

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

**ENGLEWOOD BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Honorable President and Members
of the Board of Education
Englewood Board of Education
Englewood, 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 Englewood Board of Education as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated February 2, 2021.

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

This report is intended for the information of management of the Board of Education, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Lerch, Vinci & Higgins, LLP

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

Jeffrey C. Bliss
Public School Accountant
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Fair Lawn, New Jersey
February 2, 2021

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

Scope of Audit

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

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the district's CAFR.

Official Bonds

| <u>Name</u> | <u>Position</u> | <u>Amount</u> |
|-----------------|--|---------------|
| Cheryl Balletto | Board Secretary/School Business Administrator | \$140,000 |
| Robert Brown | Treasurer of School Monies | 350,000 |

There is a Public Employees' Dishonesty Insurance Coverage with the New Jersey Schools Insurance Group (NJSIG) covering all other employees with multiple coverage of \$500,000.

Tuition Charges

A comparison of tentative tuition charges was made.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to 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 tested were certified by the President of the Board, the Board Secretary/Business Administrator and the Chief School Administrator.

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

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

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

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

The required certification (E-Cert1) of compliance with requirements of income tax on compensation of District Administration was filed with the NJ Department of Treasury by the due date.

- **Finding** – Our audit revealed that the balances in the payroll deduction ledger were not adjusted to reflect the balances due for each payroll deduction type. In addition, the balance was not in agreement with the payroll agency bank reconciliation.

Recommendation – It is recommended that the payroll agency deduction ledger balances be reviewed on a monthly basis and be in agreement with the monthly bank reconciliation.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserve for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

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

Travel

The District had an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in good condition.

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

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

Finding – Our audit revealed a balance due at June 30, 2020 from the City for the fiscal year 2020 tax levy in the amount of \$4,725,365. The amount was subsequently received on July 12, 2020, therefore no recommendation is warranted.

Treasurer's Records

The Treasurer did perform reconciliations for all required accounts.

The Treasurer's cash balances were in agreement with the reconciled cash balances as determined during the audit.

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

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

Financial Planning, Accounting and Reporting (Continued)

Unemployment Compensation Insurance Trust Fund

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

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

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

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

Other Special Federal and/or State Projects

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

Our examination of the Federal and State funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

I.D.E.A.

Separate accounting records were maintained for each approved project. Grant applications approvals and acceptance of grant funds were made by Board resolution.

T.P.A.F. Reimbursements

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

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

The amount of expenditure charged to the current year's Final Report for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-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 currently \$19,000. The Board has designated the School Business Administrator as the qualified purchasing agent.

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed; however, to determine whether any clear-cut violations existed.

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

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

The results of our examination did not indicate individual payments, contracts, or agreements which were made "for the performance of any work or the furnishing or hiring of any materials or supplies," in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

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

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal, however, that purchases were made through the use of State contracts.

Food Service Fund

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 financial transactions and statistical records of the school food services were maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The district utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19.4.1. Provisions of the FSMC contract were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has been met. Vendor discounts, rebates and credits from vendors and/or FSMC were credited per the FSMC Statement of Income.

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 vouchers were timely filed.

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/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 policy is uniformly administered throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

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

Food Service Fund (Continued)

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

The cash disbursement records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources did not exceed three months average expenditures. See attached Exhibit.

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

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

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

After School and Summer Child Care Programs

The financial transactions of the After School and Summer Child Care Programs were maintained as an enterprise fund.

Student Body Activities

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

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

Cash disbursements had proper supporting documentation.

Finding – Our audit of student body activities revealed that:

McCloud Elementary School

- Pre-numbered receipts are not utilized.
- Five (5) disbursements did not have supporting documentation.
- Checks were issued with only one authorized check signature.

Recommendation - It is recommended that the District implement internal control procedures related to the financial transactions of the McCloud Elementary School student account.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2019 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and limited English proficient. 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 Enrollments.

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

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

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

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

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

Facilities and Capital Assets

Our procedures included a review of the State Schools Development Authority (SDA) grant agreements for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction.

Testing for Lead of all Drinking Water in Educational Facilities

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

Management Suggestion

The District continue its efforts that have been implemented to collect the accounts receivable balance due from students for unpaid meals.

The District review the status of the Before and After Care Enterprise Fund and if the program is to be discontinued the remaining balance should be transferred to the General Fund.

Follow-up Prior Year Findings

In accordance with government standards, our procedures included a review of all prior year recommendations.

