

**AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
SCHOOL DISTRICT OF
BOROUGH OF CLIFFSIDE PARK
COUNTY OF BERGEN, NEW JERSEY
JUNE 30, 2020**

TABLE OF CONTENTS

	Page <u>No.</u>
Independent Auditors' Report	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Officials Bonds	2
Tuition Charges	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account	2
Position Control Roster	3
Reserve for Encumbrances, Liability for Accounts Payable	3
Travel	3
Classification of Expenditures	3
Board Secretary's Records	4
Fixed Assets	4
Treasurer's Records	4
Elementary and Secondary Education Act (E.S.E.A.) as Amended by the Every Student Succeeds Act (ESSA)	4
Other Special Federal and/or State Projects	4
T.P.A.F. Reimbursement	4
T.P.A.F. Reimbursement to the State for Federal Salary Expenditures	5
Nonpublic State Aid	5
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids.	5
School Food Service	6
Student Body Activities	8
Application for State School Aid	8
Pupil Transportation	8
Testing for Lead of All Drinking Water in Educational Facilities	8
Status of Prior Year Findings/Recommendations	8
Acknowledgment	9
Schedule of Meal Count Activity	10
Net Cash Resources	12
Schedule of Audited Enrollments	13
Excess Surplus Calculation	16
Audit Recommendations Summary	18



WIELKOTZ & COMPANY ^{LLC}
CERTIFIED PUBLIC ACCOUNTANTS

Steven D. Wielkocz, CPA, RMA, PSA
Matthew B. Wielkocz, CPA, PSA
Paul J. Cuva, CPA, RMA, PSA
James J. Cerullo, CPA, RMA, PSA
Thomas M. Ferry, CPA, RMA, PSA

Headquarters
401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
(973)-835-7900
office@w-cpa.com

Rockaway Office
100 Enterprise Drive
Suite 301
Rockaway, New Jersey 07866
(973)-835-7900

REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Borough of Cliffside Park School District
County of Bergen, 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 Borough of Cliffside Park School District in the County of Bergen for the year ended June 30, 2020, and have issued our report thereon dated December 22, 2020.

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

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

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 22, 2020



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

GENERAL COMMENTS

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and 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 of the District's CAFR.

Officials Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Louis Alfano	Board Secretary/School Business Administrator	\$50,000
Frank Berardo	Treasurer	\$350,000

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

Financial Planning, Accounting and Reporting, (continued)

Payroll Account, (continued)

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

Finding 2020-001 (CAFR Finding 2020-001): There were instances in which employee health benefit deductions were not calculated in accordance with Chapter 78, P.L. 2011.

Recommendation: The Board of Education review health benefit calculations to ensure all the information entered is proper.

Payrolls were delivered to the Treasurer of School Moneys with a warrant made to his order for the full amount of each payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrator) to the NJ Department of Treasury was filed by the March 15 due date.

Reporting of employee compensation for income tax related purposes did comply with federal and state regulations regarding the compensation which is required to be reported.

Position Control Roster

The Position Control Roster was reviewed and compared to payroll records, employee benefit records and charges made to the general ledger to ensure proper and consistent financial reporting and that employee benefits are only offered to current employees.

Reserve for Encumbrances, Liability for 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.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Financial Planning, Accounting and Reporting, (continued)

Board Secretary's Records

The Board Secretary's records were found to be in good order.

Fixed Assets

The general fixed asset records were updated for the additions and disposals of general fixed assets made during the year.

Treasurer's Records

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

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

The E.S.E.A. financial exhibits 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 I SIA, Title II and Title III of the Elementary and Secondary Education Act, as amended and reauthorized.

The study of compliance for E.S.E.A. indicated that there were no areas of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

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

Our audit of the federal and state funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for the 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 the special projects indicated that there were no areas of noncompliance.

T.P.A.F. Reimbursement

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

Financial Planning, Accounting and Reporting, (continued)

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-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.

Nonpublic State Aid

Project completion reports were finalized and transmitted to the State Department of Education by the due date.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-2 contains definitions for terms used throughout N.J.S.A. 18A:18A-1 et seq. It includes as subsection (p) the term 'competitive contracting', which is defined as "the method described in N.J.S.A. 18A:18A-4.1 through 18A:18A-4.5 and in rules promulgated by DCA at N.J.A.C. 5:34-4 of contracting for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated by the purchasing agent or counsel or school business administrator; and the board of education awards a contract to a vendor or vendors from among the formal proposals received." Also, subsection (aa) defines the term 'concession' to exclude vending machines.

