

**BOARD OF EDUCATION OF THE  
CLEMENTON SCHOOL DISTRICT  
COUNTY OF CAMDEN**

**AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020**



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

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**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

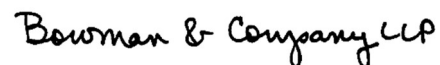
The Honorable President and  
Members of the Board of Education  
Clementon School District  
County of Camden, New Jersey

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 Board of Education of the Clementon School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2020, which were separately issued in the Comprehensive Annual Financial Report dated February 10, 2021.

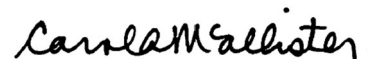
As part of our audit, we also performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is issued in conjunction with the Comprehensive Annual Financial Report of the Board of Education of the Clementon School District, for the fiscal year ended June 30, 2020, and is intended for the information of the School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Carol A. McAllister  
Certified Public Accountant  
Public School Accountant No. CS 238400

Voorhees, New Jersey  
February 10, 2021

**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**SCOPE OF AUDIT**

The audit covered the financial transactions of the Board Secretary / School Business Administrator, 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 School District's Comprehensive Annual Financial Report (CAFR).

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

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Amount</u></b>
Valerie Carmody	Interim Board Secretary / School Business Administrator	\$ 200,000.00
Mary Bakey	Treasurer of School Moneys (through 1/1/20)	300,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond with the Burlington County Insurance Pool Joint Insurance Fund covering all other employees with multiple coverage of \$500,000.00.

**Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were less than estimated costs. The School District 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:23A-17.1(f)3.

**FINANCIAL PLANNING, ACCOUNTING, AND REPORTING**

**Examination of Claims**

Sampled claims paid during the fiscal year under audit did not indicate any reportable noncompliance with respect to signatures, certification, or supporting documentation.

**Payroll Account**

The net salaries of sampled employees of the School District were deposited in the net payroll account. Employees' payroll deductions and the employer's share of fringe benefits were deposited in the payroll agency account.

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

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

Sampled payrolls were delivered to the Board Secretary who then deposited with warrants in separate bank accounts for net payroll and withholdings.

**FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)**

**Employee Position Control Roster**

A sample of the Employee Position Control Roster indicated that it was in satisfactory condition and was approved by the county office submission with the 2019-2020 budget review checklist.

**Encumbrances and Accounts Payable**

A sample of outstanding issued purchase orders was made as of June 30 for proper classification of orders as encumbrances and accounts payable. Our sample did not indicate any reportable noncompliance with respect to classification of orders.

**Travel**

A sample of travel expenditures during the fiscal year under audit did not indicate any reportable noncompliance.

**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 randomly sampled expenditure transactions. We also tested the coding of all expenditures included in our compliance and single audit sampling procedures. In addition, a sample was selected that specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. Our samples did not indicate any reportable noncompliance with respect to classification of expenditures.

**Board Secretary's Records**

Our audit of the financial and accounting records maintained by the Board Secretary indicated that they were in satisfactory condition except for the following item:

***Finding No. 2020-002 (CAFR Finding No. 2020-002)***

Supporting documentation was not available to substantiate revenue collected for the Camp Clementon Community Education Fund. Additionally, numerous purchase orders and supporting documentation for expenditures from the Fund were missing and there were errors noted on the bank reconciliation.

***Recommendation***

That the School District maintain supporting documentation for the receipts and disbursements in the Camp Clementon Community Education Fund.

**Treasurer of School Moneys' Records**

Our audit of the financial and accounting records maintained by the Treasurer of School Moneys, through December 31, 2019, indicated that they were in satisfactory condition.

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

The E.S.S.A. 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 Titles I, Title II and Title IV of the Every Student Succeeds Act.

The audit of compliance for E.S.S.A. indicated the follow item of reportable noncompliance:

***Finding No. 2020-004 (CAFR Finding No. 2020-004)***

The Title I Final Expenditure Report was submitted on EWEG on November 2, 2020, 33 days after the due date of September 30, 2020.

***Recommendation***

That the School District file the Title I Final Expenditure Report on a timely basis.

**FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)**

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

The School District's other special projects were approved as listed on exhibits K-3 and K-4 located in the CAFR.

Our audit of the federal and state funds on a sample 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 other special projects.

The audit of compliance for other special projects indicated the following items of reportable noncompliance.

***Finding No. 2020-005 (CAFR Finding No. 2020-005)***

The District's workpapers and corresponding documentation did not agree with the submitted A.S.S.A. and D.R.T.R.S. reports and as a result, differences were identified. In addition, the District failed to maintain certain supporting workpapers, as a result, certain audit procedures could not be performed with regards to A.S.S.A and D.R.T.R.S.