**ENGLEWOOD BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SCHEDULE OF MEAL COUNT ACTIVITY

| <u>Program</u> | <u>Meals/Milks Category</u> | <u>Meals/Milks Claimed</u> | <u>Meals/Milks Tested</u> | <u>Meals/Milks Verified</u> | <u>Difference</u> |
|---|---------------------------------|--------------------------------|-------------------------------|---------------------------------|-------------------|
| National School Lunch (Regular Rate) | Paid | 55,572 | 25,928 | 25,928 | - |
| | Reduced | 20,658 | 9,519 | 9,519 | - |
| | Free | <u>160,189</u> | <u>73,947</u> | <u>73,947</u> | <u>-</u> |
| | Total Lunch | <u>236,419</u> | <u>109,394</u> | <u>109,394</u> | <u>-</u> |
| School Breakfast (Regular) | Paid | 13,389 | 6,275 | 6,275 | |
| | Reduced | 5,212 | 2,491 | 2,491 | |
| | Free | <u>68,582</u> | <u>32,619</u> | <u>32,619</u> | <u>-</u> |
| | Total Breakfast | <u>87,183</u> | <u>41,385</u> | <u>41,385</u> | <u>-</u> |
| School Snacks (Regular) | Paid | - | | - | |
| | Reduced | - | | - | |
| | Free | <u>63,608</u> | <u>29,918</u> | <u>29,918</u> | <u>-</u> |
| | Total Snacks | <u>63,608</u> | <u>29,918</u> | <u>29,918</u> | <u>-</u> |
| | | <u>387,210</u> | <u>180,697</u> | <u>180,697</u> | <u>-</u> |

**ENGLEWOOD BOARD OF EDUCATION
NET CASH RESOURCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Net cash resources did not exceed three months of expenditures
Proprietary Funds - Food Service Fund
FYE 2020**

| <u>Net Cash Resources:</u> | | Food Service B - 4/5 | |
|---|---|-------------------------------------|-------------------------|
| CAFR | * | Current Assets | |
| B-4 | | Cash & Cash Equiv. | \$ 188,706 |
| B-4 | | Due from Other Gov'ts | 139,539 |
| B-4 | | Accounts Receivable | 1,000 |
| CAFR | | Current Liabilities | |
| B-4 | | Less Accounts Payable | (93,734) |
| B-4 | | Less Deferred Revenue | (8,668) |
| | | Net Cash Resources | \$ 226,843 (A) |
| <u>Net Adj. Total Operating Expense:</u> | | | |
| B-5 | | Tot. Operating Exp. | \$ 1,556,602 |
| B-5 | | Less Depreciation | (42,178) |
| | | Adj. Tot. Oper. Exp. | \$ 1,514,424 (B) |
| <u>Average Monthly Operating Expense:</u> | | | |
| | | B / 10 | \$ 151,442 (C) |
| <u>Three times monthly Average:</u> | | | |
| | | 3 X C | \$ 454,327 (D) |

| | | | |
|---|----|------------------|--|
| TOTAL IN BOX A | \$ | 226,843 | |
| LESS TOTAL IN BOX D | \$ | (454,327) | |
| NET | \$ | (227,484) | |
| Net Cash Resources does not exceed three months average expenditures. | | | |

