

*Auditor's Management Report*

*for the*

*Township of Hillside  
School District*

*in the*

*County of Union  
New Jersey*

*for the*

*Fiscal Year Ended  
June 30, 2020*



**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS – FINANCIAL AND COMPLIANCE**

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Tax ID Number 22-6001974





# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Trustees  
Hillside Board of Education  
Hillside, New Jersey 07205

We have audited, in accordance with U.S. generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Township of Hillside School District in the County of Union for the year ended June 30, 2020, and have issued our report dated February 24, 2021.

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

This report is intended solely for the information of the Township of Hillside School District, County of Union, New Jersey, the New Jersey Department of Education and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 962

February 24, 2021

**Independent Auditor's Management Report of Administrative Findings – Financial and Compliance**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the activities of the Township of Hillside - 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 (Exhibit J-20) contained in the District's Comprehensive Annual Financial Report (CAFR).

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

<u>Name</u>	<u>Position</u>	<u>Amount of Bonds</u>
Dr. David Eichenholtz	Business Administrator/Board Secretary	\$50,000.00

There is a Public Employees' Blanket Position Bond covering all other employees with \$50,000 each/\$500,000 per loss.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

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

**Payroll Accounts**

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

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

Salary withholdings were promptly remitted to the proper agencies including health benefits premium amounts withheld due to the general fund.

Payrolls were delivered to the secretary of the board with a warrant made to her order for the full amount of each payroll.

**Independent Auditor's Management Report of Administrative  
Findings – Financial and Compliance**

**Financial Planning, Accounting and Reporting (Continued)**

**Payroll Accounts (Continued)**

**2020-01 Finding:** An analysis of the balance on deposit in the Salary and Payroll Agency accounts were not maintained.

**2020-01 Recommendation:** That balances on deposit in the Salary and Payroll Agency accounts be analyzed monthly.

**2020-02 Finding:** The required certification (E-CERT) of compliance with requirements for income tax on compensation of administrators to the New Jersey Department of Treasury was not filed by the March 15, 2020 due date.

**2020-02 Recommendation:** The District file the required certification (E-CERT) by the required due date.

**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 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 specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to the test the propriety of expenditure classification.

**Board Secretary's Records**

The records maintained by the Board Secretary were in agreement with the records maintained by the Treasurer.

**Independent Auditor's Management Report of Administrative  
Findings – Financial and Compliance**

**Financial Planning, Accounting and Reporting (Continued)**

**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 are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Title I and Title VI of the Elementary and Secondary Education Act as amended and reauthorized.

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

The District's 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 test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

**2020-03 Finding:** Our audit noted that several grant reimbursements received by the District were in excess of expenditures recorded on District records. In addition, we noted one prior year grant receivable balance that remained uncollected at year end.

**2020-03 Recommendation:** Internal control procedures be reviewed and enhanced to ensure that grant reimbursements are in agreement with the District's financial records.

**T.P.A.F. Reimbursement**

Our audit procedures included a test of the semi-monthly reimbursement filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

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 60 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement.



**Independent Auditor's Management Report of Administrative  
Findings – Financial and Compliance**

**School Purchasing Programs**

**Contracts and Agreements Requiring Advertisement for Bids**

N.J.S.A.18A:18A-3 states "a. When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$29,000.00, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefor, except that the board of education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971 c. 198 (C.40A:11-9) the board of education may establish that the bid threshold may be up to \$40,000.00. Such authorization may be granted for each contract for by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Commencing in the fifth year after the year in which P.L. 1999 c. 440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2 and shall round the adjustment to the nearest \$1,000.00. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of every year in which it is made. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection a. of N.J.S.A. 18A:18A-5 may be awarded for a period not exceeding 12 consecutive months."

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this chapter or specifically by any other law.

The Board of Education may, by resolution, approve by the majority of the board of education and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the board of education finds that it has had negative prior experience with the bidder."

Effective July 1, 2019, the bid threshold in accordance with N.J.S.A. 18A:18A-3(a) and (c) is \$29,000.00. In accordance with N.J.S.A. 40A:11-9 (b) the bid threshold for all purchases made by the District's qualified purchasing agent is \$40,000.00. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18:39-3 is currently \$19,600.00.

