

**WEEHAWKEN  
BOARD OF EDUCATION**

**Auditor's Management Report on  
Administrative Findings –  
Financial, Compliance and Performance**

**For the Fiscal Year Ended June 30, 2019**

# **WEEHAWKEN BOARD OF EDUCATION**

**Auditor's Management Report on  
Administrative Findings -  
Financial, Compliance and Performance**

**For the Fiscal Year Ended  
June 30, 2019**

**AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
For the Fiscal Year Ended June 30, 2019**

**Exhibit A**

**Table of Contents**

	Page No.
Report of Independent Auditors	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Officials' Bonds	2
Tuition Charges	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account	2
Reserve for Encumbrances and Accounts Payable	3
Travel	3
Classification of Expenditures	
- General Classifications	3
- Administrative Classifications	3
Board Secretary's Records	3-4
Treasurer's Records	4
Pupil Transportation	4-5
Elementary and Secondary Education Act as amended by the Every Student Succeeds Act (ESSA)	5
Other Special Federal and/or State Projects	5-6
T.P.A.F. Reimbursement	6
School Purchasing Program	
Contracts and Agreements Requiring Advertisement for Bids	7
School Food Service	8
Student Body Activities	9
Application for State School Aid	9
Facilities and Capital Assets	9
Miscellaneous	N/A
Testing for Lead of All Drinking Water in Education Facilities	9
Follow-up on Prior Year Findings	10
Acknowledgment	11
Schedule of Meal Count Activity	12-13
Net Cash Resource Schedule	14
Schedule of Audited Enrollments	15-17
Excess Surplus Calculation	18
Audit Recommendation Summary	19-22

**Exhibit B**

**Report of Independent Auditors**

Honorable President and  
Members of the Board of Education  
Weehawken School District  
County of Hudson, New Jersey

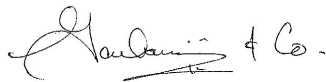
We have audited, in accordance with generally accepted audit standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Weehawken School District in the County of Hudson for the year ended June 30, 2019 and have issued our report thereon dated December 16, 2019.

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

This report is intended for the information of the Weehawken Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534  
Licensed Public School Accountant  
No. 2415



Garbarini & Co. P.C. CPAs

Carlstadt, New Jersey  
December 16, 2019

**Administrative Findings – Financial, Compliance and Performance**

**Scope of Audit**

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

**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 CAFR.

Officials’ Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Beverly Vlietstra	Business Administrator	200,000
Lisa Toscano	Treasurer	200,000

There is a Public Employee’s Faithful Performance Blanket Position Bond with the North Jersey Insurance Service Fund covering all other employees with multiple coverage of \$ 50,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were less than estimated cost. The Board made a proper adjustment to the billings to sending districts for the decrease in per pupil costs in accordance with N.J.A.C. 6A:23-3.1(f) 3.

**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 were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator.

Salary withholdings were always promptly remitted to the proper agencies, including health benefits premium amounts withheld due to general fund. Salaries were verified to the contracts and salary guide on a test basis and appear to be in agreement.

Payrolls were delivered to the treasurer of school moneys with warrant made to his order for the full amount of each payroll.

## **Administrative Findings – Financial, Compliance and Performance**

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

#### Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was performed as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable.

#### Travel

A review of the approved District's travel policy was made to ensure compliance with N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

An examination of travel reimbursements was made to ensure proper authorization was given and to ensure that travel expenses were under the maximum travel reimbursement rate. No findings were noted.

#### Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A: 23-16.2(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. As a result of the procedures performed, no major overall transaction error rate occurred, and no additional procedures were deemed necessary to test the propriety of expenditure classification.

*A. General Classification Findings - No material findings were noted.*

*B. Administrative Classification Findings -No findings were noted.*

### **Board Secretary's Records**

A review of the financial and accounting records maintained by the board secretary indicated no findings required to be reported herein, except for the following:

#### ***Finding 2019-001(CAFR Finding 2019-001):***

Several budgetary line item accounts were over-expended during the fiscal year ended June 30, 2019 in violation of *N.J.A.C. 6A:23A-16.10*. These over-expenditures individually totaled \$764,399.

