

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)**

AUDITORS' MANAGEMENT REPORT

ON ADMINISTRATIVE FINDINGS

FINANCIAL, COMPLIANCE AND PERFORMANCE

JUNE 30, 2021

**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

Table of Contents

	Page
Independent Auditor's Report	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Official Bonds	2
Tuition Charges	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account	2-3
Employee Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
General Classifications	3
Administrative Classifications	3
Board Secretary's Records	3
Treasurer's Records	3
Elementary and Secondary Education Act as amended by the Every Student Succeeds Act (ESSA)	3
Other Special Federal and/or State Projects	3-4
T. P. A. F. Reimbursement	4
T. P. A. F. Reimbursement to the State for Federal Salary Expenditures	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids	4
School Food Service	4-5
Student Body Activities	5
Pupil Transportation	5
Facilities and Capital Assets	5
Application for State School Aid	5
Testing for Lead of all Drinking Water in Educational Facilities	6
Follow-up on Prior Year Findings	6
Acknowledgment	6
Schedule of Meal Count Activity	N/A
Net Cash Resource Schedule	N/A
Schedule of Audited Enrollments	7-9
Excess Surplus Calculation	10-11
Audit Recommendations Summary	12



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
for Vocational Schools
(a component unit of the County of Cape May)
County of Cape May, New Jersey

We have audited, in accordance with audit 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 Board of Education for Vocational Schools in the County of Cape May (a component unit of the County of Cape May) for the year ended June 30, 2021, and have issued our report thereon dated February 22, 2022.

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 report is intended for the information of the Cape May County Vocational Schools Board of Education's management and the New Jersey Department of Education and is not intended and should not be used by anyone other than these parties.

Ford Scott & Associates, LLC
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

February 22, 2022

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**BOARD OF EDUCATION
FOR VOCATIONAL SCHOOLS, COUNTY OF CAPE MAY
(A COMPONENT UNIT OF THE COUNTY OF CAPE MAY)
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the Treasurer of School Moneys, 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, Insurance Schedule contained in the district's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Paula Smith	Business Administrator/ Board Secretary	\$25,000.00
James V. Craft	Treasurer of School Moneys	\$200,000.00

A Public Employees' Dishonesty with Faithful Performance Bond during the period under review was in effect in the amount of \$25,000.00.

The Treasurer of School Moneys was bonded in a surety bond in accordance with provisions of Title 18A:17-32 in excess of the minimum limits per the State Board promulgated schedule.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were more than estimated costs. The Board made an adjustment to the billings to sending districts for an increase in per pupil costs in accordance with N.J.A.C. 6A:23A-17.3. The total adjustment that pertains to the 2018-19 school year amounted to \$17,681.70.

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

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

Payrolls were delivered to the treasurer of school moneys with a warrant made to his order for the full amount of each payroll.

Employee Position Control Roster

An inquiry and subsequent review of the Position Control Roster found no inconsistencies between the payroll records, employee benefit records, the general ledger accounts to where wages are posted, and the Position Control Roster.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. No exceptions were noted.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-16.2(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, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. General Classification Findings

None

B. Administrative Classification Findings

None

Board Secretary's Records

The financial records, books of account and minutes were presented to us by the Secretary in a timely manner for audit and were complete. Our review of the financial and accounting records maintained by the board secretary revealed no exceptions.

Treasurer's Records

Our audit found the Treasurer's cash balance in agreement with the district's records.

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 Titles I and II of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. indicated no areas of noncompliance and/or questionable costs.

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 biweekly 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 for Federal Salary Expenditures

The amount of the 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 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (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 \$19,600 for 2020-2021.

The Board of Education has the responsibility of determining whether the expenditures of 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.

Based on the results of my examination, I did not note any individual payments, contracts, or agreements 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.

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

School Food Service

PUBLIC HEALTH EMERGENCY

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency all public, charter, and non-public schools were ordered to close effective as of March 18, 2020 for an undetermined period to limit the spread of the virus. As a result, School Food Authorities (SFA) were required to institute alternate procedures to provide meals to eligible students during the period of school closures.

During SY2020-2021 the public health emergency was still applicable. As a result, School Food Authorities (SFAs) 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 NJSA 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 children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulation.

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.

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 as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management 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.

We 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 the applicable financial records to document the specific costs 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.

Student Body Activities

Our audit of the Special Account and the Athletic Account noted no exceptions.

Pupil Transportation

Our audit procedures 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.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreement for consistency with recording SDA revenue, transfer of local funds from the general fund or capital reserve account, and awarding of contracts for eligible facilities. No exceptions were noted as a result of our review.

