

MENDHAM TOWNSHIP SCHOOL DISTRICT
COUNTY OF MORRIS
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020

MENDHAM TOWNSHIP SCHOOL DISTRICT
COUNTY OF MORRIS
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020
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BKR International

December 30, 2020

The Honorable President and Members
of the Board of Education
Mendham Township School District
County of Morris, 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 financial statements of the Board of Education of the Mendham Township School District in the County of Morris for the fiscal year ended June 30, 2020, and have issued our report thereon dated December 30, 2020.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents. This letter does not affect our report dated December 30, 2020, on the financial statements of the Board.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations or suggestions, if any.

This report is intended for the information of the Mendham Township School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

MENDHAM TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020
(Continued)

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

Multi-peril insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's CAFR.

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Elizabeth George	Treasurer of School Monies	\$ 200,000
Donna Mosner	Business Administrator/Board Secretary	200,000

Tuition Charges

The District did not receive any tuition revenue from other school districts.

Financial Planning, Accounting and Reporting

Payroll Account and Position Control Roster

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

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

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

The required certification (E-Cert1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrator) to the New Jersey Department of Treasury was filed by the March 15th due date.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

MENDHAM TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Classification of Expenditures – General and Administrative

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(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 as a test sample, we also reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23-8.2. As a result of the procedures performed, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

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 District's CAFR. This section of the CAFR documents the financial position pertaining to projects under Title II of the Elementary and Secondary Education Act as amended and reauthorized.

Finding:

Our review of the fiscal audits dated July 28, 2020 completed by the New Jersey Department of Education, Office of Fiscal Accountability and Compliance (“OFAC”) of the Title I fiscal years 2016-17 and 2017-18 grants disclosed that for both fiscal years’ grant awards, the District did not provide evidence of consultation with nonpublic school officials. Additionally, with respect to the Title I 2017-18 grant award, the OFAC fiscal audit noted that various District board policies relating to internal controls were not provided for examination or require revision, the District failed to obtain price quotations as required by New Jersey purchasing regulations, that expenditures totaling \$64,402 incurred and charged to this grant were deemed unnecessary for the performance of the program, and that adequate documentation to support a \$1,366 disbursement charged to the grant was not provided by the District. With respect to the Title I 2016-17 award, the OFAC fiscal audit noted that the Board of Education minutes did not reflect the increase in Title I funding, recorded budget appropriations were not consistent with the State’s approved budget, expenditures of \$56,524 benefited ineligible beneficiaries and therefore were deemed to be unallowable program costs, \$57,079 of expenditures charged to the grant supplanted local funding sources and were deemed to be unallowable program costs, and the Title I final report reflected expenditures of \$125,099 which were not substantiated by actual program charges. The OFAC fiscal audit for the Title I fiscal year 2016-17 award also required that the District return the Title II, IDEA Basic and Preschool fiscal year 2016-17 grant funds remitted to the District in the total amount of \$176,504 due to OFAC’s concerns regarding the District’s handling of all Federal awards.

MENDHAM TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act (ESSA)
(Cont'd)

Recommendation:

Based upon OFAC's report, policies and procedures must be implemented to ensure that all federal grant funds are expended in accordance with the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the Elementary and Secondary Education Act (ESEA), the U.S. Department of Education's Department General Administrative Regulations (EDGAR) and New Jersey Public School Contracts Law.

Management's Response:

These findings occurred several years ago, and the District has already implemented policies and procedures to ensure that all federal grant funds are expended in accordance with the requirements of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Elementary and Secondary Education Act (ESEA), the U.S. Department of Education's Department General Administrative Regulations (EDGAR) and New Jersey Public School Contracts Law. The District is currently disputing the questioned costs related to the fiscal year ended June 30, 2016-17 IDEA Basic and IDEA Pre-School grant awards.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B 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.

T.P.A.F. Reimbursement

Our audit procedures included a test of the bi-weekly reimbursements 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 of Federal Salary Expenditures

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey after the required deadline of October 1, 2020. The reimbursement form was reviewed, and we have no comments except as noted herein.

MENDHAM TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020
(Continued)

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 \$17,500, 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 therefore, 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. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

N.J.S.A. 18A:18A-3 states: 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. 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 the year in which it is made."

