

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

**LITTLE FERRY BOARD OF EDUCATION
TABLE OF CONTENTS**

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

	<u>Page No.</u>
Report of Independent Auditor	1
Scope of Audit	2
Administrative Practices and Procedures	2
Financial Planning, Accounting and Reporting	2-4
School Purchasing Programs	4
School Food Service	5
Student Body Activity	5
Application for State School Aid	5
Pupil Transportation	5
Facilities and Capital Assets	6
Testing for Lead of all Drinking Water in Educational Facilities	6
Schedule of Meal County Activity – Not Applicable	7
Schedule of Net Cash Resources – (Food Services Fund) – Not Applicable	7
Schedule of Audited Enrollments	8-10
Excess Surplus Calculation	11
Recommendations	12
Acknowledgement	13



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
RALPH M. PICONE, III, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRIS SOHN, CPA
CHRISTOPHER M. VINCI, CPA

AUDITOR'S MANAGEMENT REPORT

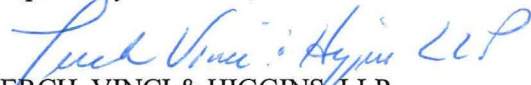
Honorable President and
Members of the Board of Trustees
Little Ferry Board of Education
Little Ferry, New Jersey

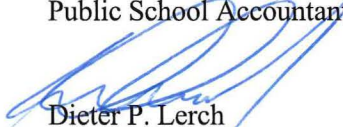
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Little Ferry Board of Education in the County of Bergen as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated January 7, 2021.

As part of our audit, we performed procedures required by the 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 Little Ferry Board of Education's 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.

Respectfully submitted,


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
January 7, 2021

**LITTLE FERRY 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 Business Administrator/Board Secretary 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 Schedule of Insurance contained in the Statistical Section of the District's Comprehensive Annual Financial Report (the "CAFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Tina Trueba	Business Administrator/Board Secretary	\$100,000
Antoinette Kelly	Treasurer of School Monies	300,000

There is a Blanket Dishonesty Bond with the Selective Insurance Company of America covering all other employees with multiple coverage of \$500,000.

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, certifications or supporting documentation.

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 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 N.J.A.C. 6A:23A-8.3.

Payroll/Personnel

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

Salary withholdings were promptly remitted to the proper agencies, including health benefit deductions withheld and due to the General Fund.

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

Financial Planning, Accounting and Reporting (Continued)

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 to determine 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 Board of Trustees has adopted a travel policy that complies with 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 reviewed.

The Board Secretary's and Treasurer's monthly financial reports were presented to the Board on a timely basis and were submitted to the Executive County Superintendent as prescribed by N.J.S.A. 18A 17-9 and 18A 17-36.

The prescribed contractual order system was followed.

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

Acknowledgement of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes with exceptions noted. The monthly certification of the availability of line item appropriations and fund balances were also approved.

Treasurer's Records

The Treasurer did perform cash reconciliations for all accounts required.

All cash receipts were promptly deposited.

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 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 III of the Elementary and Secondary Education Act, as amended.

The audit 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 audit 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.

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

Financial Planning, Accounting and Reporting (Continued)

I.D.E.A. Part B

Separate accounting records were maintained for each approved project. Grant application 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.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 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 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.

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 purchases were made through the use of State contracts.

Finding (CAFR Finding 2020-001) – Our audit of purchases and contract awards for compliance with Public School Contracts Law revealed the following:

- Contracts in excess of the bid threshold were awarded without public bid or competitive contracting process.
- Contract awarded through a lease purchase agreement was not approved in the minutes.

Recommendation – Efforts be made to ensure purchases and contract awards in excess of the bid threshold are made in accordance with the Public School Contracts Law.

Finding – Our audit of contracts found that certain change orders were not approved in the minutes.

Recommendation – It is recommended that all change orders be approved in the official minutes.

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

School Food Service

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

Therefore, SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of Free and Reduced Price meal eligible students.

SFAs were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all free and reduced price meal eligible students during the emergency.

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. Exceptions were not 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. Exceptions were not 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.

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.

Student Body Activity

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

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 disabled, bilingual and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to District workpapers with immaterial exceptions noted. The information on the workpapers was verified with immaterial exceptions noted. 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.

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

Facilities and Capital Assets

The District had no SDA grant projects during the year. Our procedures also included a review of the transfer of local funds from the General Fund or from the Capital Reserve Account and awarding of contracts for eligible facilities constructions.

Finding – Our audit revealed that approval from the Office of School Facilities was not obtained prior to the transfer of funds from the capital reserve account.