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, low-income and bilingual. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers without exception. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

The District's written procedures appear to be adequate for the recording of student enrollment data.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all the requirements of NJAC 26-1.2 and 12.4 related to the 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 NJAC 6A:26-12.4(g).

Follow-Up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. There were no prior year findings.

Acknowledgment

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.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

February 22, 2022

**CAPE MAY COUNTY TECHNICAL SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020**

	2021-2022 Application for State School Aid						Private Schools for Disabled								
	Reported on A.S.S.A. On Roll			Errors			Sample for Verification			Reported on A.S.S.A. as Private Schools			Sample for Verification		
	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll
Full Day Preschool - 3 Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4 Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Ed - Elementary	86	39	86	-	-	-	65	34	65	34	-	-	-	-	-
Special Ed - Middle School	86	39	86	-	-	-	65	34	65	34	-	-	-	-	-
Special Ed - High School	455	21	455	-	-	-	197	18	197	18	-	-	-	-	-
Subtotal	44	10	44	-	-	-	38	9	38	9	-	-	-	-	-
Co. Voc. - Regular	585	70	585	-	-	-	300	61	300	61	-	-	-	-	-
Co. Voc. - FT Post Sec.															
Totals	585	70	585	-	-	-	300	61	300	61	-	-	-	-	-
Percentage Error				0.00%			0.00%		0.00%		0.00%		0.00%		0.00%

**CAPE MAY COUNTY TECHNICAL SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification			Notes
	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 LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	
Full Day Preschool - 3 Years	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Preschool - 4 Years	-	-	-	-	-	-	-	-	-	-	-	-	
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	
One	-	-	-	-	-	-	-	-	-	-	-	-	
Two	-	-	-	-	-	-	-	-	-	-	-	-	
Three	-	-	-	-	-	-	-	-	-	-	-	-	
Four	-	-	-	-	-	-	-	-	-	-	-	-	
Five	-	-	-	-	-	-	-	-	-	-	-	-	
Six	-	-	-	-	-	-	-	-	-	-	-	-	
Seven	-	-	-	-	-	-	-	-	-	-	-	-	
Eight	-	-	-	-	-	-	-	-	-	-	-	-	
Nine	-	-	-	-	-	-	-	-	-	-	-	-	
Ten	-	-	-	-	-	-	-	-	-	-	-	-	
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	
Special Ed - Elementary	24.5	24.5	-	14.0	14.0	-	-	-	-	-	-	-	
Special Ed - Middle School	24.5	24.5	-	14.0	14.0	-	-	-	-	-	-	-	
Special Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-	
Subtotal	49.0	49.0	-	28.0	28.0	-	-	-	-	-	-	-	
Co. Voc. - Regular	106.5	106.5	-	72.0	72.0	-	-	-	-	-	-	-	
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	
Totals	131.0	131.0	-	86.0	86.0	-	-	-	-	-	-	-	
Percentage Error			0.00%										0.00%

CAPE MAY COUNTY TECHNICAL SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

	Resident LEP NOT Low Income		Sample for Verification	
	Reported on A.S.S.A as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Sample Selected from Workpapers	Verified to Test Score and Register
Full Day Preschool - 3 Years	-	-	-	-
Full Day Preschool - 4 Years	-	-	-	-
Half Day Kindergarten	-	-	-	-
Full Day Kindergarten	-	-	-	-
One	-	-	-	-
Two	-	-	-	-
Three	-	-	-	-
Four	-	-	-	-
Five	-	-	-	-
Six	-	-	-	-
Seven	-	-	-	-
Eight	-	-	-	-
Nine	-	-	-	-
Ten	-	-	-	-
Eleven	-	-	-	-
Twelve	-	-	-	-
Post-Graduate	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-
Subtotal	-	-	-	-
Special Ed - Elementary	-	-	-	-
Special Ed - Middle School	-	-	-	-
Special Ed - High School	-	-	-	-
Subtotal	-	-	-	-
Co. Voc. - Regular	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-
Totals	-	-	-	-
Percentage Error	0.00%		0.00%	

