

**BERGENFIELD BOARD OF EDUCATION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2020**

**BERGENFIELD 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 Education
Bergenfield Board of Education
Bergenfield, 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 Bergenfield Board of Education as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated February 5, 2021.

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

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

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 5, 2021

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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 the Insurance Schedule contained in the district's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
David DiPisa	School Business Administrator/ Board Secretary (July 1, 2019 to April 29, 2020)	\$350,000
Christopher M. Tully, EDD,	Interim Business Administrator/ Board Secretary (May 1, 2020 to June 30, 2020)	\$350,000
Sean Gately	Treasurer of School Monies	\$350,000

There is a Public Employees' Dishonesty Insurance Coverage with the Northeast Bergen County School Board Insurance Group (NESBIG) covering all other employees with multiple coverage of \$100,000 per employee and \$400,000 per loss.

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to each of signature certification and proper itemization.

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

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund.

The District maintains a personnel tracking and accounting (Position Control) system.

The School Business Administrator completed and filed the required certification of compliance with federal and state law respecting the reporting of compensation for certain employees.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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 reserve 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.

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 included administrative coding classifications to determine overall reliability and compliance with NJAC 6A:23A-8.3. As a result of the procedures performed additional procedures were not deemed necessary to test the propriety of expenditure classification.

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 satisfactory condition.

Acknowledgement of the Board's receipt of the Board Secretary's and Treasurer's monthly financial reports were included in the minutes.

The prescribed contractual order system was followed without any material exceptions noted.

Treasurer's Records

The Treasurer did perform reconciliations for all required accounts.

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

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the Expendable Trust Fund.

Elementary and Secondary School 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 Titles I, II, III and IV of the Elementary and Secondary Education Act as amended and reauthorized.

Our examination of the E.S.E.A./NCLB 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.

Finding – There is a deficit balance of \$21,983 in the payroll deduction and withholdings. This was caused by an audit adjustment. The deficit will be raised during 2020-21 and therefore a recommendation is not warranted.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

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

Our examination 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 contained herein represent a true statement of 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 Reimbursement to the State for Federal Salary Expenditures

The amount of expenditures charged to the current year's Final Reports for all federal awards for the school district 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 the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-3 (as amended) and 18A:39-3 (public school student transportation) are \$29,000 and \$19,000 respectively.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (c.40A:11-9), the board of education may establish that the bid threshold may be up to \$40,000 in accordance with 18A:18A-2. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section. The Board designated the School Business Administrator as the qualified purchasing agent.

The School Business Administrator is a QPA and the Board by resolution has established the bid threshold be \$40,000.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal 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 any individual payments, contracts, or agreements which 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.A. 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, however, that purchases were made through the use of State contracts.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Food Service Fund

COVID-19 Emergency

In accordance with the Governor's Declaration of Emergency pertaining to COVID-19, all public, charter and non-public schools were ordered to close effective as of March 18, 2020 for an undetermined period to limit the spread of the virus. As a result, School Food Authorities (SFA) were required to institute alternate procedures to provide meals to free and reduced price eligible students during the period of school closures.

Therefore, SFA's were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFA's were also authorized to submit contract modifications to their existing cost reimbursable or fixed price contracts as necessary to ensure the feeding of free and reduce priced meal eligible students.

SFA's were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all free and reduced price meal eligible students during the emergency.

We also inquired of management about the emergency COVID-19 procedures/practices that the SFA instituted to provide meals to eligible students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations.

The school food service program was not selected as a major Federal or State program. However, the program expenditures exceeded \$100,000 in Federal support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (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 statistical records of the school food services were maintained in satisfactory condition. The financial accounts and records 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. The FSMC contract includes an operating results provision which guarantees that the food service program will generate a profit. The operating results provision has been met in the current fiscal year.

Expenditures 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 disbursement 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 exceeded three months average expenditures.

Applications for free and reduced priced meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid ("ASSA").

USDA Food Distribution Program commodities were received and a separate inventory were maintained on a first-in, first-out basis.