**Independent Auditor's Management Report of Administrative Findings – Financial and Compliance**

**School Purchasing Programs (Continued)**

**Contracts and Agreements Requiring Advertisement for Bids (Continued)**

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 solicitor's opinion should be sought before a commitment is made.

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

The results of our examination indicated that no individual payments, contracts or agreements 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 provisions of N.J.S.A. 18A:18A-4.

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

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

**2020-04 Finding:** Our audit of the District's purchasing revealed that several vendors were paid in excess of the bid threshold without the contracts being awarded by resolution of the governing body.

**2020-04 Recommendation:** That all purchases in excess of the bid threshold be properly awarded by resolution of the governing body.

**School Food Service**

**COVID – 19 Emergency**

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

**Independent Auditor's Management Report of Administrative  
Findings – Financial and Compliance**

**School Food Service (Continued)**

**COVID – 19 Emergency (Continued)**

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 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

In addition, we inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

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

**2020-05 Finding:** Net cash resources exceeded three months average expenditures.

**2020-05 Recommendation:** That the District take appropriate action to ensure that the net cash resources do not exceed three months average expenditures.

**Student Body Activities**

The records for the Student Body Activities were maintained in satisfactory condition.

## **Independent Auditor's Management Report of Administrative Findings – Financial and Compliance**

### **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 Enrollments.

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

The district had written procedures for the recording of student enrollment.

### **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. 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.

### **Capital Assets and Facilities**

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

### **Miscellaneous**

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

### **Follow-Up Prior Year's Audit Findings**

In accordance with governmental auditing standards, our procedures included a review of all prior year recommendations. The items noted on the following page with an "\*" are repeat unresolved items.

**Independent Auditor's Management Report of Administrative Findings – Financial and Compliance**

**Recommendations**

1. **Administrative Practices and Procedures**

None

2. **Financial Planning, Accounting and Reporting**

**2020-01 Recommendation:** That balances on deposit in the Salary and Payroll Agency accounts be analyzed monthly.

**\*2020-02 Recommendation:** The District file the required certification (E-CERT) by the required due date.

**\*2020-03 Recommendation:** Internal control procedures be reviewed and enhanced to ensure that grant reimbursements are in agreement with the District's financial records.

3. **School Purchasing Program**

**2020-04 Recommendation:** That all purchases in excess of the bid threshold be properly awarded by resolution of the governing body.

4. **School Food Service**

**\*2020-005 Recommendation:** That the District take appropriate action to ensure that the net cash resources do not exceed three months average expenditures.

5. **Student Body Activities**

None

6. **Application for State School Aid**

None

7. **Pupil Transportation**

None

8. **Capital Assets and Facilities**

None

9. **Miscellaneous**

None

10. **Status of Prior Year's Findings/Recommendations**

Items notated above with an '\*' are repeated/unresolved findings.

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

	2019-20 Application for State School Aid (10/15/19 data)						Sample for Verification				Private School for Disabled					
	Reported as on Roll		Reported on Workpapers on Roll		Errors		Sample Selected from Workpapers		Verified per Registers on Roll		Errors per Registers on Roll		Reported on U.S.S.A. as Private Schools		Sample for Verification	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full D Day Preschool - 3 Yr	75		75		-		7		7		-		-		-	
Full Day Preschool - 4 Yr	128		128		-		12		12		-		-		-	
Full Day Kindergarten	191		191		-		18		18		-		-		-	
One	186		186		-		18		18		-		-		-	
Two	186		186		-		18		18		-		-		-	
Three	178		178		-		17		17		-		-		-	
Four	196		196		-		18		18		-		-		-	
Five	202		202		-		19		19		-		-		-	
Six	221		221		-		21		21		-		-		-	
Seven	199		199		-		19		19		-		-		-	
Eight	209		209		-		20		20		-		-		-	
Nine	184		184		-		17		17		-		-		-	
Ten	167		167		-		16		16		-		-		-	
Eleven	196	4	196	4	-		3	3	18	3	-		-		-	
Twelve	185	5	185	5	-		4	4	17	4	-		-		-	
<b>Subtotal</b>	<b>2,703</b>	<b>9</b>	<b>2,703</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>255</b>	<b>7</b>	<b>255</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Sp. Ed - Elementary	184		184		-		17		17		-		-		4	3
Sp. Ed - Middle School	94		94		-		9		9		-		-		7	5
Sp. Ed - High School	109	11	109	11	-		10	8	10	8	-		-		17	13
<b>Subtotal</b>	<b>387</b>	<b>11</b>	<b>387</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>8</b>	<b>36</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28.0</b>	<b>22</b>	<b>22</b>
Co. Voc. - Regular					-						-		-			
Co. Voc. Ft. Post Sec.					-						-		-			
<b>Totals</b>	<b>3,090</b>	<b>20</b>	<b>3,090</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>291</b>	<b>15</b>	<b>291</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28.0</b>	<b>22</b>	<b>22</b>
<b>Percentage Error</b>					<b>0.00%</b>	<b>0.00%</b>					<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>			<b>0.00%</b>

