

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2021**

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Education
Belleville Township School District
Belleville, 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 Belleville Township School District, State of New Jersey as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated March 29, 2022.

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

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

Lerch, Vinci & Higgins, LLP

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



Jeffrey C. Bliss
Public School Accountant
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Fair Lawn, New Jersey
March 29, 2022

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 and 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 Exhibit J-20, Schedule of Insurance contained in the district's Comprehensive Annual Financial Report ("CAFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Matthew Paladino	Board Secretary/ School Business Administrator	\$400,000
Debra Besold	Treasurer of School Monies	\$550,000

There is an Employee Dishonesty Faithful Performance Crime Coverage policy with N.J. Schools Insurance Group covering all other employees with multiple coverage of \$500,000 per employee.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any material discrepancies with respect to signatures, certifications or supporting documentation.

Payroll Account

The net salaries of all employees of the Board were deposited in the payroll account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the payroll agency account.

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

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

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

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.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 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.

- **Finding 2021-1 (CAFR Finding 2021-001)** – Our audit of year end purchase orders in the General Fund and the Special Revenue Fund revealed certain encumbrances were deemed overstated at June 30, 2021. Additionally we noted certain accounts payable at year end in the General Fund and Food Service Fund that were for 2021/2022 school year services.

Recommendation – Procedures be reviewed to ensure open purchase orders are reviewed at year end for validity and proper year charge and invalid orders be cancelled accordingly.

Travel

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

Classification of Expenditures

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

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

The prescribed contractual order system was followed with exceptions as previously noted.

We noted two (2) budget line accounts were overexpended at June 30, 2021. These expenditures were the result of adjustments made during the audit. Therefore a recommendation is not deemed warranted.

- **Finding 2021-2** – Our audit of the District's general ledger and the ECIA lease purchase account transactions revealed that payments totaling \$717,691 were not posted to the District's accounting records. Purchase orders related to these payments were reflected as accounts payable at June 30, 2021. Subsequent to year end the transactions were recorded and payments included on the bills list at that time.

Recommendation – The District record all payments from the ECIA lease purchase account in their accounting records as they occur and included them on the bills list for Board approval prior to payment.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records (Continued)

- **Finding 2021-3** – The District authorized the withdrawal of \$369,000 from the capital reserve for the purchase of property. The transfer was appropriated to an equipment budget line account which is prohibited under NJAC 6A:23A-14.1. In addition, the amount withdrawn was subsequently transferred to a current expense budget line, which is also prohibited under NJAC 6A:23A-14.1.

Recommendation – Procedures be reviewed and revised to ensure all withdrawals from the capital reserve are made in accordance with NJAC 6A:23A-14.1.

Treasurer's Records

The Treasurer did perform monthly reconciliations of the general operating, net payroll and payroll agency bank accounts.

Acknowledgement of the Board's receipt of the Treasurer's monthly financial reports was included in the minutes.

Unemployment Compensation Insurance Trust Fund

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

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

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

- **Finding 2021-4** – Our audit noted the final expenditure reports for the Federal ESEA grant programs were not in agreement with the District accounting records.

Recommendation – Final expenditure reports for the Federal ESEA grant programs be reconciled to and be in agreement with the District's accounting records prior to their submission.

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.

- **Finding 2021-5 (CAFR Finding 2021-004)** – A review of students' Individual Plans (IEP) revealed certain students reported on the application for State Extraordinary Aid did not have an intensive related service specifically included in their IEP. In addition, not all student applications were provided for audit.

Recommendation – Internal control procedures be reviewed and revised to ensure student IEP's specifically identify the intensive related service that is required to be provided to the respective student reported on the application for State Extraordinary Aid. In addition, all student applications be provided for audit.

IDEA Part B and Preschool

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

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Planning, Accounting and Reporting (Continued)

T.P.A.F. Reimbursements

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

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

The amount of expenditure charged to the current year's Final Report for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and we noted the following exception.

- **Finding 2021-6 (CAFR Finding 2021-003)** – Certain pensionable wages covered by the Teachers' Pension and Annuity Fund that were funded by the Federal ESSER II program were excluded from the calculation to reimburse the State for on behalf social security and pension contributions. (NJSA 18A:66-90).

Recommendation – Procedures be reviewed and revised to ensure all federally funded TPAF pensionable salaries are included in the calculation to reimburse the State in accordance NJSA 18A:66-90.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulates bidding for public school student transportation contracts under NJSA 18A:39-3 is currently \$19,600.

If the purchasing agent is qualified pursuant to subsection b 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. 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. The Board has designated the School Business Administrator as the qualified purchasing agent and established the bid threshold at \$44,000.

