

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF PASSAIC
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF PASSAIC
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021
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Independent Member
BKR International

December 14, 2021

The Honorable President and Members
of the Board of Education
Lakeland Regional High School District
County of Passaic, NJ

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 Lakeland Regional High School District in the County of Passaic for the fiscal year ended June 30, 2021, and have issued our report thereon dated December 14, 2021.

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 14, 2021, 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, recommendations 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, if any.

This report is intended for the information of the Lakeland Regional High 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

Francis Jones of Nisivoccia LLP
Francis Jones
Licensed Public School Accountant #1154
Certified Public Accountant

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
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 Moneys, 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> |
|------------------|--|-----------------|
| Virginia Merlino | Treasurer of School Monies | \$ 250,000 |
| Robert Brown | Interim Business Administrator/Board Secretary | \$ 250,000 |

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23A-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

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 Superintendent and were certified by the President of the Board, Board Secretary/School Business Administrator and Superintendent. Salary withholdings were promptly remitted to the proper agencies, including health benefit withholdings due to the General Fund. The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (chief school administrator and business administrator) to the New Jersey Department of Treasury was filed by the March 15th due date.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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.

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. 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-8.2. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. 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.

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

The study of compliance for the E.S.E.A. did not indicate any area of noncompliance.

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.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021
(Continued)

T.P.A.F. Reimbursement

Our audit procedures included a test of the 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 T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2021. The reimbursement form was reviewed and no exceptions were noted.

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.

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"

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.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$44,000.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021
(Continued)

School Purchasing Programs (Cont'd)

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

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 materials or supplies", 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.

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 financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

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. Provisions of the FSMC Cost Reimbursable Fixed Price contract/addendum were reviewed and audited. The FMSC contract includes an operating results provision which has a no profit guarantee. All vendor discounts, rebates and credits from vendors and/or the FSMC were tracked and credited to the Food Service account and reconciled to supporting documentation at least annually. No exceptions were noted.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified on a test basis. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used. No exceptions were noted.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the School Food Service Fund. No exceptions were noted.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021
(Continued)

School Food Service (Cont'd)

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements.

The FSMC did not apply for and receive a loan in accordance with the Payroll Protection Plan.

Net cash resources did not exceed three months average expenditures.

Time sheets and labor costs provided to the District by the FSMC were reviewed on a test basis without exception. Payroll records were maintained on all School Food Service employees authorized by the Board of Education. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records on a test basis. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications or to the list of directly certified students on file, times the number of operating days. The free and reduced price meal policy was reviewed for uniform administration throughout the school district. The site approved to participate in Provisions I and II was examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

U.S.D.A. Food Distribution Program commodities (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

Non-program foods were purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the 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 "Proprietary Funds", Section G of the CAFR.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Student Activities 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.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021
(Continued)

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 disabled, low income and bilingual students. 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 minor exceptions in the on-roll and low income counts. The information that was included on the workpapers was verified on a test basis 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.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2020-2021 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.

Facilities and Capital Assets

The District did not have any active SDA projects.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement 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 prior by the Board of Education and the Superintendent and that the approval must be itemized by event, event total cost, and individuals attending. A brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred.

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).

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2021
(Continued)

Management Suggestions

Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 87, *Leases*, is effective for the fiscal year ended June 30, 2022. Under this statement, the District will be required to recognize a lease liability and an intangible right-to-use asset for each lease agreement with a lease term in excess of 12 months. This statement will enhance the comparability of financial statements among governments by requiring the reporting of leases under a single model. Additionally, certain leases that are currently not reported will be under this statement.

COVID-19 Federal Funding

It is likely that the District will undergo some review of its COVID-19 federal funding if only at a desk review level by state and/or federal agencies. We strongly suggest that the District ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the District ensures that these funds are accounted for in the state account numbers designated by the NJ Department of Education and that any applicable Board policies are current with respect to federal grant requirements.

Sick and Vacation Leave

It is suggested that the District consult with its attorney to ensure that its negotiated labor contracts, individual employee agreements and employee policies, as applicable, are in accordance with New Jersey statutes regarding unused sick and vacation leave.

Status of Prior Year's Findings/Recommendations

The prior year findings/recommendation with regard to the accuracy of the number of students reported as low income on the A.S.S.A. was resolved.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| <u>Program</u> | <u>Meal Category</u> | <u>Meals Claimed</u> | <u>Meals Tested</u> | <u>Meals Verified</u> | <u>Difference</u> | <u>Rate</u> | <u>(Over)/ Underclaim</u> |
|-----------------------|----------------------|----------------------|---------------------|-----------------------|-------------------|-------------|-------------------------------|
| COVID-19 SSO: | | | | | | | |
| School Breakfast | | | | | | | |
| (Regular Rate) | | | | | | | |
| | Free | 40,895 | 19,495 | 19,495 | -0- | \$ 2.26 | \$ -0- |
| | TOTAL | 40,895 | 19,495 | 19,495 | -0- | | -0- |
| COVID-19 SSO: | | | | | | | |
| National School Lunch | | | | | | | |
| (Regular Rate) | | | | | | | |
| | Free | 40,895 | 19,495 | 19,495 | -0- | \$ 3.58 | \$ -0- |
| | TOTAL | 40,895 | 19,495 | 19,495 | -0- | | -0- |
| NET (OVER)/UNDERCLAIM | | | | | | | <u>\$ -0-</u> |