#### ***Finding 2019-001(CAFR Finding 2019-001) (continued):***

#### ***Recommendation:***

Approved budgetary line accounts should not be over-expended. The Board Administrator should not approve the issuance of purchase orders that would cause over-expenditure in the line account to be charged, prior to the board approving the requested transfer of additional appropriations to cover such orders. Monthly certifications filed should be consistent with the actual budgetary records.

## **Administrative Findings – Financial, Compliance and Performance**

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

#### **Board Secretary’s Records (continued):**

##### ***Finding 2019-002 (CAFR Finding 2019-002):***

Several budget transfers were not always approved and recorded in the minutes of the School Board. The district did not retain proof of Executive County Superintendent approval for transfers over 10% in advertised appropriation accounts as defined under N.J.A.C. 6A:23A-13.3.

##### ***Recommendation:***

All budget transfers should be approved and recorded in the minutes of the School Board. Executive County Superintendent approval should be requested and proof of approval be retained for any transfer over 10% in advertised appropriation accounts as defined under N.J.A.C. 6A:23A-13.3.

##### ***Finding 2019-003 (CAFR 2019-005):***

The Board Secretary’s records were not always in agreement with the records of the Treasurer. Corrections noted by the Treasurer were not always made on a timely basis.

##### ***Recommendation:***

The Board Secretary should reconcile his cash record with the reconciled bank statements and cash records of the treasurer in a timely manner.

#### **Treasurer’s Records**

A review of the financial and accounting records maintained by the treasurer indicated no findings required to be reported herein.

#### **Pupil Transportation**

Our report procedures included a test of on roll status reported in the 2018-19 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

## **Administrative Findings – Financial, Compliance and Performance**

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

#### **Pupil Transportation (continued)**

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. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

#### **Elementary and Secondary Education Act (E.S.E.A.) as amended by 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 and VI of the Elementary and Secondary Education Acts as amended and reauthorized.

#### ***Finding 2019-004 (CAFR 2019-006):***

Upon acceptance of Title 1 grant funds, the allocation of teacher's salaries which were to be charged to the grant was not approved in the minutes or by Board resolution.

#### ***Recommendation:***

That allocations of teachers' salaries to be charged to Title 1 be board approved and recorded in the minutes.

#### ***Finding 2019-005 (CAFR 2019-007):***

An amendment was approved to transfer \$22,344 from title I salaries to purchased professional services. An additional amount of \$5,857 was needed in purchased professional services, and \$2,401 for benefits. These amounts were not included in the amendment. Transfer were not made for reporting purposes.

#### ***Recommendation:***

That amendment to budget line items within the Tile 1 grant be reflected correctly for reporting purposes

#### **Other Special Federal and/or State Projects**

The district's Special Projects were approved as listed on Schedule A and Schedule B 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.



## **Administrative Findings – Financial, Compliance and Performance**

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

#### **Other Special Federal and/or State Projects**

The following exceptions were noted:

#### ***Finding 2019-006 (CAFR SA 2019-008):***

- a. Applications for students were not net of all off-setting Medical Assistance Program (SEMI) revenues,
- b. An (one) application for a separate private school student included support costs which are unallowable,
- c. One student eligible for reimbursement under the Extraordinary Aid program was omitted during the application process.

Approximately \$25,000 in support costs was added to student applications without supporting documentation.

#### ***Recommendation:***

The District should establish procedures to review and use guidelines provided by the Extraordinary Aid program in order to provide accurate and supported costs for each student covered by the program.

#### **T.P.A.F. Reimbursement**

Our audit procedure included a test of the biweekly reimbursements filed with the Department of Education for district employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

The reimbursement to the State for the amount of the expenditure charged to the current year's Final Reports for all federal awards for school districts to reimburse 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 end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to reimbursement and no exceptions were noted.

## **Administrative Findings – Financial, Compliance and Performance**

### **School Purchasing Programs**

#### **Contracts and Agreements Requiring Advertisement for Bids**

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$19,000.

The District 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 solicitor's opinion should be sought before a commitment is made.

The result of our examination indicated that there were individual payments, contracts, and agreements made for the performance of work of goods and services, in excess of the statutory thresholds where there had been advertising for bids in accordance with the provisions of N.J.S.A. 18A:18A-4, amended.

