

**BOARD OF EDUCATION
CITY OF BURLINGTON
COUNTY OF BURLINGTON**

**AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020**

INVERSO & STEWART
Marlton, New Jersey

**AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE**

	<u>Page No.</u>
Auditors' Management Report on Administrative Findings- Financial, Compliance and Performance.....	1
Scope of Audit.....	2
Administrative Practices and Procedures	
Insurance.....	2
Official Bonds.....	2
Tuition Charges.....	2
Unemployment Compensation Insurance Fund.....	2
Financial Planning, Accounting and Reporting	
Examination of Claims.....	2
Payroll Account and Position Control Roster.....	3
Reserve for Encumbrances and Accounts Payable.....	3
Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards.....	3
Travel.....	3
Classification of Expenditures.....	3
Board Secretary/Business Administrator's Records.....	3
Treasurer's Records.....	4
Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act (ESSA).....	4
Other Special Federal and/or State Projects.....	4
T.P.A.F. Reimbursement.....	4
Nonpublic State Aid.....	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids.....	4-5
School Food Service.....	5-6
Latchkey Program.....	6
Student Body Activities.....	6
Application for State School Aid.....	6
Pupil Transportation.....	6-7
Facilities and Capital Assets	7
Testing for Lead of all Drinking Water in Educational Facilities.....	7
Follow-up on Prior Year Findings.....	7
Acknowledgment.....	7
Schedule of Meal Count Activity - Federal.....	8
Net Cash Resource Schedule.....	9
Schedule of Audited Enrollment.....	10-12
Excess Surplus Calculation.....	13-14
Encumbrances.....	15
Audit Recommendations Summary.....	16

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: rinverso@inversocpa.com

**-Member of-
American Institute of CPAs
New Jersey Society of CPAs**

AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

The Honorable President and
Members of the Board of Education
Burlington City School District
County of Burlington, New Jersey

I 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 Burlington City School District, in the County of Burlington for the year ended June 30, 2020, and have issued my report thereon dated December 18, 2020.

As part of my audit, I 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 Burlington City Board of Education and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Public School Accountant No. CS001095

December 18, 2020

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.

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Raymond W. Coxe	Board Secretary/School Business Administrator	\$ 250,000
Kenneth R. McMillan	Treasurer of School Monies	300,000

There is a Public Employees' Faithful Performance Blanket Position Bond with the Burlington County Joint Insurance Group covering all other employees with multiple coverage of \$500,000.

Tuition Charges

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

Unemployment Compensation Insurance Fund

The Board of Education has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Fund (Exhibit H-2) in the fiduciary trust fund.

The Unemployment Compensation Insurance Fund was maintained in satisfactory condition.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under audit did not indicate any material noncompliance with respect to signatures, certifications or supporting documentation.

Financial Planning, Accounting and Reporting (Continued)

Payroll Account

The net salaries of all employees of the District 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/Business Administrator.

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

Employee Position Control Roster

No exceptions were noted during my examination of the Employee Position Control Roster

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. My review did not indicate any material discrepancies to the classification of orders.

Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards

No exceptions were noted during my examination of obligations of federal grant awards and requests for reimbursement of expenditures against those federal grant awards made during the period under audit.

Travel

No exceptions were noted in my study of compliance for travel expenses.

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 my test of transactions of randomly selected expenditure items. I also reviewed the coding of all expenditures included in my compliance and single audit testing procedures. In addition to randomly selecting a test sample, my sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. My review did not indicate any material discrepancies with respect to classification of expenditures.

Board Secretary/Business Administrator's Record

The financial and accounting records of the Board Secretary/Business Administrator's office were reviewed and were maintained in good condition.

Financial Planning, Accounting and Reporting (Continued)

Treasurer's Records

The financial and accounting records of the Treasurer were maintained in good condition.

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

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

No exceptions were noted in my study of compliance for the E.S.E.A./ESSA projects.

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.

My 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.

The study of compliance for special projects indicated no areas of noncompliance and/or questionable costs.

T.P.A.F. Reimbursement

My audit procedures 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.

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

The amount of the expenditure 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 be-half 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 60 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Nonpublic State Aid

The study of compliance for nonpublic state aid indicated no areas of noncompliance and/or questionable costs.

School Purchasing Programs

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 student transportation contracts under N.J.S.A. 18A:39-3 is \$19,000.

School Purchasing Programs (Continued)

The district 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 a violation of the statute, the solicitor’s opinion should be sought before a commitment is made.

Based on the results of my examination, I did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising of bids in accordance with the provision of N.J.S.A.18A:18A-4.

