total Operating Expense</b>	<b>\$</b>	<b><u>662,333</u></b>

<b><u>Average Monthly Operating Expense:</u></b>	<b>\$</b>	<b><u>66,233</u></b>
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<b><u>Three Times Monthly Average:</u></b>	<b>\$</b>	<b><u>198,700</u></b>
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Total Net Cash Resources	\$	176,584
Three Times Monthly Average		(198,700)

Net Cash Resources Do Not Exceed Three Month Average Expenses	\$	<u>(22,116)</u>
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**CLARK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2018  
SCHEDULE OF AUDITED ENROLLMENTS**

	2019-2020 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Pre-K 3yr					-	-					-	-				-
Full Day Pre-K 3yr					-	-					-	-				-
Half Day Pre-K 4yr					-	-					-	-				-
Full Day Pre-K 4yr					-	-					-	-				-
Full Day K	147		147		-	-	73		73		-	-				-
One	151		151		-	-	72		71		1	-				-
Two	135		135		-	-	64		65		(1)	-				-
Three	149		149		-	-	85		85		-	-				-
Four	152		152		-	-	89		89		-	-				-
Five	162		162		-	-	88		88		-	-				-
Six	147		147		-	-	147		147		-	-				-
Seven	129		129		-	-	129		129		-	-				-
Eight	147		147		-	-	147		147		-	-				-
Nine	144		144		-	-	144		144		-	-				-
Ten	146		146		-	-	146		146		-	-				-
Eleven	137	3	137	3	-	-	137		137		-	-				-
Twelve	165	2	165	2	-	-	165		165		-	-				-
Adult School (15+cr)	-		-		-	-					-	-				-
Subtotal	1,911	5	1,911	5	-	-	1,486	-	1,486	-	-	-	-	-	-	-
Sp. Ed. - Elementary	131		131		-	-	50		50		-	-	4	4	4	-
Sp. Ed. - Middle School	82		82		-	-	80		80		-	-	4	4	4	-
Sp. Ed. - High School	83	4	83	4	-	-	83		83		-	-	9	7	7	-
Subtotal	296	4	296	4	-	-	213	-	213	-	-	-	17	15	15	-
<b>Totals</b>	<b>2,207</b>	<b>9</b>	<b>2,207</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>1,699</b>	<b>-</b>	<b>1,699</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>15</b>	<b>15</b>	<b>-</b>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>				<u>0.00%</u>	

**CLARK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2018  
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 ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Errors
Full Day Pre-K 3yr			-			-			-			-
Full Day Pre-K 4yr			-			-			-			-
Full Day K	4.0	4.0	-	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
One	3.0	3.0	-	3.0	3.0	-			-			-
Two	2.0	2.0	-	2.0	2.0	-			-			-
Three	5.0	5.0	-	3.0	3.0	-			-			-
Four	1.0	1.0	-	1.0	1.0	-			-			-
Five	3.0	3.0	-	3.0	3.0	-			-			-
Six	3.0	3.0	-	3.0	3.0	-			-			-
Seven			-			-			-			-
Eight	3.0	3.0	-	3.0	3.0	-			-			-
Nine	6.0	6.0	-	5.0	5.0	-			-			-
Ten	5.0	5.0	-	4.0	4.0	-			-			-
Eleven	2.0	2.0	-	2.0	2.0	-	1.0	1.0	-	1.0	1.0	-
Twelve	3.0	3.0	-	3.0	3.0	-			-			-
Adult School (15+ credits)	-	-	-	-	-	-			-			-
<b>Subtotal</b>	<b>40.0</b>	<b>40.0</b>	<b>-</b>	<b>35.0</b>	<b>35.0</b>	<b>-</b>	<b>2.0</b>	<b>2.0</b>	<b>-</b>	<b>2.0</b>	<b>2.0</b>	<b>-</b>
Special Ed. - Elementary	3.0	3.0	-	3.0	3.0	-	-	-	-	-	-	-
Special Ed. - Middle	4.0	4.0	-	3.0	3.0	-	-	-	-	-	-	-
Special Ed. - High	4.5	4.5	-	3.0	3.0	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>11.5</b>	<b>11.5</b>	<b>-</b>	<b>9.0</b>	<b>9.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Co.Voc. -Regular												
Co.Voc. Ft. Post Sec.												
<b>Totals</b>	<b>51.5</b>	<b>51.5</b>	<b>-</b>	<b>44.0</b>	<b>44.0</b>	<b>-</b>	<b>2.0</b>	<b>2.0</b>	<b>-</b>	<b>2.0</b>	<b>2.0</b>	<b>-</b>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>						<u>0.00%</u>