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

The following findings were noted during testing of contracts:

#### ***Finding 2019-007 (CAFR Finding 2019-003):***

Our review of vendor payments in excess of the quote threshold revealed that 4 vendors of 5 tested did not have the required documentation that requires that the purchasing agent solicit at least two competitive quotations before award of the contract.

#### ***Recommendation:***

All contracts in excess of the quote threshold should have the required documentation that at least two competitive quotations were received before award of that contract in accordance with N.J.S.A. 18A:18A-37.

#### ***Finding 2019-008 (CAFR Finding 2019-004):***

Our review of vendors required to have IRS form W-9 and NJ Business Registration Certificates on file revealed that 4 vendors did not have the IRS form W-9 on file.

#### ***Recommendation:***

All vendors must have the required IRS form W-9.

## **Administrative Findings – Financial, Compliance and Performance**

### **School Food Service (Audited as major federal program)**

The financial accounts, meal 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 (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 Cost Reimbursement or Fixed Price contract does not include an operating results provision which guarantees that the food service program will either break even or return a profit. All vendor discounts, rebates, and credits from vendors and/or FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

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

Net cash resources did not exceed three months average expenditures. The District is currently charging the minimum rate for paid lunch. The administrator has indicated the Child Nutrition Program is meeting all federal and state guidelines.

Timesheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the District. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely matter except for underclaiming 34 meals with an immaterial difference of \$10.20 at June 30, 2019.

Applications for free and reduced-price meals were reviewed for completeness and accuracy. The number of free and reduced-price meals claimed as served was compared to the number of valid applications and/or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provision I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review.

USDA Food Distribution Program 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 did provide 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, Section G of the CAFR.

## **Administrative Findings – Financial, Compliance and Performance**

### **Student Body Activities**

During our review of the student activity funds, the following items were noted:

#### ***Finding 2019-009:***

Our examination of expenditures from the student activity accounts revealed that 19 out of 24 disbursements tested did not have all the appropriate approving signatures. Our examination also revealed that 1 out of 24 disbursements tested did not have supporting documentation.

#### ***Recommendation:***

Proper supporting documentation and required approval signatures should be maintained for all disbursements.

### **Application for State School Aid Summary**

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 handicapped, low-income, and bilingual. 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 work papers without exception. The information that was included on the work papers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained work papers on the prescribed state forms or their equivalent.

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

### **Facilities and Capital Assets**

Our procedures included a review of the 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 adhered to all requirements of N.J.A.C. 26-1.2 ad 12.4 related to testing for lead of all drinking water in educational facilities.

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

## **Administrative Findings – Financial, Compliance and Performance**

### **Follow-up on Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action had been taken on all prior year findings with the exception of the following, which is repeated in this year's recommendations noted as current year finding 2019-001, 2019-002, 2019-004, 2019-006, 2019-007, 2019-008, and 2019-009.”

#### ***Recommendation 2019-001:***

Approved budgetary line accounts should not be over-expended. The Board Administrator should not approve the issuance of purchase orders that would cause over-expenditure in the line account to be charged, prior to the board approving the requested transfer of additional appropriations to cover such orders. Monthly certifications filed should be consistent with the actual budgetary records.

#### ***Recommendation 2019-002:***

All budget transfers should be approved and recorded in the minutes of the School Board. Executive County Superintendent approval should be requested and proof of approval be retained for any transfer over 10% in advertised appropriation accounts as defined under N.J.A.C. 6A:23A-13.3.

#### ***Recommendation 2019-004:***

That allocations of teachers' salaries to be charged to Title 1 be board approved and recorded in the minutes.

#### ***Recommendation 2019-006:***

The District should establish procedures to review and use guidelines provided by the Extraordinary Aid program in order to provide accurate and supported costs for each student covered by the program.

#### ***Recommendation 2019-007:***

All contracts in excess of the quote threshold should have the required documentation that at least two competitive quotations were received before award of that contract in accordance with N.J.S.A. 18A:18A-37.

#### ***Recommendation 2019-008:***

All vendors must have the required IRS form W-9.

#### ***Recommendation 2019-009:***

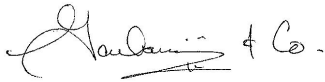
Proper supporting documentation and required approval signatures should be maintained for all disbursements.