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

School Food Service

COVID-19 Emergency

In accordance with the Governor’s Declaration of Emergency pertaining to the COVID-19 Virus 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, SFAs 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 SFAs 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 Reduced Price meal eligible students.

SFAs 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.

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

The District utilizes a food service management company and is depositing and expending program monies in accordance with NJSA 18A:17-34 and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed and audited. The FSMC contract does not include an operating results provision. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually. No exceptions were noted.

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. No exceptions were noted.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. No exceptions were noted.

Net cash resources did not exceed three months average expenditures.

School Food Service (Continued)

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all District food service employees authorized by the Board of Education. 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 manner. No exceptions were noted.

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. 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.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the CAFR.

Latchkey Program

The financial records for the Latchkey Program were maintained in satisfactory condition.

Student Body Activities

The financial records for the Student Activity Fund were maintained in satisfactory condition.

Application for State School Aid

My 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 bilingual. I also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers with no exceptions noted. The information that was included on the workpapers was verified without exception. The results of my procedures are presented in the Schedule of Audited Enrollments.

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

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

Pupil Transportation

My 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 without exception. The results of my procedures are presented in the Schedule of Audited Enrollments.

Pupil Transportation (Continued)

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

Facilities and Capital Assets

Not applicable.

Testing for Lead of all Drinking Water in Educational Facilities

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

Follow-up on Prior Years' Findings

In accordance with government auditing standards, my procedures included a review of all prior year recommendations including findings. There were no prior year findings.

Acknowledgment

I received the complete cooperation of all the officials of the Burlington City School District and I greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant

December 18, 2020

SCHEDULE OF MEAL COUNT ACTIVITY

BURLINGTON CITY SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Lunch (Severe Need)	Paid	37,592	37,592	37,592	0	0.34	\$ -
National School Lunch (Severe Need)	Reduced	8,533	8,533	8,533	0	3.03	-
National School Lunch (Severe Need)	Free	78,551	78,551	78,551	0	3.43	-
	TOTAL	<u>124,676</u>	<u>124,676</u>	<u>124,676</u>			<u>-</u>
National School Lunch	HHFKA - PB Lunch Only	<u>124,676</u>	<u>124,676</u>	<u>124,676</u>	0	0.07	<u>-</u>
	Total Net Underclaim						<u><u>\$ -</u></u>

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Breakfast (Severe Need)	Paid	13,703	13,703	13,703	0	0.31	\$ -
National School Breakfast (Severe Need)	Reduced	3,281	3,281	3,281	0	1.90	-
National School Breakfast (Severe Need)	Free	42,651	42,651	42,651	0	2.20	-
	TOTAL	<u>59,635</u>	<u>59,635</u>	<u>59,635</u>			<u>-</u>
	Total Net Underclaim						<u><u>\$ -</u></u>

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
After School Sancks At Risk/Area Eligible (No Charge)	Free	15,353	15,353	15,353	0	0.94	\$ -
	TOTAL	<u>15,353</u>	<u>15,353</u>	<u>15,353</u>			<u>-</u>
	Total Net Underclaim						<u><u>\$ -</u></u>

**BURLINGTON CITY SCHOOL DISTRICT
NET CASH RESOURCE SCHEDULE**

**Net cash resources did not exceed three months of expenditures
Proprietary Funds - Food Service
For the fiscal year ended June 30, 2020**

<u>Net Cash Resources:</u>		Food Service B - 4/5	
CAFR	* Current Assets		
B-4	Cash & Cash Equivalents	\$ 143,709	
B-4	Intergovernmental Accounts Receivable	64,740	
B-4	Other Accounts Receivable	-	
CAFR	Current Liabilities		
B-4	Less: Accounts Payable	-	
B-4	Less: Compensated Absences Payable	-	
B-4	Less: Interfund Accounts Payable	-	
B-4	Less: Unearned revenue	(9,900)	
	Net Cash Resources	<u>\$ 198,549</u>	(A)
 Net Adjustment To Total Operating Expense:			
B-5	Total Operating Expense	806,483	
B-5	Less: Depreciation	(14,832)	
	Adjusted Total Operating Expense	<u>\$ 791,651</u>	(B)
 Average Monthly Operating Expense:			
	B / 10	<u>\$ 79,165</u>	(C)
 Three times monthly Average:			
	3 X C	<u>\$ 237,495</u>	(D)

TOTAL IN BOX A	\$ 198,549	
LESS TOTAL IN BOX D	(237,495)	
NET	<u>(38,946)</u>	
From above:		
A is greater than D, cash exceeds 3 X average monthly operating expenses.		
D is greater than A, cash does not exceed 3 X average monthly operating expenses.		

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

SOURCE - USDA resource management comprehensive review form.