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

| | 2020-2021 Application for State School Aid | | | | | | Sample for Verification | | | | | | Private Schools for Disabled | | | | |
|--------------------------------------|--|--------|--------------------------------|--------|--------|--------|---------------------------------|--------|-------------------------------|--------|------------------------------|--------|---|--|---------------------------|-----------------|---------------|
| | Reported on A.S.S.A. On Roll | | Reported on Workpapers On Roll | | Errors | | Sample Selected from Workpapers | | Verified per Register On Roll | | Errors per Registers On Roll | | Reported on A.S.S.A. as Private Schools | Reported on Workpapers. as Private Schools | Sample for Verifi- cation | Sample Verified | Sample Errors |
| | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | | | | | |
| | | | | | | | | | | | | | | | | | |
| Full Day Preschool 3 Years Old | 44 | | 44 | | - | | | | | | | | - | - | - | - | - |
| Full Day Preschool 4 Years Old | 149 | | 149 | | - | | | 149 | 149 | - | | | - | - | - | - | - |
| Full Day Kindergarten | 184 | | 184 | | - | | | 184 | 184 | - | | | - | - | - | - | - |
| Grade 1 | 150 | | 150 | | - | | | 150 | 150 | - | | | - | - | - | - | - |
| Grade 2 | 141 | | 141 | | - | | | 141 | 141 | - | | | - | - | - | - | - |
| Grade 3 | 147 | | 147 | | - | | | 147 | 147 | - | | | - | - | - | - | - |
| Grade 4 | 162 | | 162 | | - | | | 162 | 162 | - | | | - | - | - | - | - |
| Grade 5 | 146 | | 146 | | - | | | 146 | 146 | - | | | - | - | - | - | - |
| Grade 6 | 165 | | 165 | | - | | | 165 | 165 | - | | | - | - | - | - | - |
| Grade 7 | 170 | | 170 | | - | | | 170 | 170 | - | | | - | - | - | - | - |
| Grade 8 | 154 | | 154 | | - | | | 154 | 154 | - | | | - | - | - | - | - |
| Grade 9 | 256 | 1 | 256 | 1 | - | - | | 188 | 188 | - | | | - | - | - | - | - |
| Grade 10 | 217 | 1 | 217 | 1 | - | - | | 159 | 159 | - | | | - | - | - | - | - |
| Grade 11 | 251 | 2 | 251 | 2 | - | - | | 189 | 189 | - | | | - | - | - | - | - |
| Grade 12 | 246 | 2 | 246 | 2 | - | - | | 187 | 187 | - | | | - | - | - | - | - |
| Post- Graduate | - | | - | | - | - | | - | - | - | | | - | - | - | - | - |
| Adult High School (15+ Credits) | - | | - | | - | - | | - | - | - | | | - | - | - | - | - |
| Adult High School (1-14 Credits) | - | | - | | - | - | | - | - | - | | | - | - | - | - | - |
| Subtotal | 2,582 | 6 | 2,582 | 6 | - | - | | 2,291 | 2,291 | - | | | - | - | - | - | - |
| Sp Ed - Elementary | 237 | | 237 | | - | | | 104 | 104 | - | | | 7.0 | 7.0 | 7.0 | 7.0 | - |
| Sp Ed - Middle School | 79 | | 79 | | - | | | 79 | 79 | - | | | 7.0 | 7.0 | 7.0 | 7.0 | - |
| Sp Ed - High School | 74 | 1 | 74 | 1 | - | | | 74 | 74 | - | | | 17.0 | 17.0 | 16.0 | 16.0 | - |
| Subtotal | 390 | 1 | 390 | 1 | - | - | | 257 | 257 | - | | | 31.0 | 31.0 | 30.0 | 30.0 | - |
| County Vocational - Regular | | | | | - | | | | | - | | | | | | | |
| County Vocational - F.T. Post-Second | | | | | - | | | | | - | | | | | | | |
| Subtotal | - | - | - | - | - | - | | - | - | - | | | - | - | - | - | - |
| Totals | 2,972 | 7 | 2,972 | 7 | - | - | | 2,548 | 2,548 | - | | | 31.0 | 31.0 | 30.0 | 30.0 | - |
| Percentage Error | | | | | 0.00% | 0.00% | | | | 0.00% | | | | | | | 0.00% |