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

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

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Student Body Activities

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

Cash receipts and disbursements records for the various schools were maintained in good condition.

Summer Enrichment Program

A formal cash receipts and cash disbursement journal was maintained for the Summer Enrichment Program's financial transactions.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2019 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and limited English proficiency. 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 isolated exceptions noted. The information that was included on the workpapers was verified without 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 had 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 2019-2020 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report 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

Our procedures included a review of the State Schools Development Authority (SDA) grant agreements 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. Corrective action had been taken on all prior year findings.

**BERGENFIELD BOARD OF EDUCATION
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SCHEDULE OF MEAL COUNTY ACTIVITY

NOT APPLICABLE

BERGENFIELD BOARD OF EDUCATION
 ENTERPRISE FUND - FOOD SERVICE FUND
 NET CASH RESOURCES SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2020

**BERGENFIELD BOARD OF EDUCATION
 NET CASH RESOURCE SCHEDULE**

**Proprietary Funds - Food Service
 FYE 2020**

		Food Service B - 4/5	
<u>Net Cash Resources:</u>			
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 209,015
B-4		Due from Other Gov'ts	174,489
B-4		Accounts Receivable	
B-4		Investment	
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(174,368)
B-4		Less Accruals	
B-4		Less Due to Other Funds	
B-4		Less Unearned Revenue	(12,158)
		Net Cash Resources	<u>\$ 196,978</u> (A)
<u>Net Adj. Total Operating Expense:</u>			
B-5		Tot. Operating Exp.	\$ 1,347,031
B-5		Less Depreciation	12,991
		Adj. Tot. Oper. Exp.	<u>\$ 1,334,040</u> (B)
<u>Average Monthly Operating Expense:</u>			
		B / 10	<u>\$ 133,404</u> (C)
<u>Three times monthly Average:</u>			
		3 X C	<u>\$ 400,212</u> (D)
<hr/>			
TOTAL IN BOX A		\$ 196,978	
LESS TOTAL IN BOX D		400,212	
NET EXCESS DEFICIT		<u>\$ (203,234)</u>	
Net Cash Resources Did Not Exceed Three Months of Expenditures			
* Inventories are not to be included in total current assets.			

**BERGENFIELD BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2019
SCHEDULE OF AUDITED ENROLLMENTS**

	2020-2021 Application for State School Aid						Sample for Verification						On Roll - Special Education			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		Sample for Verifi- cation	Sample Verified	Sample Errors	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	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared							
Half Day Preschool 3 Years Old	10	-	10	-	-	-	10	-	10	-	-								
Half Day Preschool 4 Years Old	10	-	10	-	-	-	10	-	10	-	-								
Full Day Preschool 3 Years Old	-	-	-	-	-	-	-	-	-	-	-								
Full Day Preschool 4 Years Old	-	-	-	-	-	-	-	-	-	-	-								
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-								
Full Day Kindergarten	222	-	222	-	-	-	68	-	68	-	-								
Grade 1	225	-	225	-	-	-	36	-	36	-	-								
Grade 2	191	-	191	-	-	-	42	-	42	-	-								
Grade 3	194	-	194	-	-	-	46	-	46	-	-								
Grade 4	250	-	250	-	-	-	62	-	62	-	-								
Grade 5	243	-	243	-	-	-	36	-	36	-	-								
Grade 6	223	-	223	-	-	-	228	-	228	-	-								
Grade 7	246	-	246	-	-	-	246	-	246	-	-								
Grade 8	257	-	257	-	-	-	226	-	226	-	-								
Grade 9	254	-	254	-	-	-	271	-	271	-	-								
Grade 10	273	-	273	-	-	-	237	-	237	-	-								
Grade 11	244	-	244	-	-	-	251	-	251	-	-								
Grade 12	249	-	249	-	-	-	232	-	232	-	-								
Post- Graduate	-	-	-	-	-	-	-	-	-	-	-								
Adult High School (15+ Credits)	-	-	-	-	-	-	-	-	-	-	-								
Adult High School (1-14 Credits)	-	-	-	-	-	-	-	-	-	-	-								
Subtotal	3,091	-	3,091	-	-	-	2,001	-	2,001	-	-	-	-	-	-	-	-	-	-
Sp Ed - Elementary	250	-	250	-	-	-	-	-	-	-	-	16	16	-	7	7	7	-	-
Sp Ed - Middle School	127	-	127	-	-	-	-	-	-	-	-	119	119	-	8	8	8	-	-
Sp Ed - High School	158	-	158	-	-	-	-	-	-	-	-	160	160	-	14	14	14	-	-
Subtotal	535	-	535	-	-	-	-	-	-	-	-	295	295	-	29	29	29	-	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - F.T. Post-Secor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,626	-	3,626	-	-	-	2,001	-	2,001	-	-	295	295	-	29	29	29	-	-
Percentage Error							0.00%		0.00%			0.00%			0.00%		0.00%		0.00%