SCHEDULE OF AUDITED ENROLLMENTS

Burlington City School District

Application for State School Aid Summary

Enrollment as of October 15, 2019

	<u>2019-2020 Application for State School Aid</u>						<u>Sample for Verification</u>						<u>Private Schools for Disabled</u>			
	<u>Reported on</u>		<u>Reported on</u>		<u>Errors</u>		<u>Sample</u>		<u>Verified per</u>		<u>Errors per</u>		<u>Reported on</u>	<u>Sample</u>	<u>Sample</u>	<u>Sample</u>
	<u>ASSA</u>	<u>On Roll</u>	<u>Workpapers</u>	<u>On Roll</u>	<u>Full</u>	<u>Shared</u>	<u>Selected From</u>	<u>Workpapers</u>	<u>Registers</u>	<u>On Roll</u>	<u>Registers</u>	<u>On Roll</u>				
	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Full</u>	<u>Shared</u>	<u>Schools</u>	<u>Verifi-</u>	<u>Verified</u>	<u>Errors</u>
Full Day Pre K3	77		77		-		77		77		-					
Full Day Pre K 4	84		84		-		84		84		-					
Full Day K	125		125		-		125		125		-					
One	118		118		-		118		118		-					
Two	93		93		-		93		93		-					
Three	96		96		-		96		96		-					
Four	88		88		-		88		88		-					
Five	83		83		-		83		83		-					
Six	84		84		-		84		84		-					
Seven	81		81		-		81		81		-					
Eight	81		81		-		81		81		-					
Nine	104		104		-		104		104		-					
Ten	99		99		-		99		99		-					
Eleven	96		96		-		96		96		-					
Twelve	94		94		-		94		94		-					
Subtotal	<u>1,403</u>	<u>-</u>	<u>1,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,403</u>	<u>-</u>	<u>1,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
SpEd Elementary	141		141		-		141		141		-		9	9	9	-
SpEd Middle School	78		78		-		78		78		-		7	7	7	-
SpEd High School	108		108		-		108		108		-		5	5	5	-
Subtotal	<u>327</u>	<u>-</u>	<u>327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>327</u>	<u>-</u>	<u>327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>-</u>
Totals	<u>1,730</u>	<u>-</u>	<u>1,730</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,730</u>	<u>-</u>	<u>1,730</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>-</u>
Percentage Error					<u>0.00%</u>	<u>-</u>					<u>0.00%</u>	<u>-</u>				<u>0.00%</u>

Schedule of Audited Enrollments

Burlington City School District

Application for State School Aid Summary

Enrollment as of October 15, 2019

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	Reported on ASSA 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 K	1	1	-	1	1	-
One	4	4	-	4	4	-
Two			-	-	-	-
Three	1	1	-	1	1	-
Four	2	2	-	2	2	-
Five			-	-	-	-
Six			-	-	-	-
Seven			-	-	-	-
Eight			-	-	-	-
Nine			-	-	-	-
Ten	1	1	-	1	1	-
Eleven	1	1	-	1	1	-
Twelve			-	-	-	-
Subtotal	<u>10</u>	<u>10</u>	<u>-</u>	<u>10</u>	<u>10</u>	<u>-</u>
SpEd Elementary	-	-	-	-	-	-
SpEd Middle School	-	-	-	-	-	-
SpEd High School	-	-	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u><u>10</u></u>	<u><u>10</u></u>	<u><u>-</u></u>	<u><u>10</u></u>	<u><u>10</u></u>	<u><u>-</u></u>
Percentage Error			<u><u>0.00%</u></u>			<u><u>0.00%</u></u>

Schedule of Audited Enrollments

Burlington City School District

Application for State School Aid Summary

Enrollment as of October 15, 2019

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA 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 from Workpapers	Verified to Test Score and Register	Sample Errors
Full D PreK-4yr												
Full Day K	95	95	-	24	24	-	3	3	-	3	3	-
One	82	82	-	20	20	-	3	3	-	3	3	-
Two	67	67	-	17	17	-	1	1	-	1	1	-
Three	60	60	-	15	15	-	2	2	-	2	2	-
Four	58	58	-	14	14	-	3	3	-	3	3	-
Five	56	56	-	14	14	-	2	2	-	2	2	-
Six	53	53	-	13	13	-	1	1	-	1	1	-
Seven	49	49	-	12	12	-	3	3	-	3	3	-
Eight	46	46	-	11	11	-			-			-
Nine	46	46	-	11	11	-	3	3	-	3	3	-
Ten	34	34	-	9	9	-	3	3	-	3	3	-
Eleven	32	32	-	8	8	-			-			-
Twelve	37	37	-	9	9	-			-			-
Subtotal	715	715	-	177	177	-	24	24	-	24	24	-
SpEd Elementary	103	103	-	25	25	-	8	8	-	8	8	-
SpEd Middle School	60	60	-	15	15	-	1	1	-	1	1	-
SpEd High School	65	65	-	15	15	-			-			-
Subtotal	228	228	-	55	55	-	9	9	-	9	9	-
Totals	943	943	-	232	232	-	33	33	-	33	33	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