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 therefore, except as is provided otherwise in this chapter or specifically by any other law."

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 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 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. General compliance was noted.

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 material or supplies", in excess of the statutory thresholds where there had been no advertising in accordance with the provisions of N.J.S.A. 18A:18A-4.

MENDHAM TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

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.

School Food Service

The School District did not participate in the Child Nutrition Program during the current fiscal year.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities Fund for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

Application for State School Aid

Our audit procedures included a test of enrollments and related services reported in the October 15, 2019 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, bilingual education 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 the District workpapers with no exceptions. The information that was included on the workpapers was verified on a test basis with no 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's written procedures appear to be adequate for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2019-2020 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report 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.

MENDHAM TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2020
(Continued)

Facilities and Capital Assets

The District did not have any facilities projects during the fiscal year.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal travel policy and procedure pertaining to travel expenses and reimbursements for its employees and board members. The regulations require the District to establish a maximum travel amount for the year and to account for these expenses within a separate account in the budget to ensure that the maximum is not exceeded. The regulations also require that all travel be approved by the Board prior to the event and that the approval list the event, total event cost and the individuals attending.

Our review of the travel policies and records revealed that the District is in general compliance with the travel regulations.

Testing for Lead of All Drinking Water in Educational Facilities

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

Management Suggestions

Governmental Accounting Standards Board (GASB) Statements

Due to COVID-19, the GASB postponed the implementation of GASB Statement No. 84, *Fiduciary Activities*, until the fiscal year ended June 30, 2021. Based on guidance from the NJ Department of Education and GASB, the activity for student activities, payroll agency, unemployment compensation trust, flexible spending trust and private purpose scholarship trust funds will no longer be reported in the Fiduciary Fund financial statements. This activity will now be reported in the General (payroll agency, flexible spending and unemployment compensation) and Special Revenue (student activities and scholarship) Funds.

Effect on Internal Controls due to COVID-19

With the increase in employees working remotely due to COVID-19 especially those in the Business Office it is vital that the District routinely reviews the internal controls in place especially with respect to security of passwords as well as access rights to accounting software and bank information including bank wire transfers and the timely back-up of records.

Status of Prior Year's Findings/Recommendations

The prior year audit recommendation regarding public school contract law requirements was corrected.

MENDHAM TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

	2020-2021 Application for State School Aid				Sample for Verification					
	Reported on		Reported on		Sample		Verified per		Errors per	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool 3 Years Old	12		12		12		12			
Full Day Preschool 4 Years Old	32		32		32		32			
Full Day Kindergarten	68		68		68		68			
Grade One	75		75		75		75			
Grade Two	59		59		59		59			
Grade Three	67		67		67		67			
Grade Four	50		50		50		50			
Grade Five	74		74		74		74			
Grade Six	60		60		60		60			
Grade Seven	75		75		75		75			
Grade Eight	68		68		68		68			
Subtotal	640		640		640		640			
Special Education:										
Elementary School	46		46		5		5			
Middle School	38		38		5		5			
Subtotal	84		84		10		10			
Totals	724	- 0 -	724	- 0 -	650	- 0 -	650	- 0 -	- 0 -	- 0 -
Percentage Error					0.00%		0.00%		0.00%	0.00%

MENDHAM TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

	Private Schools for Disabled			Resident Low Income					
	Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Grade One					1	1			
Grade Two					1	1			
Grade Four					1	1	1	1	
Grade Six					1	1			
Grade Seven					1	1	1	1	
Subtotal					5	5	2	2	
Special Education:									
Elementary	1				1	1	1	1	
Middle School	2	1	1						
Subtotal	3	1	1		1	1	1	1	
Totals	3	1	1	-0-	6	6	3	3	-0-
Percentage Error				0.00%			0.00%		0.00%

MENDHAM TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

	<u>Resident LEP Not Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as LEP Not Low Income</u>	<u>Reported on Workpapers as LEP Not Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Scores, and Register</u>	<u>Sample Errors</u>
Grade Two	1	1		1	1	
Grade Four	1	1				
Totals	<u>2</u>	<u>2</u>	<u>- 0 -</u>	<u>1</u>	<u>1</u>	<u>- 0 -</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