***Recommendation***

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.

***Finding No. 2020-006 (CAFR Finding No. 2020-006)***

The School District did not request, in writing, approval from the Executive County Superintendent for transfers of general fund appropriation as required by N.J.A.C. 6A:23A-13.3.

***Recommendation***

That the School District adhere to laws and regulations and request proper approval from the Commissioner or Executive County Superintendent as required by N.J.A.C. 6A:23A-13.3.

**TPAF Reimbursement**

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

**TPAF Reimbursement to the State for Federal Salary Expenditures**

The amount of the expenditure charged to the current year's final report(s) 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 and N.J.S.A. 18A:66-90. The expenditure was inspected subsequent to the reimbursement and no exceptions were noted.

**SCHOOL PURCHASING PROGRAMS**

**Contracts and Agreements Requiring Advertisement for Bids**

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and the school contracts in general, are available on the following website:

<https://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>

Current statute is posted on the New Jersey Legislature website at:

<http://www.njleg.state.nj.us/>

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000.00 (with a Qualified Purchasing Agent) and \$29,000.00 (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 \$19,000.00 for 2019-20.

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

Based on the results of our audit, we 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 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.

**SCHOOL FOOD SERVICE**

**COVID-19 Emergency**

In accordance with the Governor's Declaration of Emergency pertaining to the COVID 19 Virus all public, charter, 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 school food service program was not selected as a major federal and / or State program. However, the program expenditures exceeded \$100,000.00 in federal and / or State 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.

**SCHOOL FOOD SERVICE (CONT'D)**

The statement of revenues, expenses, and changes in fund net position (CAFR exhibit B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

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.

Net cash resources did exceed three months average expenditures.

***Finding No. 2020-001 (CAFR Finding No. 2020-001)***

A Food Service Fund's Net Cash Resources should not exceed its three months average expenditures.

***Recommendation***

That the School District develop a plan to reduce the Food Service Fund's Net Cash Resources below its three month average expenditures.

**STUDENT BODY ACTIVITIES**

Our audit of the financial and accounting records for student activities indicated that they were in satisfactory condition.

**APPLICATION FOR STATE SCHOOL AID**

Our audit procedures included a sample of information reported in the October 15, 2019 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low-income, and bilingual. We also performed an inspection of the School District procedures related to its completion. The information on the A.S.S.A. was compared to the School District workpapers with exceptions as noted. The information that was included on the workpapers was verified with exceptions as noted. The results of our procedures are presented in the schedule of audited enrollments.

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

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

***Finding No. 2020-005 (CAFR Finding No. 2020-005)***

The District's workpapers and corresponding documentation did not agree with the submitted A.S.S.A. and D.R.T.R.S. reports and as a result, differences were identified. In addition, the District failed to maintain certain supporting workpapers, as a result, certain audit procedures could not be performed with regards to A.S.S.A and D.R.T.R.S.

***Recommendation***

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.



**PUPIL TRANSPORTATION**

Our audit procedures included a sample of on-roll status reported in the 2019-2020 District Report of Transported Resident Students (DRTRS). The information that was reported on the DRTRS was verified to the DRTRS Eligibility Summary Report with exceptions as noted. The results of our procedures are presented in the schedule of audited enrollments.

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

***Finding No. 2020-005 (CAFR Finding No. 2020-005)***

The District's workpapers and corresponding documentation did not agree with the submitted A.S.S.A. and D.R.T.R.S. reports and as a result, differences were identified. In addition, the District failed to maintain certain supporting workpapers, as a result, certain audit procedures could not be performed with regards to A.S.S.A and D.R.T.R.S.

***Recommendation***

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.

**FACILITIES AND CAPITAL ASSETS**

Our audit of the financial and accounting records for facilities and capital assets indicated that they were in satisfactory condition.

**MISCELLANEOUS**

**Continuing Disclosure Agreements**

Not applicable - no outstanding bonds

**Testing for Lead of All Drinking Water in Education Facilities**

The School District complied with all the requirements of N.J.A.C. 6A:26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The School District did not submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

***Finding No. 2020-003 (CAFR Finding No. 2020-003)***

The School District did not submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

***Recommendation***

That the School District submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

**FOLLOW-UP ON PRIOR YEAR'S FINDINGS**

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings with the exception of the following, which are repeated in this year's recommendations noted as current year findings 2020-005 and 2020-006:

**Finding No. 2019-003**

**Program**

New Jersey Department of Education, State Aid Public – Cluster, 7/1/2018 – 6/30/2019

Equalization Aid	G.M.I.S. No. 495-034-5120-078
Special Education Categorical Aid	G.M.I.S. No. 495-034-5120-089
Security Aid	G.M.I.S. No. 495-034-5120-084

**Condition**

The District's workpapers and corresponding documentation did not agree with the submitted A.S.S.A. report and as a result, differences were identified. In addition, the District failed to maintain certain supporting workpapers, as a result, certain audit procedures could not be performed with regards to A.S.S.A.