N.J.S.A. 18A:18A-3(a) sets forth the bid threshold and requires award by board resolution. There is a higher threshold when there is a "Qualified Purchasing Agent" (QPA) in the district as defined at N.J.A.C. 5:34-1.1 and certified upon approval of an application submitted to DCA. Pursuant to N.J.S.A. 18A:18A-3(b), the bid threshold may be adjusted by the Governor, in consultation with the Department of Treasury, every five years.

N.J.S.A. 18A:18A-4.4 provides boards of education the authority to pass a resolution authorizing the use of competitive contracting. "In order to initiate competitive contracting, the board of education shall pass a resolution authorizing the use of competitive contracting each time specialized goods or services enumerated in sections 45 of L. 1999, c.440 are desired to be contracted."

Effective July 1, 2015 and thereafter, the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agency) and \$29,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$19,000.

The 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.

School Purchasing Programs, (continued)

Contracts and Agreements Requiring Advertisement for Bids, (continued)

The results of our examination indicated that an individual payment, contract, or agreement was 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, as amended.

Resolutions were adopted authorizing the awarding of contract 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 alternative 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.

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; modifications of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations.

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.

Cash receipts and bank records were reviewed for timely deposit.

School Food Service, (continued)

The number of meals claimed for reimbursement was verified against 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.

Applications for free and reduced meals were reviewed for completeness and accuracy. The number of free and reduced meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school by school basis. The free and reduced meal policy is uniformly administered throughout the School System. The required verification procedures for free applications was completed and available for review.

The District utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return a profit of at least \$200,000. The operating results provision has been met. All vendor discounts, rebates and credits from the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

Expenditures were separately recorded for food purchases 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. No exceptions were noted.

Net cash resources did not exceed three months average expenditures.

Timesheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the Board of Education. 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.

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 Position (CAFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

The school district food management company maintains the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool at least annually.

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

Student Body Activities

During our review of the student activity funds, no exceptions were noted.

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 bilingual. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers without exception. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollment.

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

The District's written procedures appear to be adequate 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. 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. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

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.

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

Status of Prior Year Audit Findings/Recommendation

In accordance with Government Auditing Standards, our procedures included a review on all prior year recommendations and corrective action was taken on all, except those marked with an “*”.

Acknowledgment

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

Respectfully submitted,

Steven D. Wielkocz

Steven D. Wielkocz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

SCHEDULE OF MEAL COUNT ACTIVITY

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIMED - FEDERAL
ENTERPRISE FUNDS
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</u>	<u>(Over)/ Under Claim</u>
National School Lunch (High Rate)	Paid	63,790	63,790	63,790		0.340	\$
National School Lunch (High Rate)	Reduced	17,094	17,094	17,094		3.030	
National School Lunch (High Rate)	Free	118,975	118,975	118,975		3.430	
National School Lunch (High Rate)	SSO	<u>70,837</u>	<u>70,837</u>	<u>70,837</u>	<u> </u>	3.430	<u> </u>
	Total	<u>270,696</u>	<u>270,696</u>	<u>270,696</u>	<u> </u>		<u> </u>
National School Lunch (Healthy Hunger-Free Kids Act)	HHFKA	<u>270,696</u>	<u>270,696</u>	<u>270,696</u>	<u> </u>	0.07	<u> </u>
School Breakfast (Severe Needs Rate)	Paid	11,438	11,438	11,438		0.31	
	Reduced	3,155	3,155	3,155		1.90	
	Free	32,652	32,652	32,652		2.20	
	SSO	<u>70,687</u>	<u>70,687</u>	<u>70,687</u>	<u> </u>	2.20	<u> </u>
	Total	<u>117,932</u>	<u>47,245</u>	<u>47,245</u>	<u> </u>		<u> </u>
After School Snacks	Paid						
	Reduced						
	Free	<u>38,946</u>	<u>38,946</u>	<u>38,946</u>	<u> </u>	0.91	<u> </u>
	Total	<u>38,946</u>	<u>38,946</u>	<u>38,946</u>	<u> </u>		<u> </u>
Total (Over)/Under Claim							\$ <u> </u>

