

**LITTLE FALLS BOARD OF EDUCATION  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2020**

**LITTLE FALLS BOARD OF EDUCATION  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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## INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and Members  
of the Board of Education  
Township of Little Falls  
County of Passaic, New Jersey

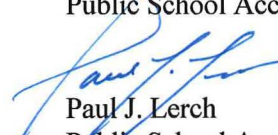
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Little Falls Board of Education as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated December 18, 2020.

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 solely for the information and use of management, the Board of Trustees, 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  
Certified Public Accountants  
Public School Accountants



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
December 18, 2020

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

**GENERAL COMMENTS**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator, and the Chief School Administrator 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>
Carol Delsandro	School Business Administrator/ Board Secretary (7/1/2019 – 10/14/2019)	\$200,000
Joseph Abate	Interim School Business Administrator/ Board Secretary (10/15/2019 – 12/31/2019)	\$200,000
Christopher Jones	School Business Administrator/ Board Secretary (1/1/2020 – 6/30/2020)	\$200,000

There is a Public Employees' Faithful Performance Blanket Position Bond with NJSBAIG covering all other employees with multiple coverage of \$100,000.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review did not reveal 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 tested were certified by the President of the Board and the Board Secretary/School Business Administrator and approved by the Chief School Administrator.

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

**LITTLE FALLS 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)

Payrolls were delivered to the secretary of the board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

The School Business Administrator completed and filed the required Certification of Compliance with Federal and State Law respecting the reporting of compensation for certain employees.

The Board has implemented and maintains a personnel tracking and accounting (Position Control) system.

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 reserves 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.

Travel

The District had an approved Board travel policy as required by NJAC 6A:23A-6.13 and NJSA 18A:11-12.

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 additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

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

Bids received were summarized in the minutes (N.J.S.A.18A:18A-21).

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

The prescribed contractual order system was followed.

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

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

Board Secretary's Records (Continued)

**Finding** – Our audit revealed that one-line item was over expended at year end. This was a result of transfers made during the year to capital outlay construction services that were for capital outlay equipment. The budget transfer and charges were moved in the financial statements. However, \$49,000 of the expenditures were for facilities improvement and could not be transferred out to the equipment line causing the over expenditure. This over expenditure was isolated, therefore no recommendation was warranted.

**Finding** – Our audit revealed that the district did not maintain a detail fixed asset reporting system. However, the district did provide an excel worksheets for additions and deletions. In addition, our review of transactions reveled unrecorded fixed assets that were charged to non-capital outlay lines and contain capital outlay charges that were less than \$2,000 for supplies.

**Recommendation** – It is recommended that the district maintain a current fixed asset reporting that includes detail asset values and the district properly records all additions on an annual basis.

Monthly Board Secretary's payment and certifications were approved by the Board in a timely manner.

Treasurer's Records (Chief School Administrator)

The Chief School Administrator did perform cash reconciliations for the general operating account, payroll account, payroll agency account, unemployment account and food service account (N.J.S.A. 18A:17-9).

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

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

I.D.E.A. Part B

Separate accounting was maintained for each approved project. Grant application approvals and acceptance of grant funds were made by board resolution and recorded in the minutes.

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. Reimbursements to the State for Federal Salary Expenditures

Not Applicable.

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

**School Purchasing Programs**

**Contracts and Agreements Requiring Advertisement for Bids**

N.J.S.A. 18A:18A-4 states, "Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of school funds, not included within the terms of N.J.S.A. 18A:18A-3, shall be made and awarded only by the board of education after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to N.J.S.A. 18A:18A-3 except by contract or agreement".

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:39-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The District's Business Administrator is qualified and the District, by Board resolution, has increased the bid threshold to \$40,000. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$19,600.

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.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or goods or service, 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 did not indicate that any individual payments, contracts, or agreements which were made "for the performance of any work or goods or services", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, amended.

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 that purchases were made through the use of State contracts.

**School Food Service**

**COVID – 19 EMERGENCY**

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

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

**School Food Service (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 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) School Food Authority had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

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

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

Net cash resources did not exceed three month average operating expenses.

**Student Body Activity**

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

Cash receipts and disbursements records were maintained in good condition.