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.

Based on the results of our examination, we noted instances where individual payments, contracts or agreements were made for the performance of 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, as amended.

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 18A:18A-5 and 19:44A in certain instances.

- **Finding 2021-7 (CAFR Finding 2021-002)** – Our audit of purchases and contract awards in excess of the bid or quote threshold revealed the following as it related to compliance with the Public School Contracts Law:
 - Numerous purchases and contracts awarded through local cooperative purchasing programs were not approved in the minutes.
 - We noted contracts for substitute staffing services with payments made in excess of the bid threshold, were not awarded through a public bid or competitive contracting process and did not include a not to exceed contract amount.
 - The District did not submit to the Office of the State Comptroller the post award notice for certain contract awards which exceeded the reporting threshold as required by NJSA 52:15c-10.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

- Purchases in excess for the bid threshold made through National Cooperative Purchasing programs were not approved in the minutes and were not publicly advertised for intent to purchase. In addition, documentation was not provided to support verification of bid process or proof of cost savings. In addition one contract awarded for renovations was not permitted to be awarded under a National Cooperative agreement.
- Proof of advertisement for certain contracts awarded through a public bid process were unavailable for audit. In addition, the advertisement for a professional service contract award in excess of the bid threshold was also not available for audit.
- A resolution renewing a contract for construction manager services did not indicate the renewal amount or amended amount from the original contract award.
- Several vendors paid in excess of the quote threshold had no documentation available to support multiple vendor quotes were sought.
- Numerous political contribution disclosure forms (PCDF) were not available for audit.

Recommendation – Continued efforts be made to improve procedures over purchasing to ensure all contract awards and purchases which exceed the bid or quote threshold are procured and approved in accordance with the requirements of the Public School Contracts Law and State procurement regulations.

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

Public Health Emergency

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency 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 eligible students during the period of school closures.

During SY 2020-2021 the public health emergency was still applicable. As a result, School Food Authorities (SFA's) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) option.

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 all students through the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

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 students during the emergency.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

School Food Service (Continued)

The school food service program was not selected as a major Federal or State program. However, the program expenditures exceeded \$100,000 in Federal 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. 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.

We also inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to all students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific cost applicable to the emergency operations. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the SFA.

The financial transactions and records of the school food service fund were maintained in satisfactory condition. The financial accounts and records were reviewed on a test-check basis.

The District utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1 with exception. Provisions of the FSMC contract/addendum were reviewed and audited. The FSMC contract includes an operating result provision which was met by the FSMC for the current fiscal year.

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

The cash disbursements records reflected expenditures for program related goods and services with exceptions noted. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources did exceed three months average expenditures.

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

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

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Exhibits B-4 through B-6 of the CAFR.

Student Body Activities

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

Cash receipts and cash disbursements records were maintained in satisfactory condition.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2020 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, related services, bilingual students 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 immaterial exceptions noted. The information that was included on the workpapers was verified with minor 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 2020-21 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 included a review of transportation related contracts and purchases.

Facilities and Capital Assets

The District had no SDA grant projects during the current year.

Testing for Lead of all Drinking Water in Educational Facilities

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

Management Suggestions

- Health benefit opt-out payment amount for single coverage be approved by board policy or made part of employment contracts.
- Checks disbursed from the Unemployment account include two (2) authorization signatures.

Follow-up Prior Year Findings

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

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
FOOD SERVICE FUND
SCHEDULES OF NET CASH RESOURCE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

		Food Service	
<u>Net Cash Resources:</u>			
CAFR	*	Current Assets	
B-4		Cash	\$ 1,583,842
B-4		Intergovernmental Receivables	309,591
B-4		Accounts Receivable	185,286
B-4		Due from Other Funds	
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(204,694)
B-4		Less Due to Other Funds	(27)
B-4		Less Unearned Revenue	<u>(16,012)</u>
		Net Cash Resources	<u>\$ 1,857,986</u> (A)
<u>Net Adj. Total Operating Expense:</u>			
B-5		Total Operating Expenses	2,295,805
B-5		Less Depreciation	<u>(8,408)</u>
		Adj. Tot. Oper. Exp.	<u>\$ 2,287,397</u> (B)
<u>Average Monthly Operating Expense:</u>			
		B / 10	<u>\$ 228,740</u> (C)
<u>Three times monthly Average Operating Expense:</u>			
		3 X C	<u>\$ 686,219</u> (D)

TOTAL IN BOX A	\$	1,857,986
LESS TOTAL IN BOX D	\$	<u>(686,219)</u>
NET	\$	<u>1,171,767</u>

Net Cash Resources Exceeded Three Months Expenditures.