**BERGENFIELD BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2019
SCHEDULE OF AUDITED ENROLLMENTS**

	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	Sample Errors
Half Day Preschool 3 Years Old	-	-	-	-	-	-
Half Day Preschool 4 Years Old	-	-	-	-	-	-
Full Day Preschool 3 Years Old	-	-	-	-	-	-
Full Day Preschool 4 Years Old	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	65	64	1	3	3	-
Grade 1	66	65	1	4	4	-
Grade 2	59	59	-	4	4	-
Grade 3	52	51	1	5	5	-
Grade 4	84	84	-	4	4	-
Grade 5	57	57	-	4	4	-
Grade 6	61	62	(1)	4	4	-
Grade 7	88	86	2	5	5	-
Grade 8	83	82	1	5	5	-
Grade 9	83	82	1	5	5	-
Grade 10	79	79	-	5	5	-
Grade 11	71	70	1	5	5	-
Grade 12	69	69	-	4	4	-
Post- Graduate	-	-	-	-	-	-
Adult High School (15+ Credits)	-	-	-	-	-	-
Adult High School (1-14 Credits)	-	-	-	-	-	-
Subtotal	917	910	7	57	57	-
Sp Ed - Elementary	95	92	3	5	5	-
Sp Ed - Middle School	67	64	3	3	3	-
Sp Ed - High School	57	53	4	4	4	-
Subtotal	219	209	10	12	12	-
County Vocational - Regular	-	-	-	-	-	-
County Vocational - F.T. Post-Second	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	1,136	1,119	17	69	69	-
Percentage Error			<u>1.50%</u>			<u>0.00%</u>

	Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Errors
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
13	13	-	-	9	9	-
15	14	1	-	9	9	-
23	23	-	-	16	16	-
12	12	-	-	7	7	-
10	11	(1)	-	7	7	-
11	11	-	-	7	7	-
5	5	-	-	3	3	-
14	14	-	-	10	10	-
4	4	-	-	3	3	-
8	8	-	-	5	5	-
10	8	2	-	5	5	-
8	4	4	-	3	3	-
4	3	1	-	2	2	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
137	130	7	-	86	86	-
6	6	-	-	2	2	-
1	1	-	-	1	1	-
1	1	-	-	1	1	-
8	8	-	-	4	4	-
145	138	7	-	90	90	-
Percentage Error			<u>4.83%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	40	40	-	9	9	-
Transported - Non Public	-	-	-	-	-	-
AIL Non-Public	-	-	-	-	-	-
Regular - Special Ed	72	72	-	16	16	-
Special Needs	126	126	-	30	30	-
238	238	-	-	55	55	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**BERGENFIELD BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2019
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as NOT Low Income	Reported on Workpapers as NOT low Income	Errors	Sample Selected From Workpapers	Verified to Application	Errors
Half Day Preschool 3 Years Old	-	-	-	-	-	-
Full Day Preschool 3 Years Old	-	-	-	-	-	-
Half Day Preschool 4 Years Old	-	-	-	-	-	-
Full Day Preschool 4 Years Old	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	14	14	-	10	10	-
Grade 1	11	12	(1)	8	8	-
Grade 2	11	11	-	7	7	-
Grade 3	7	8	(1)	5	5	-
Grade 4	6	6	-	4	4	-
Grade 5	9	11	(2)	7	7	-
Grade 6	5	7	(2)	3	3	-
Grade 7	6	6	-	4	4	-
Grade 8	7	7	-	5	5	-
Grade 9	9	9	-	6	6	-
Grade 10	10	12	(2)	7	7	-
Grade 11	7	11	(4)	6	6	-
Grade 12	1	2	(1)	1	1	-
Post- Graduate	-	-	-	-	-	-
Adult High School (15+ Credits)	-	-	-	-	-	-
Adult High School (1-14 Credits)	-	-	-	-	-	-
Subtotal	103	116	(13)	73	73	-
Sp Ed - Elementary	4	4	-	3	3	-
Sp Ed - Middle School	-	-	-	-	-	-
Sp Ed - High School	1	1	-	1	1	-
Subtotal	5	5	-	4	4	-
County Vocational - Regular						
County Vocational - F.T. Post-Second						
Subtotal						
Totals	108	121	(13)	77	77	-
Percentage Error			<u>-12.04%</u>			<u>0.00%</u>