**Acknowledgment**

We received the complete cooperation of all officials of the school district and greatly appreciate the courtesies extended to the members of the audit team.



Paul W. Garbarini, CPA  
Registered Municipal Accountant  
No. 534  
Public School Accountant  
No. 2415



Garbarini & Co. P.C. CPAs  
Carlstadt, New Jersey  
December 16, 2019

**SCHEDULE OF MEAL COUNTY ACTIVITY**

**WEEHAWKEN BOARD OF EDUCATION  
FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER) / UNDER CLAIM - FEDERAL  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE</u>	<u>(OVER) UNDER CLAIM</u>
National School Lunch (Regular Rate)	Paid	53,314	53,314	53,314	-	0.31	\$ -
National School Lunch (Regular Rate)	Reduced	7,710	7,710	7,710	-	2.83	-
National School Lunch (Regular Rate)	Free	39,680	39,680	39,680	-	3.23	-
	<b>TOTAL</b>	<b>100,704</b>	<b>100,704</b>	<b>100,704</b>	<b>-</b>		<b>-</b>
National School Lunch	HHFKA-PB Lunch Only	101,495	101,495	101,495	-	0.06	-
School Breakfast (Severe Needs Rate)	Paid	3,611	3,611	3,645	34	0.30	10.20
School Breakfast (Severe Needs Rate)	Reduced	597	597	597	-	1.79	-
School Breakfast (Severe Needs Rate)	Free	9,441	9,441	9,441	-	2.09	-
	<b>TOTAL</b>	<b>13,649</b>	<b>13,649</b>	<b>13,683</b>	<b>34</b>		<b>10.20</b>
<b>Net (Over) Underclaim</b>							<b>\$ 10.20</b>

**SCHEDULE OF MEAL COUNTY ACTIVITY**

**WEEHAWKEN BOARD OF EDUCATION  
FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER) / UNDER CLAIM - STATE  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE</u>	<u>(OVER) UNDER CLAIM</u>
State Reimbursement - National School Lunch (Regular Rate)	Paid	53,314	53,314	53,314	-	0.050	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	7,710	7,710	7,710	-	0.055	-
State Reimbursement - National School Lunch (Regular Rate)	Free	39,680	39,680	39,680	-	0.055	-
		<u>100,704</u>	<u>100,704</u>	<u>100,704</u>	<u>-</u>		<u>-</u>
Net (Over) Underclaim							<u>\$ -</u>



**WEEHAWKEN BOARD OF EDUCATION  
NET CASH RESOURCE SCHEDULE  
PROPRIETARY FUNDS - FOOD SERVICE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Net Cash Resources:</u>	<b>Food Service B - 4/5</b>	
<b>CAFR</b> *	<b>Current Assets</b>	
B-4	Cash & Cash Equiv.	\$ -
B-4	Due from Other Gov'ts	
B-4	Accounts Receivable	64,350
B-4	Investments	
<b>CAFR</b>	<b>Current Liabilities</b>	
B-4	Less Accounts Payable	(16,209)
B-4	Less Accruals	
B-4	Less Due to Other Funds	(10,947)
B-4	Less Deferred Revenue	
	<b>Net Cash Resources</b>	<u><u>\$ 37,194</u></u> (A)

**Net Adj. Total Operating Expense:**

B-5	Tot. Operating Exp.	412,177	
B-5	Less Depreciation	(8,415)	
	Adj. Tot. Oper. Exp.	<u><u>\$ 403,762</u></u>	(B)

**Average Monthly Operating Expense:**

	B / 10	<u><u>\$ 40,376</u></u>	(C)
--	--------	-------------------------	-----

**Three times monthly Average:**

	3 X C	<u><u>\$ 121,129</u></u>	(D)
--	-------	--------------------------	-----

TOTAL IN BOX A	\$ 37,194		
LESS TOTAL IN BOX D	\$ 121,129		
NET	<u><u>\$ (83,935)</u></u>		
From above:			
<b>A is greater than D, cash exceeds 3 X average monthly operating expenses.</b>			
<b>D is greater than A, cash does not exceed 3 X average monthly operating expenses.</b>			

\* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

**SCHEDULE OF AUDITED ENROLLMENTS**

**WEEHAWKEN BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2018**

	2018-2019 Application for State School Aid						Sample for Verification						Private School for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Workpapers 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				
Full Day Preschool	102		102		0		102		102		0					
Full Day Kindergarten	97		97		0		97		97		0					
One	102		102		0		102		102		0					
Two	90		90		0		90		90		0					
Three	98		98		0		98		98		0					
Four	99		99		0		99		99		0		1	1	1	
Five	91		91		0		91		91		0		1	1	1	
Six	86		86		0		86		86		0					
Seven	78		78		0		78		78		0		2	2	2	
Eight	84		84		0		84		84		0		1	1	1	
Nine	89		89		0		89		89		0					
Ten	80		80		0		80		80		0					
Eleven	75		75		0		75		75		0					
Twelve	85		85		0		85		85		0					
<b>Subtotal</b>	<u>1,256</u>	<u>0</u>	<u>1,256</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,256</u>	<u>0</u>	<u>1,256</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>0</u>
Sp Ed - Elementary	65		65		0		65		65		0					0
Sp Ed - Middle School	26		26		0		26		26		0		2	2	2	0
Sp Ed - High School	60		60		0	0	60		60	1	0	0				0
<b>Subtotal</b>	<u>151</u>	<u>0</u>	<u>151</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>151</u>	<u>0</u>	<u>151</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
<b>Total</b>	<u>1,407</u>	<u>0</u>	<u>1,407</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,407</u>	<u>0</u>	<u>1,407</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>0</u>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>

**SCHEDULE OF AUDITED ENROLLMENTS**

**WEEHAWKEN BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2018**

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	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
Full Day Preschool	0	0	0	0	0	0	0	0	0	0	0	0
Full Day Kindergarten	17	17	0	17	17	0	5	5	0	5	5	0
One	18	18	0	18	18	0	4	4	0	4	4	0
Two	20	20	0	20	20	0	2	2	0	2	2	0
Three	22	22	0	22	22	0	6	6	0	6	6	0
Four	29	29	0	29	29	0	2	2	0	2	2	0
Five	20	20	0	20	20	0	2	2	0	2	2	0
Six	26	26	0	26	26	0	3	3	0	3	3	0
Seven	19	19	0	19	19	0	0	0	0	0	0	0
Eight	21	21	0	21	21	0	0	0	0	0	0	0
Nine	28	28	0	28	28	0	1	1	0	1	1	0
Ten	21	21	0	21	21	0	1	1	0	1	1	0
Eleven	21	21	0	21	21	0	5	5	0	5	5	0
Twelve	23	23	0	23	23	0	2	2	0	2	2	0
<b>Subtotal</b>	<b>285</b>	<b>285</b>	<b>0</b>	<b>285</b>	<b>285</b>	<b>0</b>	<b>33</b>	<b>33</b>	<b>0</b>	<b>33</b>	<b>33</b>	<b>0</b>
Sp Ed - Elementary	43	43	0	43	43	0	0	0	0	0	0	0
Sp Ed - Middle School	15	15	0	15	15	0	0	0	0	0	0	0
Sp Ed - High School	28	28	0	28	28	0	1	1	0	1	1	0
<b>Subtotal</b>	<b>86</b>	<b>86</b>	<b>0</b>	<b>86</b>	<b>86</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>
Low Inc. out of District			0			0	0	0		0	0	
<b>Total</b>	<b>371.0</b>	<b>371.0</b>	<b>0</b>	<b>371.0</b>	<b>371.0</b>	<b>0</b>	<b>34</b>	<b>34</b>	<b>0</b>	<b>34</b>	<b>34</b>	<b>0</b>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>						Reg. Avg.(Mileage) = Regular Including Grade PK students (Part A)	Reg. Avg.(Mileage) = Regular Excluding Grade PK students If Applicable	Spec. Avg. = Special Ed. With Special Needs	<u>Reported</u>	<u>Re-Calculated</u>
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors					
Reg. - Public Schools, col. 1	0	0	0	0	0	0				1.1	1.1
Reg-SpEd, col. 4	43	43	0	43	43	0					
Transported - Non public, col. 2	0	0	0	0	0	0					
Special Ed Spec, col. 6	35	35	0	35	35	0				10.6	10.6
Totals	<u>78</u>	<u>78</u>	<u>0</u>	<u>78</u>	<u>78</u>	<u>0</u>					
Percentage Error			<u>0.00%</u>			<u>0.00%</u>					