Cash receipts were promptly deposited. (N.J.A.C. 6A:23A-16.12). Cash disbursements had property supporting documentation (N.J.A.C. 6A:23A-16.12).

**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 with an isolated exception. The information that was included on the workpapers was verified with isolated exceptions. 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 has adequate written procedures 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 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.



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

**Miscellaneous**

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

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

**Follow-up on Prior Year Findings**

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

**Acknowledgement**

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

**LITTLE FALLS BOARD OF EDUCATION  
FOOD SERVICE FUND  
SCHEDULE OF MEAL COUNT ACTIVITY  
NUMBER OF MEALS SERVED AND (OVER)/UNDER  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOT APPLICABLE**

**FOOD SERVICE FUND  
SCHEDULE OF NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Net Cash Resources:**

<b>CAFR</b>	*	<b>Current Assets</b>		
B-4		Cash & Cash Equiv.	\$	70,564
B-4		Due from Other Gov'ts		9,609
B-4		Accounts Receivable		
B-4		Investments		
<b>CAFR</b>		<b>Current Liabilities</b>		
B-4		Less Accounts Payable		(22,342)
B-4		Less Accruals		
B-4		Less Due to Other Funds		
B-4		Less Deferred Revenue		<u>(11,711)</u>
		<b>Net Cash Resources</b>	<b>\$</b>	<b><u>46,120</u></b> (A)

**Net Adj. Total Operating Expense:**

B-5		Tot. Operating Exp.		306,830
B-5		Less Depreciation		<u>(401)</u>
		Adj. Tot. Oper. Exp.		<b><u>306,429</u></b> (B)

**Average Monthly Operating Expense:**

	B / 10	<b><u>30,643</u></b> (C)
--	--------	--------------------------

**Three times monthly Average:**

	3 X C	<b><u>91,929</u></b> (D)
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TOTAL IN BOX A	\$	46,120
LESS TOTAL IN BOX D		91,929
NET	\$	<b>(45,809)</b>

From above:

**D is greater than A, cash does not exceed 3 X average monthly operating expenses.**

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

	2019-20 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 Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Veri-fication	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 3yr	7	-	7	-	-	-	7	-	7	-	-	-	-	-	-	-
Full Day Preschool - 4yr	6	-	6	-	-	-	6	-	6	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	6	-	6	-	-	-	-	-	-	-
Full Day Kindergarten	91	-	91	-	-	-	91	-	91	-	-	-	-	-	-	-
One	64	-	64	-	-	-	64	-	64	-	-	-	-	-	-	-
Two	93	-	93	-	-	-	93	-	93	-	-	-	-	-	-	-
Three	66	-	62	-	-	-	66	-	66	-	-	-	-	-	-	-
Four	76	-	76	-	-	-	76	-	76	-	-	-	-	-	-	-
Five	73	-	73	-	-	-	76	-	76	-	-	-	-	-	-	-
Six	70	-	70	-	-	-	73	-	73	-	-	-	-	-	-	-
Seven	88	-	88	-	-	-	70	-	70	-	-	-	-	-	-	-
Eight	82	-	82	-	-	-	88	-	88	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	716	-	712	-	-	-	716	-	716	-	-	-	-	-	-	-
Special Ed - Elementary	116	-	116	-	-	-	35	-	35	-	-	-	-	-	4	(4)
Special Ed - Middle School	56	-	57	-	(1)	-	17	-	17	-	-	-	1	1	3	(2)
Special Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	172	-	173	-	(1)	-	52	-	52	-	-	-	1	1	7	(6)
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	888	-	885	-	(1)	-	768	-	768	-	-	-	1	1	7	(6)
Percentage Error					-0.11%	0.00%					0.00%	0.00%				-600.00%