**Recommendation**

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.

**Finding No. 2019-004**

**Program**

New Jersey Department of Education, State Aid Public – Cluster, 7/1/2018 – 6/30/2019

Equalization Aid	G.M.I.S. No. 495-034-5120-078
Special Education Categorical Aid	G.M.I.S. No. 495-034-5120-089
Security Aid	G.M.I.S. No. 495-034-5120-084

**Condition**

The School District did not request in writing approval from the Executive County Superintendent for transfers of general fund appropriation as required by N.J.A.C. 6A:23A-13.3.

**Recommendation**

That the School District adhere to laws and regulations and request proper approval from the Commissioner or Executive County Superintendent as required by N.J.A.C. 6A:23A-13.3.

There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2020.

**ACKNOWLEDGMENT**

We received the complete cooperation of all of the officials of the School District and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Carol McAllister*

Carol A. McAllister  
Certified Public Accountant  
Public School Accountant No. CS 238400

**BOROUGH OF CLEMENTON SCHOOL DISTRICT**  
 Schedule of Net Cash Resources  
 Net Cash Resources Did Exceed Three Months of Expenditures  
 Proprietary Funds - Food Service Fund  
 For the Fiscal Year Ended June 30, 2020

<u>Net Cash Resources:</u>	<u>Food Service</u> <u>B - 4/5</u>	
<b>CAFR</b>	<b>Current Assets</b>	
B-4	Cash & Cash Equivalents	\$ 68,055.11
B-4	Due from Other Governments	
B-4	Due from Other Funds	
B-4	Accounts Receivable	13,944.37
<b>CAFR</b>	<b>Current Liabilities</b>	
B-4	Less Accounts Payable	(1,702.07)
B-4	Less Accruals	
B-4	Less Due to Other Funds	(3,698.93)
B-4	Less Unearned Revenue	
	<b>Net Cash Resources</b>	<u><u>\$ 76,598.48</u></u> <b>(A)</b>

Net Adjusted Total Operating Expense:

B-5	Total Operating Expenditures	\$ 236,623.40	
B-5	Less Depreciation	(8,690.00)	
	<b>Adjusted Total Operating Expense</b>	<u><u>\$ 227,933.40</u></u> <b>(B)</b>	

Average Monthly Operating Expense:

B / 10	<u><u>\$ 22,793.34</u></u> <b>(C)</b>
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Three Times Monthly Average:

3 X C	<u><u>\$ 68,380.02</u></u> <b>(D)</b>
-------	---------------------------------------

TOTAL IN BOX A	\$ 76,598.48
LESS TOTAL IN BOX D	<u>\$ 68,380.02</u>
NET	<u><u>\$ 8,218.46</u></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.

**CLEMENTON SCHOOL DISTRICT**  
 Application for State School Aid Summary  
 Schedule of Audited Enrollments  
 Enrollment as of October 15, 2019

	2020-2021 Application for State School Aid						Sample for Verification						Private Schools for the Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi-cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	18		18					18		18						
Full Day Preschool																
Half Day Kindergarten																
Full Day Kindergarten	50		50					50		50						
One	46		46					46		46						
Two	53		53					53		53						
Three	45		45					45		45						
Four	52		52					52		52						
Five	37		37					37		37						
Six	43		43					43		43						
Seven	50		50					50		50						
Eight	29		29					29		29						
Nine																
Ten																
Eleven																
Twelve																
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14CR.)																
<b>Subtotal</b>	<b>423</b>	<b>-</b>	<b>423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>423</b>	<b>-</b>	<b>423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Special Education-Elementary	41		42		(1)			9		9			2	2	1	1
Special Education-Middle School	33		33					7		7			5	5	5	
Special Education-High School													6	6	6	
<b>Subtotal</b>	<b>74</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>1</b>
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Totals</b>	<b>497</b>	<b>-</b>	<b>498</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>439</b>	<b>-</b>	<b>439</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>13</b>	<b>12</b>	<b>1</b>
Percentage Error					<u>-0.20%</u>	<u>-</u>										<u>7.69%</u>