Recommendation – Office of School Facilities approval be obtained prior to transferring funds from the Capital Reserve account.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all 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).

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

NOT APPLICABLE

**FOOD SERVICE FUND
NET CASH RESOURCE SCHEDULE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

NOT APPLICABLE

**LITTLE FERRY 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	Sample from Work- papers	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 yrs	27.0	-	27.0	-	-	-	27.0	-	27.0	-	-	-	-	-	-	-
Full Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	79.0	-	79.0	-	-	-	79.0	-	79.0	-	-	-	-	-	-	-
Grade 1	71.0	-	71.0	-	-	-	71.0	-	71.0	-	-	-	-	-	-	-
Grade 2	85.0	-	85.0	-	-	-	85.0	-	85.0	-	-	-	-	-	-	-
Grade 3	67.0	-	67.0	-	-	-	67.0	-	67.0	-	-	-	-	-	-	-
Grade 4	77.0	-	77.0	-	-	-	77.0	-	77.0	-	-	-	-	-	-	-
Grade 5	78.0	-	78.0	-	-	-	78.0	-	78.0	-	-	-	-	-	-	-
Grade 6	90.0	-	90.0	-	-	-	90.0	-	90.0	-	-	-	-	-	-	-
Grade 7	87.0	-	87.0	-	-	-	87.0	-	87.0	-	-	-	-	-	-	-
Grade 8	99.0	-	99.0	-	-	-	99.0	-	99.0	-	-	-	-	-	-	-
Grade 9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grade 10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grade 11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grade 12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	760.0	-	760.0	-	-	-	760.0	-	760.0	-	-	-	-	-	-	-
Special Ed - Elementary	13.0	-	13.0	-	-	-	13.0	-	13.0	-	-	-	1.0	1.0	1.0	-
Special Ed - Middle	24.0	-	24.0	-	-	-	24.0	-	24.0	-	-	-	1.0	1.0	1.0	-
Special Ed - High	-	-	-	-	-	-	-	-	-	-	-	-	2.0	2.0	2.0	-
Subtotal	37.0	-	37.0	-	-	-	37.0	-	37.0	-	-	-	4.0	4.0	4.0	-
Totals	797.0	-	797.0	-	-	-	797.0	-	797.0	-	-	-	4.0	4.0	4.0	-
Percentage Error					0.00%	N/A						0.00%	N/A			0.00%

**LITTLE FERRY BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
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 Worpapers	Verified to Test Score and Register	Errors
	Half Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	21.0	21.0	-	2	2	-	1.0	1.0	-	1	1	-
Grade 1	24.0	24.0	-	2	2	-	-	-	-	-	-	-
Grade 2	19.0	19.0	-	3	3	-	-	-	-	-	-	-
Grade 3	27.0	27.0	-	2	2	-	-	-	-	-	-	-
Grade 4	25.0	25.0	-	3	3	-	-	-	-	-	-	-
Grade 5	30.0	30.0	-	4	4	-	1.0	1.0	-	1	1	-
Grade 6	24.0	24.0	-	2	2	-	1.0	1.0	-	1	1	-
Grade 7	24.0	24.0	-	2	2	-	3.0	3.0	-	2	2	-
Grade 8	27.0	27.0	-	2	2	-	2.0	2.0	-	2	2	-
Grade 9	-	-	-	-	-	-	2.0	2.0	-	-	-	-
Grade 10	-	-	-	-	-	-	4.0	4.0	-	-	-	-
Grade 11	-	-	-	-	-	-	1.0	1.0	-	-	-	-
Grade 12	-	-	-	-	-	-	1.0	1.0	-	-	-	-
Subtotal	221.0	221.0	-	22	22	-	16	16	-	7	7	-
Special Ed - Elementary	41.0	41.0	-	-	-	-	-	-	-	-	-	-
Special Ed - Middle	11.0	11.0	-	-	-	-	-	-	-	-	-	-
Special Ed - High	31.0	31.0	-	-	-	-	1.0	1.0	-	-	-	-
Subtotal	83	83	-	-	-	-	1	1	-	-	-	-
Totals	304.0	304.0	-	22	22	-	17	17	-	7	7	-
Percentage Error			0.00%			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	352.0	352.0	-	24.0	24.0	-
Transported - Non - Public	21.0	21.0	-	1.0	1.0	-
Special Ed. - Public	-	-	-	-	-	-
Special Needs - Public	25.0	25.0	-	2.0	2.0	-
	398.0	398.0	-	27.0	27.0	-
Percentage Error			0.00%			0.00%