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

| | 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 ASSA as LEP low Income | Reported on Workpapers as LEP low Income | Errors | Sample Selected | Verified to Test Score and Register | Errors |
| | Full Day Preschool 3 Years Old | | | - | | | | | | - | | |
| Full Day Preschool 4 Years Old | | | - | | | | | | - | | | - |
| Full Day Kindergarten | 139.0 | 139.0 | - | 4.0 | 4.0 | - | 29.0 | 29.0 | - | 6.0 | 6.0 | - |
| Grade 1 | 134.0 | 134.0 | - | 4.0 | 4.0 | - | 21.0 | 21.0 | - | 5.0 | 5.0 | - |
| Grade 2 | 115.0 | 115.0 | - | 5.0 | 5.0 | - | 19.0 | 19.0 | - | 5.0 | 5.0 | - |
| Grade 3 | 127.0 | 127.0 | - | 5.0 | 5.0 | - | 21.0 | 21.0 | - | 5.0 | 5.0 | - |
| Grade 4 | 138.0 | 138.0 | - | 4.0 | 4.0 | - | 26.0 | 26.0 | - | 5.0 | 5.0 | - |
| Grade 5 | 117.0 | 117.0 | - | 5.0 | 5.0 | - | 18.0 | 18.0 | - | 2.0 | 2.0 | - |
| Grade 6 | 140.0 | 140.0 | - | 5.0 | 5.0 | - | 16.0 | 16.0 | - | 5.0 | 5.0 | - |
| Grade 7 | 147.0 | 147.0 | - | 4.0 | 4.0 | - | 18.0 | 18.0 | - | 3.0 | 3.0 | - |
| Grade 8 | 124.0 | 124.0 | - | 5.0 | 5.0 | - | 15.0 | 15.0 | - | 3.0 | 3.0 | - |
| Grade 9 | 135.5 | 135.0 | 0.5 | 4.0 | 4.0 | - | 15.0 | 15.0 | - | 2.0 | 2.0 | - |
| Grade 10 | 129.5 | 129.0 | 0.5 | 4.0 | 4.0 | - | 18.0 | 18.0 | - | 5.0 | 5.0 | - |
| Grade 11 | 141.0 | 141.0 | - | 4.0 | 4.0 | - | 25.0 | 25.0 | - | 2.0 | 2.0 | - |
| Grade 12 | 133.5 | 133.0 | 0.5 | 5.0 | 5.0 | - | 12.0 | 12.0 | - | 4.0 | 4.0 | - |
| Post- Graduate | - | - | - | - | - | - | - | - | - | - | - | - |
| Adult High School (15+ Credits) | - | - | - | - | - | - | - | - | - | - | - | - |
| Adult High School (1-14 Credits) | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 1,720.5 | 1,719.0 | 1.5 | 58.0 | 58.0 | - | 253.0 | 253.0 | - | 52.0 | 52.0 | - |
| Sp Ed - Elementary | 192.0 | 192.0 | - | 7.0 | 7.0 | - | 20.0 | 20.0 | - | 5.0 | 5.0 | - |
| Sp Ed - Middle School | 74.0 | 74.0 | - | 3.0 | 3.0 | - | 3.0 | 3.0 | - | 1.0 | 1.0 | - |
| Sp Ed - High School | 67.5 | 67.5 | - | 2.0 | 2.0 | - | 1.0 | 1.0 | - | - | - | - |
| Subtotal | 333.5 | 333.5 | - | 12.0 | 12.0 | - | 24.0 | 24.0 | - | 6.0 | 6.0 | - |
| Other (State) | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | - | - | - | - | - | - | - | - | - | - | - | - |
| Totals | 2,054.0 | 2,052.5 | 1.5 | 70.0 | 70.0 | - | 277.0 | 277.0 | - | 58.0 | 58.0 | - |
| Percentage Error | | | <u>0.07%</u> | | | <u>0.00%</u> | | | <u>0.00%</u> | | | <u>0.00%</u> |

| | Transportation | | | | | |
|--------------------------|--------------------------------|-------------------------------------|----------|-------------|-------------|----------|
| | Reported on DRTRS by DOE | Reported on DRTRS by District | Errors | Tested | Verified | Errors |
| | Reg. - Public Schools | 383.0 | 383.0 | - | 10.0 | 10.0 |
| Regular - Special Ed | 137.5 | 137.5 | - | 12.0 | 12.0 | - |
| Transported - Non Public | 483.0 | 483.0 | - | 4.0 | 4.0 | - |
| Special Needs | 57.5 | 57.5 | - | 2.0 | 2.0 | - |
| Totals | 1,061.0 | 1,061.0 | - | 28.0 | 28.0 | - |

Percentage Error 0.0% 0.0%

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

| | Resident LEP Not Low Income | | | Sample for Verification | | |
|--------------------------------------|---|---|----------|---------------------------------------|--|----------|
| | Reported on ASSA as NOT Low Income | Reported on Workpapers as NOT low Income | Errors | Sample Selected From Workpapers | Verified to Application and Register | Errors |
| Full Day Preschool 3 Years Old | | | - | | | - |
| Full Day Preschool 4 Years Old | | | - | | | - |
| Full Day Kindergarten | 2.0 | 2.0 | - | 2.0 | 2.0 | - |
| Grade 1 | 3.0 | 3.0 | - | 2.0 | 2.0 | - |
| Grade 2 | 3.0 | 3.0 | - | 3.0 | 3.0 | - |
| Grade 3 | 4.0 | 4.0 | - | 4.0 | 4.0 | - |
| Grade 4 | 2.0 | 2.0 | - | 2.0 | 2.0 | - |
| Grade 5 | 3.0 | 3.0 | - | 3.0 | 3.0 | - |
| Grade 6 | 2.0 | 2.0 | - | 2.0 | 2.0 | - |
| Grade 7 | 3.0 | 3.0 | - | 3.0 | 3.0 | - |
| Grade 8 | 2.0 | 2.0 | - | 2.0 | 2.0 | - |
| Grade 9 | 9.0 | 9.0 | - | 5.0 | 5.0 | - |
| Grade 10 | - | - | - | - | - | - |
| Grade 11 | 4.0 | 4.0 | - | 3.0 | 3.0 | - |
| Grade 12 | 1.0 | 1.0 | - | 2.0 | 2.0 | - |
| Post- Graduate | | | - | | | - |
| Adult High School (15+ Credits) | | | - | | | - |
| Adult High School (1-14 Credits) | | | - | | | - |
| Subtotal | 38.0 | 38.0 | - | 33.0 | 33.0 | - |
| Sp Ed - Elementary | 3.0 | 3.0 | - | 2.0 | 2.0 | - |
| Sp Ed - Middle School | - | - | - | - | - | - |
| Sp Ed - High School | - | - | - | - | - | - |
| Subtotal | 3.0 | 3.0 | - | 2.0 | 2.0 | - |
| County Vocational - Regular | | | | | | |
| County Vocational - F.T. Post-Second | | | | | | |
| Subtotal | | | | | | |
| Totals | 41.0 | 41.0 | - | 35.0 | 35.0 | - |
| Percentage Error | | <u>0.00%</u> | | | <u>0.00%</u> | |