**BERGENFIELD BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SECTION 1A

2019-2020 Total General Fund Expenditures per the CAFR	\$ 74,610,203	
Increased by:		
Capital Reserve Transferred to Capital Projects Fund	\$ 476,262	
Capital Outlay Transferred to Capital Projects Fund	131,909	
Decreased by:		
On-Behalf TPAF Pension & Social Security	<u>(9,273,286)</u>	
Adjusted 2019-2020 General Fund Expenditures	<u>\$ 65,945,088</u>	
2% of Adjusted 2019-2020 General Fund Expenditures	<u>\$ 1,318,902</u>	
Enter Greater of 2% of Adjusted 2019-2020 General Fund Expenditures or \$250,000	\$ 1,318,902	
Increased by: Allowable Adjustments	<u>1,052,188</u>	
Maximum Unassigned Fund Balance		<u>\$ 2,371,090</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2020 (Per CAFR Budgetary Comparison Schedule/Statement)	\$ 10,399,414	
Decreased by:		
Year End Encumbrances	667,378	
Capital Reserve	2,282,636	
Capital Reserve - Designated for Subsequent Year's Expenditures	987,000	
Maintenance Reserve	85,492	
Emergency Reserve	488,000	
Tuition Adjustments	360,000	
Tuition Adjustments-Designated for Subsequent Year's Expenditures	360,000	
Excess Surplus - Designated for Subsequent Year's Expenditures	1,100,486	
Designated for Subsequent Year's Expenditures	<u>596,846</u>	
Total Unassigned Fund Balance		<u>\$ 3,471,576</u>

SECTION 3

Restricted Fund Balance - Excess Surplus \$ 1,100,486

Recapitulation of Excess Surplus as of June 30, 2020

Excess Surplus	\$ 1,100,486
Excess Surplus - Designated for Subsequent Year Expenditures	<u>1,100,486</u>
Total Excess Surplus	<u>\$ 2,200,972</u>

Detail of Allowable Adjustments

Extraordinary Aid \$ 1,052,188

**BERGENFIELD BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

There are none.

III. School Purchasing Program

There are none.

IV. Food Service Fund

There are none.

V. Student Body Activities

There are none.

VI. Summer Enrichment Program

There are none.

VII. Application for State School Aid

There are none.

VIII. Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. Status of Prior Years' Audit Findings/Recommendations

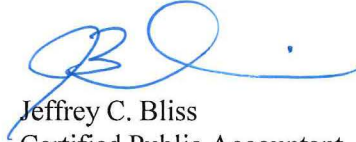
A review was performed on all prior years' recommendations and corrective action was taken on all prior year findings.

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

A handwritten signature in blue ink, appearing to read "J. Bliss", with a stylized flourish extending to the right.

Jeffrey C. Bliss
Certified Public Accountant
Public School Accountant