Transportation

	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors	Reported	Recalculated
	Reg. Public School , col. 1	87	87	-	54	54	-	
Reg. Special Education, col. 4	43	43	-	27	27	-	Avg. Mileage - Regular Including Grade PK students	4.3
ALL Transported-Non-Public, col. 3							Avg. Mileage - Regular Excluding Grade PK students	4.3
Special Needs, Col. 6	44	44	-	27	27	-	Avg. Mileage - Special Ed. with Special Needs	8.3
	174	174	-	108	108	-		
Percentage Error			0.00%			0.00%		

BURLINGTON CITY SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 1 - Regular Districts

A. 2% Calculation of Excess Surplus

2019-20 Total General Fund Expenditures per the CAFR, Ex C-1	\$ <u>36,563,215</u>	(A)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____	(A1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____	(A1a)
Transfer from General Fund to SRF for Preschool - Regular	\$ _____	(A1a)
Transfer from General Fund to SRF for Preschool - Inclusion	\$ <u>255,680</u>	(A1a)
Adjusted 2019-20 General Fund & Other State Expenditures [(A)+A1a)-(Aib)]		\$ <u><u>36,818,895</u></u> (A2)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>(5,677,186)</u>	(A3)
Assets Acquired Under Capital Leases	\$ _____	(A8)
Adjusted 2019-2020 General Fund Expenditures [(B)+(B1s)+(B2s)]		\$ <u><u>31,141,709</u></u> (A9)
2% of Adjusted 2019-2020 General Fund Expenditures [(B3) times .02]	\$ <u>622,834</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>622,834</u>	(B5)
Increased by: Allowable Adjustment	\$ <u>201,238</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$ <u><u>824,072</u></u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-20 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>7,666,815</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>147,746</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ <u>1,101,274</u>	(C3)
Other Restricted Fund Balances	\$ <u>2,057,352</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>600,000</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u><u>3,760,443</u></u> (U1)

BURLINGTON CITY SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 3 - All Districts

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 2,936,371 (E)

Recapitulation of Excess Surplus as of June 30, 2020

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	\$ <u>1,101,274</u>	(C3)
Reserved Excess Surplus [(E)]	\$ <u>2,936,371</u>	(E)
Total [(C3) + (E)]	\$ <u>4,037,645</u>	(D)

Detail of Allowable Adjustments

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ <u>201,238</u>	(J1)
Additional Nonpuplic School Transportation Aid	\$ _____	(J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____	(J3)
Family Crisis Transportation Aid	\$ _____	(J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>201,238</u>	(K)

Detail of Other Restricted Fund Balance

Statutory restrictions:		
Approved unspent separate proposal	\$ _____	
Capital outlay for a district with a capital outlay cap waiver	\$ _____	
Sale/lease-back reserve	\$ _____	
Capital reserve	\$ <u>1,816,036</u>	
Maintenance reserve	\$ _____	
Tuition Reserve	\$ _____	
Emergency reserve	\$ <u>241,316</u>	
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ _____	
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$ _____	
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ _____	
Impact Aid General Fund Reserve (Sections 8007 and 8008)	\$ _____	
Other Restricted Fund Balance not noted above	\$ _____	
Total Other Restricted Fund Balance	\$ <u>2,057,352</u>	(C4)

BURLINGTON CITY SCHOOL DISTRICT
Encumbrances
For the Fiscal Year Ended June 30, 2020

Encumbrances per the June 30, 2020 Board Secretary Report				\$ 147,746
Description	Total by Category	Amount Properly Encumbered	Encumbrances Cancelled Through Audit Adjustments	
Reg Programs - Instruction - General Technology	\$ 72,540	\$ 72,540	\$ -	
General Administration - Other Purchased Professional Services	1,700	1,700		
Central services - Miscellaneous Purchased Services	608	608		
Custodial Services - General Chemicals and Supplies	5,808	5,808		
Transportation - Reg Students - ESCs	2,918	2,918		
Social Security Contributions	9,356	9,356		
Facilities Acquisition and Construction Services	54,816	54,816	-	
	147,746	147,746	-	
 Total Encumbrances Cancelled During the Audit			-	
 Fund Balance Reserved for Encumbrances in the CAFR				\$ 147,746

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2020

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

There were no prior year recommendations.