**SCHEDULE OF AUDITED ENROLLMENTS**

**WEEHAWKEN BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2018**

	<b>Resident LEP NOT Low Income</b>			<b>Sample for Verification</b>		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Preschool	0	0	0	0	0	0
Full Day Kindergarten	7	7	0	7	7	0
One	6	6	0	6	6	0
Two	4	4	0	4	4	0
Three	2	2	0	2	2	0
Four	2	2	0	2	2	0
Five	3	3	0	3	3	0
Six	4	4	0	4	4	0
Seven	3	3	0	3	3	0
Eight	1	1	0	1	1	0
Nine	4	4	0	4	4	0
Ten	1	1	0	1	1	0
Eleven	6	6	0	6	6	0
Twelve	2	2	0	2	2	0
<b>Subtotal</b>	<b>45</b>	<b>45</b>	<b>0</b>	<b>45</b>	<b>45</b>	<b>0</b>
Sp Ed - Elementary	2	2	0	2	2	0
Sp Ed - Middle School	0	0	0	0	0	0
Sp Ed - High School	1	1	0	1	1	0
<b>Subtotal</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>
Low Inc. out of District						
<b>Total</b>	<b>48</b>	<b>48</b>	<b>0</b>	<b>48</b>	<b>48</b>	<b>0</b>
Percentage Error			<b>0.00%</b>			<b>0.00%</b>

Excess Surplus Calculation

**Excess Surplus Calculation  
REGULAR DISTRICT**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2018-19 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ 29,379,467 (B)
<b>Increased By:</b>	
Transfer from Capital Outlay to Capital Projects Fund	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ - (B1b)
Transfer from General Fund to SRF for Pre-K-Regular	(B1c)
Transfer from General Fund to SRF fro PreK-Inclusion	\$ - (B1d)
<b>Decreased By:</b>	
On-Behalf TPAF Pension & Social Security	(3,414,358) (B2a)
Assets Acquired Under Capital Leases	\$ - (B2b)
Adjusted 2017 - 18 General Fund Expenditures [(B) + (B1's) - (B2's)]	<u>\$ 25,965,109 (B3)</u>
2% of Adjusted 2018 - 19 General Fund Expenditures [(B3) times .02]	\$ 519,302 (B4)
Enter greater of (B4) or \$250,000	<u>\$ 519,302 (B5)</u>
Increased by: Allowable Adjustment )Extraordinary Aid	(K)
Maximum Unassigned Fund Balance [(B5) +(K)]	<u>\$ 519,302 (M)</u>

**SECTION 2**

Total General Fund - Fund Balances @ 6-30-19 (Per CAFR Budgetary Comparison Schedule C-1)	\$ 63,387 (C)
<b>Decreased By:</b>	
Year End Encumbrances	\$ (54,250) (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	(C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	(C3)
Other Restricted/ Reserved Fund Balances	(C4)
Assigned -- Designated for Subsequent Year's Expenditures	(C5)
Additional Assigned Fund Balance- Unreserved- Designated for Subsequent Year's Expenditures- July 1, 2019- August 1, 2020	(C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 9,137 (U1)</u>

**SECTION 3**

Restricted Fund Balance - Excess Surplus [(U) - (M)] IF NEGATIVE ENTER -0-	<u>\$ - (E)</u>
--	-----------------

**Recapitulation of Excess Surplus as of June 30, 2019**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	\$ - (C3)
Reserved Excess Surplus [(E)]	\$ - (E)
Total Excess Surplus [(C3) + (E)]	<u>\$ - (D)</u>

**Administrative Findings – Financial, Compliance and Performance**

**AUDIT RECOMMENDATIONS SUMMARY**

**For the Fiscal Year Ended June 30, 2019**

**Weehawken Board of Education**

**Exhibit G**

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

Classification of Expenditures

None

Board Secretary Records

**2019-001 (CAFR Finding 2019-001):**

Approved budgetary line accounts should not be over-expended. The Board Administrator should not approve the issuance of purchase orders that would cause over-expenditure in the line account to be charged, prior to the board approving the requested transfer of additional appropriations to cover such orders. Monthly certifications filed should be consistent with the actual budgetary records.