	Transportation					
	Reported on DRTRS by BOE	Reported on DRTRS by District	Errors(1)	Tested	Verified	Errors
Regular Public Students	95.0	95.0	-	15.0	15.0	-
Transported Non-Public Students	16.0	16.0	-	3.0	3.0	-
lar Special Education (w/o needs)	1.0	1.0	-			-
cial Ed Students (w/special needs or out of district)	36.0	36.0	-	6.0	6.0	-
	<u>148.0</u>	<u>148.0</u>	<u>-</u>	<u>24.0</u>	<u>24.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**CLARK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2018  
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as LEP Not low Income	Reported on Workpapers as LEP Not low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Pre-K 3yr			-			-
Full Day Pre-K 4yr			-			-
Full Day Kindergarten	2.0	2.0	-	1.0	1.0	-
One	5.0	5.0	-	4.0	4.0	-
Two	2.0	2.0	-	2.0	2.0	-
Three			-			-
Four			-			-
Five	2.0	2.0	-	2.0	2.0	-
Six			-			-
Seven			-			-
Eight			-			-
Nine			-			-
Ten	1.0	1.0	-	1.0	1.0	-
Eleven	2.0	2.0	-	2.0	2.0	-
Twelve	1.0	1.0	-	1.0	1.0	-
Adult School (15+ credits)			-			-
<b>Subtotal</b>	<b>15.0</b>	<b>15.0</b>	<b>-</b>	<b>13.0</b>	<b>13.0</b>	<b>-</b>
Special Ed. - Elementary			-			-
Special Ed. - Middle			-			-
Special Ed. - High			-			-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Co. Voc. -Regular						
Co. Voc. Ft. Post Sec.						
<b>Totals</b>	<b>15.0</b>	<b>15.0</b>	<b>-</b>	<b>13.0</b>	<b>13.0</b>	<b>-</b>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**CLARK PUBLIC SCHOOL DISTRICT  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**SECTION 1**

2018-2019 Total General Fund Expenditures per the CAFR	\$	39,021,463
Decreased by:		
On-Behalf TPAF Pension & Social Security		5,367,896
Assets Acquired Through Interlocal Agreements		<u>375,000</u>
Adjusted 2018-2019 General Fund Expenditures	\$	<u>33,278,567</u>
2% of Adjusted 2018-2019 General Fund Expenditures	\$	<u>665,571</u>
Enter Greater of 2% of Adjusted 2018-2019 General Fund Expenditures or \$250,000		665,571
Increased by:		
Allowable Adjustment		<u>189,115</u>
Maximum Unassigned Fund Balance	\$	<u>854,686</u>

**SECTION 2**

Total General Fund - Fund Balance at June 30, 2019	\$	7,344,399
Decreased by:		
Excess Surplus - Designated for Subsequent Year's Expenditures		2,165,576
Capital Reserve		587,163
Maintenance Reserve		635,784
Year End Encumbrances		<u>127,245</u>
Total Unassigned Fund Balance	\$	<u>3,828,631</u>

**SECTION 3**

Restricted Fund Balance - Excess Surplus	\$	<u>2,973,945</u>
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**Recapitulation of Excess Surplus as of June 30, 2019**

Excess Surplus - Designated for Subsequent Year's Expenditures	\$	2,165,576
Excess Surplus		<u>2,973,945</u>
	\$	<u>5,139,521</u>

**Detail of Allowable Adjustments**

Extraordinary Aid	\$	164,175
Nonpublic Transportation Aid		<u>24,940</u>
	\$	<u>189,115</u>

**CLARK PUBLIC SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**RECOMMENDATIONS**

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Open purchase orders be reviewed at year end for proper classification as accounts payable, encumbrances or cancelled.
2. The Extraordinary Aid application be reviewed to ensure that services reported on the student enrollment form are in agreement with the student's Individual Education Plan.

III. School Purchasing Program

There are none.

IV. School Food Service

There are none.

V. Before and After School Program

It is recommended that a detailed cash receipts journal be maintained for collections by the Before and Aftercare Program to ensure deposits are made in a timely manner.

VI. Student Body Activities

It is recommended that deposits of A.L.J. High School student activity receipts be made in a timely manner.

VII. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on the prior year's recommendations and corrective action was taken on all.



**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



Andrew D. Parente  
Public School Accountant  
Certified Public Accountant