SCHEDULE OF MEAL COUNT ACTIVITY

**BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
 FOOD SERVICE FUND
 NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIMED - STATE
 ENTERPRISE FUNDS
 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</u>	<u>(Over)/ Under Claim</u>	
State Reimbursement - National School Lunch (High Rate)	Paid	63,790	63,790	63,790		0.050	\$	
State Reimbursement - National School Lunch (High Rate)	Reduced	17,094	17,094	17,094		0.055		
State Reimbursement - National School Lunch (High Rate)	Free	118,975	118,975	118,975		0.055		
State Reimbursement - National School Lunch (High Rate)	SSO	<u>70,837</u>	<u>70,837</u>	<u>70,837</u>	<u> </u>	0.055	<u> </u>	
	Total	<u>270,696</u>	<u>270,696</u>	<u>270,696</u>	<u> </u>		<u> </u>	
Total (Over)/Under Claim							\$	<u> </u>

Source: Edit Check Worksheets

**BOROUGH OF CLIFFSIDE PARK
BOARD OF EDUCATION**

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

<u>Net Cash Resources:</u>		Food Service B - 4/5	
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 281,474
B-4		Due from Other Gov'ts	138,391
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(77,423)
		Net Cash Resources	\$ 342,442 (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	1,664,282	
B-5	Less Depreciation	(15,035)	
	Adj. Tot. Oper. Exp.	\$ 1,649,247 (B)	

Average Monthly Operating Expense:

	B / 10	\$ 164,925 (C)	
--	--------	-----------------------	--

Three times monthly Average:

	3 X C	\$ 494,774 (D)	
--	-------	-----------------------	--

TOTAL IN BOX A	\$ 342,442.00
LESS TOTAL IN BOX D	\$ 494,774.10
NET	\$ (152,332.10)

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.

SCHEDULE OF AUDITED ENROLLMENTS

BOROUGH OF CLIFFSIDE PARK SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

Year Ended June 30, 2020

Enrollment Category	2019-2020 Application for State School Aid				Sample for Verification				Private Schools for Disabled					
	Reported on ASSA On Roll	Full	Shared	Errors	Sample Selected from Workpapers	Full	Shared	Verified per Registers On Roll	Full	Shared	Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors
Half Day Preschool	57	57			57	57		57						
Full Day Preschool	1	1			1	1		1						
Full Day Kindergarten	179	179			179	179		179						
One	193	193			193	193		193						
Two	179	179			179	179		179						
Three	170	170			170	170		170						
Four	160	160			160	160		160						
Five	184	184			184	184		184						
Six	165	165			165	165		165						
Seven	145	145			145	145		145						
Eight	167	167			167	167		167						
Nine	266	266	4		266	266	4	266	4					
Ten	263	263			263	263		263						
Eleven	275	275	1		275	275	1	275	1					
Twelve	244	244			244	244		244						
Subtotal	2,648	2,648	5		2,648	2,648	5	2,648	5					
Special Ed. Elementary	261	261			261	261		261			1	1	1	
Special Ed. Middle	107	107			107	107		107			3	2	2	
Special Ed. High School	187	187			187	187		187			7	6	6	
Subtotal	555	555			555	555		555			11	9	9	
Totals	3,203	3,203	5		3,203	3,203	5	3,203	5		11	9	9	
Percentage Error														

SCHEDULE OF AUDITED ENROLLMENTS

**BOROUGH OF CLIFFSIDE PARK
BOARD OF EDUCATION**

**Application for State School Aid Summary
Enrollment as of October 15, 2019**

Year ended June 30, 2020

Enrollment category	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	Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test score and Register	Sample Errors
Full Day Kindergarten	87	87		20	20		29	29		16	16	
One	118	118		14	14		25	25		17	17	
Two	104	104		18	18		21	21		8	8	
Three	107	107		20	20		18	18		12	12	
Four	103	103		17	17		13	13		11	11	
Five	110	110		18	18		9	9		7	7	
Six	86	86		14	14		5	5		5	5	
Seven	80	80		11	11		4	4		2	2	
Eight	80	80		17	17		10	10		4	4	
Nine	83	83		18	18		19	19		6	6	
Ten	61	61		23	23		11	11		6	6	
Eleven	78	78		23	23		13	13		8	8	
Twelve	77	77		25	25		11	11		4	4	
Special Ed. Elementary	178	178		9	9		9	9		6	6	
Special Ed. Middle School	88	88		12	12		3	3		2	2	
Special Ed. High School	74	74		13	13							
	<u>1514</u>	<u>1514</u>		<u>272</u>	<u>272</u>		<u>200</u>	<u>200</u>		<u>114</u>	<u>114</u>	
	1514	1514		272	272		200	200		114	114	