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on Application 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 Test Score and Register	Sample Errors
Half Day Preschool - 3 Yr	-	-	-	-	-	-	-	-	-	0	-	-
Half Day Preschool - 4 Yr	-	-	-	-	-	-	-	-	-	0	-	-
Full Day Kindergarten												
One	124	124	-	20	20	-	17	17	-	12	12	-
Two	115	115	-	15	15	-	18	18	-	12	12	-
Three	113	113	-	20	20	-	13	13	-	9	9	-
Four	112	112	-	20	20	-	9	9	-	6	6	-
Five	114	114	-	15	15	-	7	7	-	5	5	-
Six	138	138	-	25	25	-	3	3	-	2	2	-
Seven	123	123	-	15	15	-	7	7	-	5	5	-
Eight	132	132	-	15	15	-	4	4	-	3	3	-
Nine	153	153	-	20	20	-	4	4	-	3	3	-
Ten	123	123	-	19	19	-	5	5	-	3	3	-
Eleven	105	105	-	15	15	-	11	11	-	7	7	-
Twelve	141.5	141.5	-	20	20	-	6	6	-	4	4	-
	117.0	117.0	-	15	15	-	8	8	-	5	5	-
<b>Subtotal</b>	<b>1,610.5</b>	<b>1,611</b>	<b>0</b>	<b>234</b>	<b>234</b>	<b>0</b>	<b>112</b>	<b>112</b>	<b>0</b>	<b>76</b>	<b>76</b>	<b>0</b>
Sp. Ed - Elementary	124	124	-	20	20	-	13	13	-	9	9	-
Sp. Ed - Middle School	59	59	-	10	10	-	1	1	-	1	1	-
Sp. Ed - High School	86.5	86.5	-	15	15	-	0	0	-	0	0	-
<b>Subtotal</b>	<b>269.5</b>	<b>269.5</b>	<b>0</b>	<b>45</b>	<b>45</b>	<b>0</b>	<b>14.0</b>	<b>14</b>	<b>0</b>	<b>10.0</b>	<b>10</b>	<b>0.0</b>
<b>Totals</b>	<b>1,880.0</b>	<b>1,880.0</b>	<b>0.0</b>	<b>279</b>	<b>279</b>	<b>0</b>	<b>126.0</b>	<b>126</b>	<b>0.0</b>	<b>86.0</b>	<b>86</b>	<b>0.0</b>
<b>Percentage Error</b>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

**Transportation**

	Reported on DTRTS by DOE/county			Reported on DTRTS by District			Reported and Recalculated		
	Tested	Verified	Errors	Tested	Verified	Errors	Reported	Recalculated	Errors
Reg. - Public Schools, col. 1	204	204	0	98	98	0	6.00	6.00	6.00
Reg -SpEd, col. 4	39	39	0	19	19	0	6.20	6.20	6.20
Transported - Non-Public, col. 3	0	0	0	0	0	0	4.97	4.97	4.97
Special Ed Spec, col. 6	82	82	0	39	39	0			
<b>Totals</b>	<b>325</b>	<b>325</b>	<b>0</b>	<b>156</b>	<b>156</b>	<b>0</b>			
<b>Percentage Error</b>			<u>0.00%</u>			<u>0.00%</u>			