**BELLEVILLE BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2020
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 Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool 3 Years Old	75		75		-	-	29		29		-					
Full Day Preschool 4 Years Old	98		98		-	-	26		20		6					
Half Day Kindergarten	-		-		-	-					-					
Full Day Kindergarten	244		244		-	-	14		14		-					
Grade 1	264		264		-	-	65		63		2					
Grade 2	274		274		-	-	16		15		1					
Grade 3	261		261		-	-	55		54		1					
Grade 4	278		278		-	-	42		42		-					
Grade 5	269		269		-	-	48		47		1					
Grade 6	271		271		-	-	47		47		-					
Grade 7	291		291		-	-	291		291		-					
Grade 8	323		323		-	-	323		323		-					
Grade 9	267		267		-	-	267		265		2					
Grade 10	266		266		-	-	266		265		1					
Grade 11	324		324		-	-	324		323		1					
Grade 12	309		309		-	-	309		305		4					
Post- Graduate	-		-		-	-										
Adult High School (15+ Credits)	-		-		-	-										
Adult High School (1-14 Credits)	-		-		-	-										
Subtotal	3,814	-	3,814	-	-	-	2,122		2,103		19	-	-	-	-	-
Sp Ed - Elementary	311		311		-	-	30		30		-		14	14	14	-
Sp Ed - Middle School	174		174		-	-	17		17		-		21	15	15	-
Sp Ed - High School	194	2	194	2	-	-	19		19		-	-	21	18	18	-
Subtotal	679	2	679	2	-	-	66		66		-	-	56	47	47	-
County Vocational - Regular					-	-										
County Vocational - F.T. Post-Second					-	-										
Subtotal	-	-	-	-	-	-							-	-	-	-
Totals	4,493	2	4,493	2	-	-	2,188	-	2,169	-	19	-	56	47	47	-
Percentage Error					0.00%	0.00%					0.87%	0.00%				0.00%

**BELLEVILLE BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2020**

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	Sampled 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	62	60	2	4	4		6	6	-	3	3	-
Grade 1	152	150	2	4	4		17	16	1	5	5	-
Grade 2	166	163	3	6	6		17	17	-	4	4	-
Grade 3	147	145	2	7	7		18	18	-	4	4	-
Grade 4	155	154	1	5	5		11	11	-	4	4	-
Grade 5	159	157	2	4	4		14	14	-	4	4	-
Grade 6	163	162	1	5	5		9	9	-	3	3	-
Grade 7	179	177	2	1	1		9	9	-	4	4	-
Grade 8	182	183	(1)	2	2		7	7	-	3	3	-
Grade 9	102	101	1	3	3		13	13	-	5	5	-
Grade 10	77	76	1	3	3		11	11	-	3	3	-
Grade 11	105	105	-	5	5		17	17	-	3	3	-
Grade 12	97	96	1	4	4		19	19	-	4	4	-
Post- Graduate												
Adult High School (15+ Credits)			-									
Adult High School (1-14 Credits)			-									
Subtotal	1,746	1,729	17	53	53		168	167	1	49	49	-
Sp Ed - Elementary	179	173	6	4	4		3	3	-	1	1	-
Sp Ed - Middle School	116	109	7	3	3		2	2	-	1	1	-
Sp Ed - High School	93	84	9	3	3		2	2	-	1	1	-
Subtotal	388	366	22	10	10		7	7	-	3	3	-
County Vocational - Regular												
County Vocational - F.T. Post-Second												
Subtotal	-	-	-	-	-		-	-	-	-	-	-
Totals	2,134.0	2,095.0	39.0	63	63		175	174	1			
Percentage Error			<u>1.83%</u>			<u>0.00%</u>			<u>0.57%</u>			<u>0.00%</u>