**CAPE MAY COUNTY TECHNICAL SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE YEAR ENDED JUNE 30, 2021**

COUNTY VOCATIONAL DISTRICTS

A. 6% Calculation of Excess Surplus (2020-21 expenditures of \$100 million or less)

2020-21 Total General Fund Expenditures per the CAFR, Ex C-1	\$	<u>17,628,143.77</u>	(B)
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	\$	<u> </u>	(B1b)
Transfer from Capital Reserve to Capital Projects Fund	\$	<u>977,330.50</u>	(B1c)
Decreased By:			
On-Behalf TPAF Pension & Social Security	\$	<u>2,650,414.69</u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u> </u>	(B2b)
Adjusted 2020-21 General Fund Expenditures [(B)+(B1's)-(B2's)]	\$	<u>15,955,059.58</u>	(B3)
6% of Adjusted 2020-21 General Fund Expenditures [(B3) times .06]	\$	<u>957,303.58</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>957,303.58</u>	(B5)
Increased by: Allowable Adjustment*	\$	<u> -</u>	(K)
Maximum Unassigned/Unreserved-Undesignated Fund Balance [(B5)+(K)]	\$	<u>957,303.58</u>	(M)

* This adjustment line (as detailed below) is to be utilized for: Impact Aid, Sale and Lease-back, Extraordinary Aid, Additional Nonpublic School Aid and Transportation Aid.

B. 6% Calculation of Excess Surplus (2020-21 expenditures greater than \$100 million)

2020-21 Total General Fund Expenditures	\$	<u> </u>	(B)
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	\$	<u> </u>	(B1b)
Transfer from Capital Reserve to Capital Projects Fund	\$	<u> </u>	(B1c)
Decreased By:			
On-Behalf TPAF Pension & Social Security	\$	<u> </u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u> </u>	(B2b)
Adjusted 2020-21 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$	<u> </u>	(B3)
2020-21 General Fund Expenditures in excess of \$100 million [(B3) minus \$100,000,000]	\$	<u> </u>	(B4)
3% of General Fund Expenditures in excess of \$100 million [(B4) times .03]	\$	<u> </u>	(B5)
(B5) Plus \$6,000,000	\$	<u> </u>	(B6)
Increased by: Allowable Adjustment*	\$	<u> </u>	(K)
Maximum Unassigned/Unreserved-Undesignated Fund Balance [(B6)+(K)]	\$	<u> -</u>	(M)

* This adjustment line (as detailed below) is to be utilized for: Impact Aid, Sale and Lease-back, Extraordinary Aid, Additional Nonpublic School Aid and Transportation Aid; and School Bus Advertising Revenue Recognized during the current year.

SECTION 2

Total General Fund - Fund Balances @ 06/30/2021 (Per CAFR Budgetary Comparison Statement C-1)	\$ <u>4,788,493.94</u> (C)
Decreased By:	
Year-end Encumbrances	\$ <u>65,667.42</u> (C1)
Legally Restricted-Designated for Subsequent Year's Expenditures	\$ <u> </u> (C2)
Legally Restricted-Excess Surplus-Designated for Subsequent Year's Expenditures **	\$ <u> </u> (C3)
Other Restricted Fund Balances ***	\$ <u>3,973,114.58</u> (C4)
Assigned Fund Balance-Unreserved-Designated for Subsequent Year's Expenditures **	\$ <u> </u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u><u>749,711.94</u></u> (U)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U)-(M)] IF NEGATIVE ENTER - 0 - \$ (E)

Recapitulation of Excess Surplus as of June 30, 2021:

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u> </u> (C3)
Reserved Excess Surplus ***	\$ <u> </u> (E)
Total [(C3) + (E)]	\$ <u><u> </u></u> (D)

Detail of Allowable Adjustment

Impact Aid	\$ <u> </u> (H)
Sale & Lease-back	\$ <u> </u> (I)
Extraordinary Aid	\$ <u> </u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u> </u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ <u> </u> (J3)
Family Crisis Transportation Aid	\$ <u> </u> (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)]	\$ <u> </u> (K)

** This amount represents the June 30, 2020 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amount must agree to the June 30, 2021 CAFR and Audit Summary Worksheet Line 90030.

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ <u> </u>
Sale/lease-back reserve	\$ <u> </u>
Capital reserve	\$ <u>3,028,511.58</u>
Maintenance reserve	\$ <u>944,603.00</u>
Tuition reserve	\$ <u> </u>
Emergency reserve	\$ <u> </u>
School Bus Advertising 50% Fuel Offset Reserve-Current Yr	\$ <u> </u>
School Bus Advertising 50% Fuel Offset Reserve-Prior Yr	\$ <u> </u>
Impact Aid general fund reserve	\$ <u> </u>
Impact Aid capital fund reserve	\$ <u> </u>
Other state/government mandated reserves	\$ <u> </u>
Reserve for Unemployment Fund	\$ <u>320,166.94</u>
Other Reserved Fund Balance not noted above ****	\$ <u> </u>
Total Other Restricted Fund Balance	\$ <u>4,293,281.52</u> (C4)

**** Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2021
CAPE MAY COUNTY TECHNICAL SCHOOL DISTRICT

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

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. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

No prior year findings.