Reg Avg.(Mileage) = Regular Including Grade PK students (Part A)  
 Reg Avg.(Mileage) = Regular Excluding Grade PK students (Part B)  
 Spec Avg. = Special Ed with Special Needs

**HILLSIDE BOARD OF EDUCATION  
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.A. as LEP NOT Low Income	Reported on Workpapers as NOT Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool - 3 Yr		-	0	0	-
Half Day Preschool - 4 Yr		-	0	0	-
Full Day Kindergarten					
One	11	11	7	7	-
Two	15	15	0	0	-
Three	9	9	6	6	-
Four	10	10	7	7	-
Five	6	6	4	4	-
Six	5	5	3	3	-
Seven	7	7	0	0	-
Eight	10	10	7	7	-
Nine	8	8	5	5	-
Ten	6	6	4	4	-
Eleven	6	6	4	4	-
Twelve	10	10	7	7	-
<b>Subtotal</b>	<b>108</b>	<b>108</b>	<b>57</b>	<b>57</b>	<b>0</b>
Special Ed - Elementary	7	7	5	5	-
Special Ed - Middle	1	1	1	1	-
Special Ed - High	1	1	1	1	-
<b>Subtotal</b>	<b>9</b>	<b>9</b>	<b>7</b>	<b>7</b>	<b>0</b>
Co. Voc. - Regular	0	0	0	0	-
Co. Voc. Ft. Post Sec.	0	0	0	0	-
<b>Totals</b>	<b>117.0</b>	<b>117</b>	<b>64.0</b>	<b>64</b>	<b>0</b>
<b>Percentage Error</b>					<b>0.00%</b>



HILLSIDE SCHOOL DISTRICT

SCHEDULE OF CALCULATION OF EXCESS SURPLUS

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2019 - 2020 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ 62,805,150.97	
Increased by:		
Transfer from General Fund to SRF for Preschool (Inclusion)	\$ 87,012.00	
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>8,398,086.87</u>	
Adjusted 2019 - 2020 General Fund Expenditures		\$ <u>54,494,076.10</u>
2% of Adjusted 2019 - 2020 General Fund Expenditures		\$ <u>1,089,881.52</u>
Greater of Line Above or \$250,000.00		\$ <u>1,089,881.52</u>
Increased by: Allowable Adjustment		\$ <u>832,052.00</u>
Maximum Unreserved/Undesignated Fund Balance		\$ <u><u>1,921,933.52</u></u>

SECTION 2

Total General Fund - Fund Balances @ 6-30-2020	\$ <u>10,501,948.47</u>	
Decreased by:		
Year-End Encumbrances	\$ <u>993,548.23</u>	
Legally Restricted-Excess Surplus-Designated for Subsequent Year's Expenditures	\$ <u>714,473.00</u>	
Other Restricted Fund Balances	\$ <u>5,453,214.72</u>	
Assigned Fund Balance - Unreserved-Designated for Subsequent Year's Expenditures	\$ <u>768,779.00</u>	
Total Unassigned Fund Balance		\$ <u>2,571,933.52</u>

SECTION 3

Restricted Fund Balance-Excess Surplus		\$ <u><u>650,000.00</u></u>
<u>Total General Fund - Fund Balances @ 6-30-2020</u>		
Restricted Excess Surplus - Designated for Subsequent Year's Expenditures		\$ <u>714,473.00</u>
Restricted Excess Surplus		\$ <u>650,000.00</u>
Total Excess Surplus		\$ <u><u>1,364,473.00</u></u>

Detail of Allowable Adjustments

Extraordinary Aid		\$ <u>832,052.00</u>
		\$ <u><u>832,052.00</u></u>

**Detail of Other Restricted Fund Balance:**

Capital Reserve		\$ <u>5,453,214.72</u>
		\$ <u><u>5,453,214.72</u></u>