Transportation

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
	Reg. - Public Schools	117	117	-	20	20
Reg -SpEd	222	222	-	22	22	-
Transported - Non-Public						
Special Ed Spec	49	49	-	20	20	-
Totals	388	388	-	62	62	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**BELLEVILLE BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2020
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as NOT Low Income	Reported on Workpapers as NOT low Income	Errors	Sample Selected from Workpapers	Verified to Register	Sample Errors
Half Day Preschool 3 Years Old						
Half Day Preschool 4 Years Old						
Full Day Preschool 3 Years Old						
Full Day Preschool 4 Years Old						
Half Day Kindergarten						
Full Day Kindergarten	11	11	-	4	4	-
Grade 1	11	9	2	4	4	-
Grade 2	5	5	-	2	2	-
Grade 3	9	9	-	3	3	-
Grade 4	10	10	-	4	4	-
Grade 5	6	6	-	3	3	-
Grade 6	5	5	-	3	3	-
Grade 7	6	6	-	3	3	-
Grade 8	7	7	-	3	3	-
Grade 9	6	6	-	3	3	-
Grade 10	9	9	-	4	4	-
Grade 11	6	6	-	3	3	-
Grade 12	9	9	-	4	4	-
Post- Graduate			-			
Adult High School (15+ Credits)			-			
Adult High School (1-14 Credits)			-			
Subtotal	<u>100</u>	<u>98</u>	<u>2</u>	<u>43</u>	<u>43</u>	
Sp Ed - Elementary	-	-		-	-	
Sp Ed - Middle School	1	1	-	1	1	
Sp Ed - High School	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	
Subtotal	<u>2</u>	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>	
County Vocational - Regular						
County Vocational - F.T. Post-Second						
Subtotal						
Totals	<u><u>102</u></u>	<u><u>100</u></u>	<u><u>2</u></u>	<u><u>45</u></u>	<u><u>45</u></u>	
Percentage Error			<u><u>1.96%</u></u>			<u><u>0.00%</u></u>

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION 1A

2020-2021 Total General Fund Expenditures per the CAFR	\$ 87,427,290	
Increased by:		
Transfer Out - Special Revenue Fund (Preschool)	499,812	
Decreased by:		
On-Behalf TPAF Pension & Social Security	14,215,687	
Assets Acquired Under Capital Lease	<u>698,034</u>	
Adjusted 2020-2021 General Fund Expenditures	<u>\$ 73,013,381</u>	
1.5% of Adjusted 2020-2021 General Fund Expenditures	\$ 1,095,201	
Increased by:		
Allowable Adjustment - Extraordinary Aid	\$ 405,634	
Allowable Adjustment - Non Public Transportation	<u>80,040</u>	
	<u>485,674</u>	
Maximum Unassigned Fund Balance		\$ 1,580,875

SECTION 2

Total General Fund - Fund Balance at June 30, 2021	\$ 9,676,376	
Decreased by:		
Year End Encumbrances	\$ 1,323,947	
Capital Reserve	5,078,072	
Maintenance Reserve	1,000,000	
Unemployment Compensation Reserve	204,292	
FFCRA/SEMI	15,196	
Designated for Subsequent Year's Expenditures	<u>473,994</u>	
	<u>8,095,501</u>	
Total Unassigned Fund Balance		<u>1,580,875</u>

SECTION 3

Restricted Fund Balance - Excess Surplus		<u>\$ -</u>
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**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RECOMMENDATIONS**

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

- * 1. Procedures be reviewed to ensure open purchase orders are reviewed at year end for validity and proper year charge and invalid orders be cancelled accordingly.
- 2. The District record all payment from the ECIA lease purchase bank account in their accounting records as they occur and included them on the bills list for Board approval prior to payment.
- 3. Procedures be reviewed and revised to ensure all withdrawals from the capital reserve are made in accordance with NJAC 6A:23 A-14.1.
- * 4. Final expenditure reports for the Federal ESEA grant programs be reconciled to and be in agreement with the District's accounting records prior to their submission.
- 5. Internal control procedures be reviewed and revised to ensure student IEP's specifically identify the intensive related service that is required to be provided to the respective student reported on the application for State Extraordinary Aid. In addition, all student applications be provided for audit.
- 6. Procedures be reviewed and revised to ensure all federally funded pensionable salaries covered by TPAF are included in the calculation to reimburse the State in accordance with NJSA 18A:66-90.

III. School Purchasing Program

- * 7. It is recommended that continued efforts be made to improve procedures over purchasing to ensure all contract awards and purchases which exceed the bid or quote threshold are procured and approved in accordance with the requirements of the Public School Contracts Law and State procurement regulations.

IV. School Food Service

There are none.

V. Student Body Activities

There are none.

VI. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

**BELLEVILLE TOWNSHIP SCHOOL DISTRICT
RECOMMENDATIONS**

X. Miscellaneous

There are none.

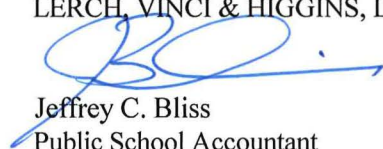
XI. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all, except those recommendations denoted with an asterisk (*).

ACKNOWLEDGEMENT

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

Respectfully submitted,
LERCH, VINCI & HIGGINS, LLP



Jeffrey C. Bliss
Public School Accountant
Certified Public Accountant