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

SECTION 1A

| | | |
|--|----|-------------|
| 2019-2020 Total General Fund Expenditures per the CAFR | \$ | 73,739,965 |
| Increased by: | | |
| Transfer to Special Revenue Fund | | 654,234 |
| | | 74,394,199 |
| Decreased by: | | |
| On-Behalf TPAF Pension & Social Security | | (9,518,774) |
| Adjusted 2019-2020 General Fund Expenditures | \$ | 64,875,425 |
| 2% of Adjusted 2019-2020 General Fund Expenditures | \$ | 1,297,509 |
| Enter Greater of 2% of Adjusted 2019-2020 General Fund Expenditures or \$250,000 | | 1,297,509 |
| Increased by: Allowable Adjustments | | 302,759 |
| Maximum Unreserved/Undesignated Fund Balance | \$ | 1,600,268 |

SECTION 2

| | | |
|--|----|-----------|
| Total General Fund - Fund Balance at June 30, 2020 (Per CAFR Budgetary Comparison Schedule/Statement) | \$ | 9,605,691 |
| Decreased by: | | |
| Year End Encumbrances | | |
| Excess Surplus - Designated for Subsequent Year's Expenditures | | 1,286,552 |
| Capital Reserve | | 2,777,963 |
| Capital Reserve - Designated for Subsequent Year's Expenditures | | 400,000 |
| Maintenance Reserve | | 520,216 |
| Emergency Reserve | | 201,000 |
| Emergency Reserve - Designated for Subsequent Expenditures | | 150,366 |
| Designated for Year End Encumbrances | | 653,351 |
| Designated for Subsequent Years Expenditures | | 460,194 |
| Total Unassigned Fund Balance | \$ | 3,156,049 |

SECTION 3

Reserved Fund Balance - Excess Surplus \$ 1,555,781

Recapitulation of Excess Surplus as of June 30, 2020

| | | |
|---|----|-----------|
| Reserved Excess Surplus - Designated for Subsequent Year's Expenditures | \$ | 1,286,552 |
| Reserved Excess Surplus | | 1,555,781 |
| Total Excess Surplus | \$ | 2,842,333 |

Detail of Allowable Adjustments

| | | |
|---------------------------|----|---------|
| Extraordinary Aid | \$ | 283,475 |
| Non Public Transportation | | 19,284 |
| | \$ | 302,759 |

**ENGLEWOOD BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that the payroll agency deduction ledger balances be reviewed on a monthly basis and be in agreement with the monthly bank reconciliation.

III. School Purchasing Program

There are none.

IV. School Food Services

There are none.

V. After School Day Care and Summer Programs

There are none.

VI. Student Body Activities

- * It is recommended that the District implement internal control procedures related to the financial transactions of the McCloud Elementary School student account.

VII Application for State School Aid

There are none.

VIII. Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. Status of Prior Years' Audit Findings/Recommendations

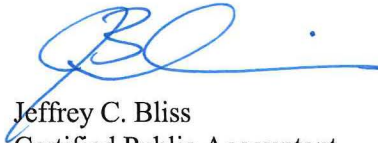
A review was performed on all prior years' recommendations and corrective action was taken on all prior year findings.

ACKNOWLEDGEMENT

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

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP



Jeffrey C. Bliss
Certified Public Accountant
Public School Accountant