MENDHAM TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

	<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on</u> <u>ASSA as</u> <u>LEP Not</u> <u>Low Income</u>	<u>Reported on</u> <u>Workpapers</u> <u>as LEP Not</u> <u>Low Income</u>	<u>Errors</u>	<u>Sample</u> <u>Selected</u> <u>from</u> <u>Workpapers</u>	<u>Verified to</u> <u>Test Scores,</u> <u>Application</u> <u>and Register</u>	<u>Sample</u> <u>Errors</u>
Totals	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

MENDHAM TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	355	355		25	25	
Regular - Special Education	66	66		7	7	
Transported - Non Public	21	21		3	3	
AIL - Non Public	63	63		6	6	
Special Needs - Public	27	27		3	3	
Special Needs - Private	3	3		1	1	
Totals	<u>535</u>	<u>535</u>	<u>- 0 -</u>	<u>45</u>	<u>45</u>	<u>- 0 -</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	4.9	4.9
Average Mileage - Regular Excluding Grade PK Students	4.9	4.9
Average Mileage - Special Education with Special Needs	4.8	4.8

MENDHAM TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
YEAR ENDED JUNE 30, 2020

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2019-2020 Total General Fund Expenditures Reported on Exhibit C-1	<u>\$19,582,288</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	_____	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	_____	(B1b)
Transfer from General Fund to SRF for PreK-Regular	_____	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	_____	(B1d)
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>2,417,507</u>	(B2a)
Assets Acquired Under Capital Leases	<u>188,500</u>	(B2b)
Adjusted 2019-2020 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$16,976,281</u>	(B3)
2% of Adjusted 2019-2020 General Fund Expenditures [(B3) times .02]	<u>\$ 339,526</u>	(B4)
Enter Greater of (B4) or \$250,000	<u>339,526</u>	(B5)
Increased by: Allowable Adjustments	<u>267,893</u>	(K)
Maximum Unassigned Fund Balance [(B5)+(K)]		<u>\$ 607,419</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2020	<u>3,570,807</u>	(C)
(Per CAFR Budgetary Comparison Schedule C-1)		
Decreased by:		
Year-End Encumbrances	<u>7,680</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	_____	(C2)
Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures	<u>900,000</u>	(C3)
Other Restricted/Reserved Fund Balance	<u>1,205,708</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for	_____	
Subsequent Year's Expenditures	_____	(C5)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	_____	(C6)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]		<u>\$1,457,419</u> (U1)

MENDHAM TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
YEAR ENDED JUNE 30, 2020

SECTION 3 - All Districts

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 850,000 (E)

Recapitulation of Excess Surplus as of June 30, 2020

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures 900,000 (C3)

Restricted Excess Surplus [(E)] 850,000 (E)

Total [(C3)+(E)] \$1,750,000 (D)

Detail of Allowable Adjustments

Impact Aid (H)

Sale and Lease Back (I)

Extraordinary Aid \$ 264,527 (J1)

Additional Nonpublic School Transportation Aid 3,366 (J2)

Current Year School Bus Advertising Revenue Recognized (J3)

Family Crisis Transportation Aid (J4)

Total Adjustments [(H)+(I)+(J1)+(J2)] \$ 267,893 (K)

Detail of Other Restricted Fund Balances

Statutory Restrictions:

Approved unspent separate proposal

Sale/lease-back reserve

Emergency reserve

Capital reserve \$ 569,104

Maintenance reserve 636,604

Tuition reserve

Total Other Restricted/Reserved Fund Balance \$1,205,708 (C4)

MENDHAM TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
YEAR ENDED JUNE 30, 2020

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
Policies and procedures must be implemented to ensure that all federal grant funds are expended in accordance with the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the Elementary and Secondary Education Act (ESEA), the U.S. Department of Education's Department General Administrative Regulations (EDGAR) and New Jersey Public School Contracts Law.
3. School Purchasing Program
None
4. School Food Service
None
5. Student Body Activities
None
6. Application for State School Aid
None
7. Pupil Transportation
None
8. Facilities and Capital Assets
None
9. Status of Prior Year's Findings/Recommendations
The prior year audit recommendation regarding public school contract law requirements was corrected.