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten	23.0	23.0	-	6.0	6.0	-	2.0	2.0	-	2.0	2.0	-
One	8.0	9.0	(1.0)	2.0	2.0	-	-	-	-	-	-	-
Two	21.0	22.0	(1.0)	6.0	6.0	-	1.0	1.0	-	1.0	1.0	-
Three	15.0	15.0	-	4.0	4.0	-	2.0	2.0	-	2.0	2.0	-
Four	14.0	14.0	-	4.0	4.0	-	-	-	-	-	-	-
Five	21.0	21.0	-	6.0	6.0	-	-	-	-	-	-	-
Six	12.0	13.0	(1.0)	3.0	3.0	-	-	-	-	-	-	-
Seven	14.0	14.0	-	4.0	4.0	-	-	-	-	-	-	-
Eight	22.0	23.0	(1.0)	6.0	6.0	-	1.0	1.0	-	1.0	1.0	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	150.0	154.0	(4.0)	41.0	41.0	-	6.0	6.0	-	6.0	6.0	-
Special Ed - Elementary	27.0	28.0	(1.0)	8.0	8.0	-	-	-	-	-	-	-
Special Ed - Middle	15.0	17.0	(2.0)	4.0	4.0	-	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	42.0	45.0	(3.0)	12.0	12.0	-	-	-	-	-	-	-
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	192.0	199.0	(7.0)	53.0	53.0	-	6.0	6.0	-	6.0	6.0	-
Percentage Error			-3.65%			0.00%			0.00%			0.00%

	Transportation					
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	90.0	90.0	-	29.0	29.0	-
Reg -SpEd, col. 4	16.0	16.0	-	5.0	5.0	-
Transported - Non-Public, col. 3	-	-	-	-	-	-
Special Ed Spec, col. 6	45.0	45.0	-	15.0	15.0	-
Totals	151.0	151.0	-	49.0	49.0	-
Percentage Error					0.00%	

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

12

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	1.0	1.0	-	1.0	1.0	-
One	1.0	1.0	-	1.0	1.0	-
Two	-	-	-	-	-	-
Three	2.0	2.0	-	2.0	2.0	-
Four	-	-	-	-	-	-
Five	1.0	1.0	-	1.0	1.0	-
Six	1.0	1.0	-	1.0	1.0	-
Seven	2.0	2.0	-	2.0	2.0	-
Eight	1.0	1.0	-	1.0	1.0	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>9.0</u>	<u>9.0</u>	<u>-</u>	<u>9.0</u>	<u>9.0</u>	<u>-</u>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>0.0</u>	<u>0.0</u>	<u>-</u>	<u>0.0</u>	<u>0.0</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>9.0</u>	<u>9.0</u>	<u>-</u>	<u>9.0</u>	<u>9.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

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

**SECTION 1**

2019-2020 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ 18,102,036
Decreased by:	
On-Behalf TPAF Pension & Social Security	2,704,535
Adjusted 2019-2020 General Fund Expenditures	\$ 15,397,501
2% of Adjusted 2019-2020 General Fund Expenditures	\$ 307,950
Enter Greater of 2% or \$250,000	307,950
Allowable Adjustment	83,751
Maximum Unassigned Fund Balance	\$ 391,701

**SECTION 2**

Total General Fund - Fund Balances at June 30, 2020	\$ 5,712,283
Decreased by:	
Restricted Fund Balance:	
Capital Reserve	\$ 3,168,202
Maintenance Reserve	555,440
Excess Surplus Designated for Subsequent Year's Expenditures	718,720
Committed Fund Balance:	
Year End Encumbrances	121,179
Assigned Fund Balance:	
Year End Encumbrances	99,119
Designated for Subsequent Year's Expenditure	45,939
	4,708,599
Total Unassigned Fund Balance for Excess Surplus Calculation	\$ 1,003,684

**SECTION 3**

Restricted Fund Balance - Excess Surplus	\$ 611,983
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**Recapitulation of Excess Surplus as of June 30, 2020**

Restricted for Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 718,720
Restricted for Excess Surplus	611,983
	\$ 1,330,703

**Detail of Allowable Adjustments**

Extraordinary Aid	\$ 83,751
	\$ 83,751

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

**RECOMMENDATIONS**

**I. Administrative Practices and Procedures**

There are none.

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

It is recommended that the district maintain a current fixed asset reporting that includes detail asset values and the district properly records all additions on an annual basis.

**III. School Purchasing Program**

There are none.

**IV. School Food Services**

There are none.

**V. Student Body Activities**

There are none.

**VI. Application for State School Aid**

There are none.

**VII. Pupil Transportation**

There are none.

**VIII. Miscellaneous**

There are none.

**Status of Prior Years' Audit Findings/Recommendations**

There were no prior year audit recommendations.



**ACKNOWLEDGMENT**

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



Paul J. Lerch  
Public School Accountant  
Certified Public Accountant