Percentage

Category	Transportation		
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors
Regular - Public Schools, col. 1	55.0	55.0	
Transported- Non-Public	79.5	79.5	
Regular - Special Education, col. 4	105.5	105.5	
Special needs, col. 6			
Totals	<u>240.0</u>	<u>240.0</u>	<u>174</u>

Percentage

Category	Reported	Re-calc.
Avg. Mileage - Regular Excluding Grade PK	5.0	5.0
Avg. Mileage - Regular Including Grade PK	5.0	5.0
Avg. Mileage - Special Ed with Special Needs	4.5	4.5

**BOROUGH OF CLIFFSIDE PARK
BOARD OF EDUCATION**

SCHEDULE OF AUDITED ENROLLMENTS

Application for State School Aid Summary
Enrollment as of October 15, 2019

Year ended June 30, 2020

Enrollment category	Resident LEP Not Low Income		Sample for Verification		
	Reported on A.S.A as LEP Not low Income	Reported on Workpapers LEP Not low Income	Sample Selected from Workpapers	Verified to Test score and Register	Sample Errors
Full Day Kindergarten	18	18	12	12	
One	8	8	5	5	
Two	9	9	6	6	
Three	7	7	5	5	
Four	6	6	4	4	
Five	4	4	3	3	
Six	7	7	5	5	
Seven	9	9	6	6	
Eight	14	14	10	10	
Nine	12	12	8	8	
Ten	9	9	6	6	
Eleven	7	7	5	5	
Twelve	6	6	4	4	
Special Ed. Elementary	4	4	3	3	
	<u>120</u>	<u>120</u>	<u>82</u>	<u>82</u>	
Sent to BCSS					
	<u>120</u>	<u>120</u>	<u>82</u>	<u>82</u>	
Percentage					

**CLIFFSIDE BOARD OF EDUCATION
EXCESS SURPLUS CALCULATION**

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2019-20 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>58,300,135</u>	(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	\$ <u>7,691,476</u>	(B2a)
Assets Acquired Under Capital Leases	\$ <u>27,200</u>	(B2b)
Adjusted 19-20 General Fund Expenditures [(B)+(B1's)-(B2's)]	\$ <u>50,581,459</u>	(B3)
2% of Adjusted 2019-20 General Fund Expenditures [(B3) times .02]	\$ <u>1,011,629</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>1,011,629</u>	(B5)
Increased by: Allowable Adjustment *	\$ <u>-</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$ <u><u>1,011,629</u></u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-20 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>7,657,409</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>1,355,430</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>1,032,920</u>	(C3)
Other Restricted Fund Balances****	\$ <u>3,162,772</u>	(C4)
Assigned Fund Balance - Unreserved -- Designated for Subsequent Year's Expenditures	\$ <u>55,734</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u><u>2,050,553</u></u> (U1)

SECTION 3

Restricted Fund Balance - Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 1,038,924 (E)

Recapitulation of Excess Surplus as of June 30, 2020

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>1,032,920</u>	(C3)
Reserved Excess Surplus ***[(E)]	\$ <u>1,038,924</u>	(E)
Total [(C3) + (E)]	\$ <u>2,071,844</u>	(D)

* 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

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ _____	(J1)
Additional Nonpublic 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)]	\$ _____	-

** This amount represents the June 30, 2020 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

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

**** Amount for Other Reserved 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 Finance prior to September 30.

Detail of Other Reserved Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/Lease-back reserve	\$ _____
Capital Reserve	\$ <u>3,162,772</u>
Maintenance Reserve	\$ _____
Emergency Reserve	\$ _____
Tuition Reserve	\$ _____
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 Capital Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserve	\$ _____
[Other Restricted Fund Balance not noted above]****	\$ _____
Total Other Restricted Fund Balance	\$ <u>3,162,772</u> (C4)

**CLIFFSIDE PARK BOARD OF EDUCATION
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Recommendations:

1. Administrative Practices and Reporting

None

2. Financial Planning, Accounting and Reporting

The board of education review health benefit calculations to ensure all the information entered is proper.

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

A review was performed on the prior year recommendations and corrective action was take on all prior year findings.