**LITTLE FERRY 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 A.S.S.A as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Worpapers	Verified to Application and Register	Errors
Half Day Preschool 3 yrs	-	-	-	-	-	-
Full Day Preschool 3 yrs	-	-	-	-	-	-
Half Day Preschool 4 yrs	-	-	-	-	-	-
Full Day Preschool 4 yrs	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	7.0	7.0	-	4.0	4.0	-
Grade 1	2.0	2.0	-	2.0	2.0	-
Grade 2	1.0	1.0	-	1.0	1.0	-
Grade 3	2.0	2.0	-	2.0	2.0	-
Grade 4	3.0	3.0	-	2.0	2.0	-
Grade 5	2.0	2.0	-	2.0	2.0	-
Grade 6	3.0	2.0	(1.0)	2.0	2.0	-
Grade 7	5.0	2.0	(3.0)	3.0	3.0	-
Grade 8	6.0	4.0	(2.0)	3.0	3.0	-
Grade 9	-	-	-	-	-	-
Grade 10	-	-	-	-	-	-
Grade 11	-	-	-	-	-	-
Grade 12	-	-	-	-	-	-
Adult School						
Subtotal	31.0	25.0	(6.0)	21.0	21.0	-
Special Ed - Elementary	6.0	6.0	-	3.0	3.0	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	6.0	6.0	-	3.0	3.0	-
Totals	37.0	31.0	(6.0)	24.0	24.0	-
Percentage Error			<u>-16.22%</u>			<u>0.00%</u>

**LITTLE FERRY BOARD OF EDUCATION
CALCULATION OF EXCESS SUPLUS
FOR THE YEAR ENDED JUNE 30, 2020**

SECTION 1A - Two Percent (2%) - Calculation of Excess Surplus

2019-2020 Total General Fund Expenditures per the CAFR		\$ 26,371,124
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ 259,381	259,381
Decreased by:		
On-Behalf TPAF Pension & Social Security	(2,412,973)	
Assets Acquired Under Capital Lease Agreements	(364,948)	
		<u>(2,777,921)</u>
Adjusted 2019-2020 General Fund Expenditures		\$ <u>23,852,584</u>
2% of Adjusted 2019-2020 General Fund Expenditures		\$ <u>477,052</u>
Enter Greater of 2% of Adjusted 2019-2020 General Fund Expenditures or \$250,000		\$ 477,052
Increased by: Allowable Adjustments-Extraordinary Aid/Non Public Trans		<u>144,018</u>
Maximum Unassigned Fund Balance		\$ <u>621,070</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2020 (Per CAFR Budgetary Comparison Schedule/Statement)		\$ 1,841,502
Decreased by:		
Year End Encumbrances	\$ 198,101	
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	210,005	
Restricted Fund Balance - Capital Reserve	400,000	
Restricted Fund Balance - Maintenance Reserve	<u>200,000</u>	
Total Unassigned Fund Balance		\$ <u>833,396</u>

SECTION 3

Restricted Fund Balance - Excess Surplus \$ 212,326

Recapitulation of Excess Surplus as of June 30, 2020

Excess Surplus-Designated for Subsequent Year's Expenditures		
Excess Surplus		<u>212,326</u>
Total Excess Surplus		\$ <u>212,326</u>

Allowable Adjustments

Unbudgeted Extraordinary Aid		\$ 137,928
Additional Non-Public Transportation Aid		<u>6,090</u>
		\$ <u>144,018</u>

**LITTLE FERRY BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

There are none.

III. School Purchasing Program

It is recommended that :

1. Efforts be made to ensure purchases and contract awards in excess of the bid threshold are made in accordance with Public School Contracts Law.

- * 2. All change orders be approved in the official minutes.

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. Facilities and Capital Assets

It is recommended that Office of School Facilities approval be obtained prior to transferring funds from the Capital Reserve account.

IX. Miscellaneous

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

In accordance with government auditing standards, we have reviewed the status of all prior year findings. Corrective action was taken on all prior year findings with the exception of those denoted with an asterisk.

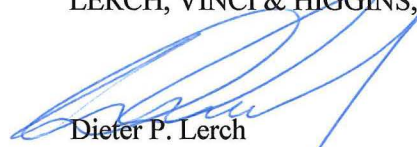
**LITTLE FERRY BOARD OF EDUCATION
RECOMMENDATIONS
(CONTINUED)**

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



Dieter P. Lerch
Public School Accountant
PSA Number CS00756