**CLEMENTON SCHOOL DISTRICT**  
 Application for State School Aid Summary  
 Schedule of Audited Enrollments  
 Enrollment as of October 15, 2019

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application, Test Score and Register	Sample Errors
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten												
One	33	33		17	16	1	5	5		5	5	
Two	30	29	1	15	12	3	6	6		6	6	
Three	36	36		18	15	3	5	5		5	5	
Four	28	28		14	12	2	4	4		4	4	
Five	32	32		15	14	1	4	4		4	4	
Six	22	23	(1)	12	11	1	1	1		1	1	
Seven	23	23		12	11	1	3	3		3	3	
Eight	30	30		15	12	3	3	3		3	2	1
Nine	18	18		9	9		1	1		1	1	
Ten	15	15		7	7		3	3		3	3	
Eleven	18	18		9	9		4	4		4	4	
Twelve	19	19		9	9		6	6		6	6	
Post-Graduate	6	6		3	3		1	1		1	1	
Adult H.S. (15+CR.)												
Adult H.S. (1-14CR.)												
Subtotal	<u>310</u>	<u>310</u>		<u>155</u>	<u>140</u>	<u>15</u>	<u>46</u>	<u>46</u>	<u>-</u>	<u>46</u>	<u>45</u>	<u>1</u>
Special Education-Elementary	29	28	1	13	12	1	2	2		2	2	
Special Education-Middle School	29	29		14	12	2	4	4		4	4	
Special Education-High School	22	22		11	11		1	1		1	1	
Subtotal	<u>80</u>	<u>79</u>	<u>1</u>	<u>38</u>	<u>35</u>	<u>3</u>	<u>7</u>	<u>7</u>	<u>-</u>	<u>7</u>	<u>7</u>	<u>-</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>390</u>	<u>389</u>	<u>1</u>	<u>193</u>	<u>175</u>	<u>18</u>	<u>53</u>	<u>53</u>	<u>-</u>	<u>53</u>	<u>52</u>	<u>1</u>
Percentage Error			<u>0.26%</u>			<u>9.33%</u>			<u>-</u>			<u>1.89%</u>

Transportation											
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors				Reported	Re-Calculated
Reg. - Public Schools, Col. 1	191	191		109	98	11	Reg. Avg. (Mileage) = Regular Including Grade PK students (Part A)			4.2	4.3
Reg. - SpEd, Col. 4	8	8		5		5	Reg. Avg. (Mileage) = Regular Excluding Grade PK students (Part B)			4.2	4.3
Transported - Non-Public, Col. 3	12	12		7	7		Spec. Avg. (Mileage) = Special Ed. with Special Needs			8.7	8.7
Special Needs, Col. 6	18	18		10	10						
Totals	<u>229</u>	<u>229</u>	<u>-</u>	<u>131</u>	<u>115</u>	<u>16</u>					
Percentage Error			<u>-</u>			<u>12.21%</u>					

**CLEMENTON SCHOOL DISTRICT**  
 Application for State School Aid Summary  
 Schedule of Audited Enrollments  
 Enrollment as of October 15, 2019

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	1	1		1	1	
One	2	2		2	2	
Two						
Three	1	1		1	1	
Four						
Five						
Six						
Seven						
Eight	1	1		1	1	
Nine						
Ten						
Eleven						
Twelve						
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14CR.)						
Subtotal	<u>5</u>	<u>5</u>	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
Special Education-Elementary						
Special Education-Middle School						
Special Education-High School						
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular						-
Co. Voc. Ft. Post Sec.						-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u><u>5</u></u>	<u><u>5</u></u>	<u><u>-</u></u>	<u><u>5</u></u>	<u><u>5</u></u>	<u><u>-</u></u>
Percentage Error			<u><u>-</u></u>			<u><u>-</u></u>

**EXCESS SURPLUS CALCULATION**

**REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT**

**SECTION 1**

**2% Calculation of Excess Surplus**

2019-20 Total General Fund Expenditures Reported on CAFR Exhibit C-1	\$ 12,635,228.37 (B)
Increased by:	
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 PreK-Regular	_____ (B1c)
Transfer from General Fund to SRF for PreK-Inclusion	_____ (B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	1,234,813.72 (B2a)
Assets Acquired Under Capital Leases	_____ - (B2b)
Adjusted 2019-20 General Fund Expenditures [(B)+(B1s)-(B2s)]	<u>\$ 11,400,414.65 (B3)</u>
2% of Adjusted 2019-20 General Fund Expenditures [(B3) times .02]	<u>\$ 228,008.29 (B4)</u>
Enter Greater of (B4) or \$250,000	<u>250,000.00 (B5)</u>
Increased by: Allowable Adjustment *	<u>17,080.00 (K)</u>
Maximum Unassigned Fund Balance [(B5) + (K)]	<u>\$ 267,080.00 (M)</u>