**2019-002 (CAFR Finding 2019-002):**

All budget transfers should be approved and recorded in the minutes of the School Board. Executive County Superintendent approval should be requested and proof of approval be retained for any transfer over 10% in advertised appropriation accounts as defined under N.J.A.C. 6A:23A-13.3.

**2019-003 (CAFR Finding 2019-005):**

The Board Secretary should reconcile his cash record with the reconciled bank statements and cash records of the treasurer in a timely manner.

**Administrative Findings – Financial, Compliance and Performance**

**AUDIT RECOMMENDATIONS SUMMARY**

**For the Fiscal Year Ended June 30, 2019**

**Weehawken Board of Education**

**Exhibit G**

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

**Finding 2019-004 (CAFR 2019-006):**

That allocations of teachers' salaries to be charged to Title1 be board approved and recorded in the minutes.

**Finding 2019-005 (CAFR 2019-007):**

That amendments to budget line items within the Title 1 grant be reflected correctly for reporting purposes.

Other Special Federal and/or State Projects

**Finding 2019-006 (CAFR 2019-008):**

The District should establish procedures to review and use guidelines provided by the Extraordinary Aid program in order to provide accurate and supported costs for each student covered by the program.

3. School Purchasing Programs

**2019-007 (CAFR Finding 2019-003):**

All contracts in excess of the quote threshold should have the required documentation that at least two competitive quotations were received before award of that contract in accordance with N.J.S.A. 18A:18A-37.

**2019-008 (CAFR Finding 2019-004):**

All vendors must have the required IRS form W-9.

4. School Food Service

None

5. Student Body Activities

**2019-009:**

Proper supporting documentation and required approval signatures should be maintained for all disbursements.

**Administrative Findings – Financial, Compliance and Performance**

**AUDIT RECOMMENDATIONS SUMMARY**

**For the Fiscal Year Ended June 30, 2019**

**Weehawken Board of Education**

Recommendations (continued):

**Exhibit G**

Application for State School Aid

None

6. Pupil Transportation

None

7. Facilities and Capital Assets

None

8. Miscellaneous

None

**Follow-up on Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action had been taken on all prior year findings with the exception of the following, which is repeated in this year's recommendations noted as current year finding 2019-001, 2019-002, 2019-004, 2019-006, 2019-007, 2019-008, and 2019-009.”

***Recommendation 2019-001:***

Approved budgetary line accounts should not be over-expended. The Board Administrator should not approve the issuance of purchase orders that would cause over-expenditure in the line account to be charged, prior to the board approving the requested transfer of additional appropriations to cover such orders. Monthly certifications filed should be consistent with the actual budgetary records.

***Recommendation 2019-002:***

All budget transfers should be approved and recorded in the minutes of the School Board. Executive County Superintendent approval should be requested and proof of approval be retained for any transfer over 10% in advertised appropriation accounts as defined under N.J.A.C. 6A:23A-13.3.

***Recommendation 2019-004:***

That allocations of teachers' salaries to be charged to Title 1 be board approved and recorded in the minutes.

***Recommendation 2019-006:***

The District should establish procedures to review and use guidelines provided by the Extraordinary Aid program in order to provide accurate and supported costs for each student covered by the program.



**Administrative Findings – Financial, Compliance and Performance**

**AUDIT RECOMMENDATIONS SUMMARY**

**For the Fiscal Year Ended June 30, 2019**

**Weehawken Board of Education**

**Exhibit G**

**Follow-up on Prior Year Findings (Continued):**

***Recommendation 2019-007:***

All contracts in excess of the quote threshold should have the required documentation that at least two competitive quotations were received before award of that contract in accordance with N.J.S.A. 18A:18A-37.

***Recommendation 2019-008:***

All vendors must have the required IRS form W-9.

***Recommendation 2019-009:***

Proper supporting documentation and required approval signatures should be maintained for all disbursements.