**SECTION 2**

Total General Fund - Fund Balances at June 30, 2020 (Per CAFR Budgetary Comparison Schedule, Ex. C-1)	<u>\$ 2,715,549.83 (C)</u>
Decreased by:	
Year-End Encumbrances	183,575.17 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	346,500.33 (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	180,836.67 (C3)
Other Restricted Fund Balances ****	1,104,014.67 (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	_____ - (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 900,622.99 (U1)</u>

**SECTION 3**

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	<u>\$ 633,542.99 (E)</u>
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**Recapitulation of Excess Surplus as of June 30, 2020**

Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ 180,836.67 (C3)
Restricted - Excess Surplus *** [(E)]	<u>633,542.99 (E)</u>
Total Excess Surplus [(C3)+(E)]	<u>\$ 814,379.66 (D)</u>



**EXCESS SURPLUS CALCULATION (CONT'D)**

**REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT**

Footnotes:

\* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below is to be utilized when applicable for:

(H) Federal Impact Aid. The passage of P.L.2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve – General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);

(I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);

(J1) Extraordinary Aid;

(J2) Additional Nonpublic School Transportation Aid;

(J3) Recognized current year School Bus Advertising Revenue; and

(J4) Family Crisis Transportation Aid.

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

**Detail of Allowable Adjustments**

Federal Impact Aid	\$ - (H)
Sale & Lease-back	- (I)
Extraordinary Aid	<u>15,344.00 (J1)</u>
Additional Nonpublic School Transportation Aid	<u>1,736.00 (J2)</u>
Current Year School Bus Advertising Revenue Recognized	<u>- (J3)</u>
Family Crisis Transportation Aid	<u>- (J4)</u>
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	 <u><u>\$ 17,080.00 (K)</u></u>

\*\* This amount represents the June 30, 2019 Excess Surplus (C3 above) and must be included in the Audit Summary Line 90031. This amount was to be appropriated in the 2019-2020 general fund budget.

\*\*\* Amounts must agree to the June 30, 2020 CAFR and must agree to Audit Summary Line 90030.

\*\*\*\*

Amount for Other Restricted Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Division of Administration and Finance prior to September 30.

**Detail of Other Restricted Fund Balance**

Statutory restrictions:

Approved unspent separate proposal	\$ -
Sale/lease-back reserve	-
Capital reserve	<u>332,328.01</u>
Maintenance reserve	<u>128,997.93</u>
Emergency reserve	<u>66,814.30</u>
Tuition reserve	<u>-</u>
School bus advertising 50% fuel offset reserve - current year	<u>-</u>
School bus advertising 50% fuel offset reserve - prior year	<u>-</u>
Impact Aid General Fund Reserve (Sections 8002 and 8003)	<u>-</u>
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	<u>-</u>
Other state/government mandated reserves	<u>-</u>
[Other Restricted Fund Balance not noted above]****	<u>575,874.43</u>

Total Other Restricted Fund Balance \$ 1,104,014.67 (C4)

**CLEMENTON SCHOOL DISTRICT**  
Audit Recommendations Summary  
For the Fiscal Year Ended June 30, 2020

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Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

That the School District maintain supporting documentation for the receipts and disbursements in the Camp Clementon Community Education Fund.

That the School District file the Title I Final Expenditure Report on a timely basis.

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.

That the School District adhere to laws and regulations and request proper approval from the Commissioner or Executive County Superintendent as required by N.J.A.C. 6A:23A-13.3.

3. School Purchasing Programs

None

4. School Food Service

That the School District develop a plan to reduce the Food Service Fund's Net Cash Resources below its three month average expenditures.

5. Student Body Activities

None

6. Application for State School Aid

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.

7. Pupil Transportation

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.

8. Facilities and Capital Assets

None

**CLEMENTON SCHOOL DISTRICT**  
Audit Recommendations Summary (Cont'd)  
For the Fiscal Year Ended June 30, 2020

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Recommendations (Cont'd):

9. Miscellaneous

That the School District submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

10. Follow-Up on Prior Year Findings

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings, with the exception of the following, which is repeated in this year's recommendations:

That the School District maintain all A.S.S.A. and D.R.T.R.S. workpapers and supporting documentation; that the District's establish adequate written procedures for the recording and reporting of student enrollment and transportation data.

That the School District adhere to laws and regulations and request proper approval from the Commissioner or Executive County Superintendent as required by N.J.A.C. 6A:23A-13.3.