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF NET CASH RESOURCES
FOOD SERVICE FUND
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| | |
|--|----------------|
| Current Assets: * | |
| Cash and Cash Equivalents | \$ 72,381 |
| Accounts Receivable - Other Governments | 33,319 |
| Accounts Receivable - Other | 675 |
| | 106,375 |
| Current Liabilities: | |
| Accounts Payable | (17,332) |
| Interfund Payable | (47,889) |
| Unearned Revenue | (5) |
| | (65,226) |
| Net Cash Resources | \$ 41,149 (A) |
| <u>Net Adjusted Total Operating Expense:</u> | |
| Total Operating Expenses | \$ 226,037 |
| Less: Depreciation Expense | (4,241) |
| | (4,241) |
| Adjusted Total Operating Expenses | \$ 221,796 (B) |
| <u>Average Monthly Operating Expenses:</u> | |
| (B) / 10 | \$ 22,180 (C) |
| <u>Three Times Monthly Average Operating Expenses:</u> | |
| 3 x (C) | \$ 66,540 (D) |
| Net Cash Resources | \$ 41,149 (A) |
| Less: Three Times Monthly Average Operating Expenses | (66,540) (D) |
| | (25,391) ** |
| Exceed / (Does not Exceed) | |

* Inventories are not to be included in total current assets.

** Net cash resources does not exceed three times monthly average operating expenses.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

| | 2021 - 2022 Application for State School Aid | | | | | | Sample for Verification | | | | | |
|--------------------|--|--------|---------------------------|--------|--------|--------|-------------------------|--------|---------------------------|--------|-------------------------|--------|
| | Reported on ASSA | | Reported on Workpapers | | Errors | | Sample Workpapers | | Verified per Registers | | Errors per Registers | |
| | On Roll | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared |
| Grade Nine | 172 | | 172 | | | | 172 | | 172 | | | |
| Grade Ten | 183 | | 183 | | | | 183 | | 183 | | | |
| Grade Eleven | 209 | 4 | 210 | 4 | (1) | (1) | 210 | 4 | 210 | 4 | | |
| Grade Twelve | 195 | | 195 | | | | 195 | | 195 | | | |
| Subtotal | 759 | 4 | 760 | 4 | (1) | (1) | 760 | 4 | 760 | 4 | | |
| Special Education: | | | | | | | | | | | | |
| High School | 179 | 1 | 177 | 1 | 2 | 2 | 18 | | 18 | | | |
| Subtotal | 179 | 1 | 177 | 1 | 2 | 2 | 18 | | 18 | | | |
| Totals | 938 | 5 | 937 | 5 | 1 | -0- | 778 | 4 | 778 | 4 | -0- | -0- |
| Percentage Error | | | | | 0.11% | 0.00% | | | | | 0.00% | 0.00% |

| Private Schools for Disabled | | | | | |
|--|------------------------------------|--------------------|------------------|--------------------|------------------|
| Reported on ASSA as Private Schools | Sample for Verifi- cation | Sample Verified | Sample Errors | Sample Verified | Sample Errors |
| 17 | 3 | 3 | | | |
| 17 | 3 | 3 | | | |
| 17 | 3 | 3 | -0- | | |
| Percentage Error | | | 0.00% | | |

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

| | Resident Low Income | | | Sample for Verification | | |
|--------------------|---|---|--------------|--|---|------------------|
| | Reported on ASSA as Low Income | Reported on Workpapers as Low Income | Errors | Sample Selected from Workpapers | Verified to Application and Register | Sample Errors |
| Grade Nine | 5 | 5 | | 3 | 3 | |
| Grade Ten | 20 | 20 | | 3 | 3 | |
| Grade Eleven | 24.5 | 24.5 | | 3 | 3 | |
| Grade Twelve | 26 | 26 | | 3 | 3 | |
| Subtotal | <u>75.5</u> | <u>75.5</u> | | <u>12</u> | <u>12</u> | |
| Special Education: | | | | | | |
| High School | 42 | 41 | 1 | 7 | 7 | |
| Subtotal | <u>42</u> | <u>41</u> | <u>1</u> | <u>7</u> | <u>7</u> | |
| Totals | <u>117.5</u> | <u>116.5</u> | <u>1</u> | <u>19</u> | <u>19</u> | <u>-0-</u> |
| Percentage Error | | | <u>0.85%</u> | | | <u>0.00%</u> |

| | Resident LEP Low Income | | | Sample for Verification | | |
|------------------|---|---|--------------|--|---|------------------|
| | Reported on ASSA as LEP Low Income | Reported on Workpapers as LEP Low Income | Errors | Sample Selected from Workpapers | Verified to Test Scores, Application and Register | Sample Errors |
| Grade Eleven | 1 | 1 | | 1 | 1 | |
| Grade Twelve | 1 | 1 | | 1 | 1 | |
| Subtotal | <u>2</u> | <u>2</u> | | <u>2</u> | <u>2</u> | |
| Totals | <u>2</u> | <u>2</u> | <u>-0-</u> | <u>2</u> | <u>2</u> | <u>-0-</u> |
| Percentage Error | | | <u>0.00%</u> | | | <u>0.00%</u> |

| | Resident LEP Not Low Income | | | Sample for Verification | | |
|--------------------|---|---|---------------|--|---|------------------|
| | Reported on ASSA as LEP NOT Low Income | Reported on Workpapers as LEP NOT Low Income | Errors | Sample Selected from Workpapers | Verified to Test Scores and Register | Sample Errors |
| Grade Nine | 2 | 2 | | | | |
| Grade Ten | 1 | 1 | | | | |
| Grade Eleven | 2 | 1 | 1 | | | |
| Grade Twelve | 1 | 1 | | 1 | 1 | |
| Subtotal | <u>6</u> | <u>5</u> | <u>1</u> | <u>1</u> | <u>1</u> | |
| Special Education: | | | | | | |
| High School | 1 | | 1 | 1 | 1 | |
| Subtotal | <u>1</u> | | <u>1</u> | <u>1</u> | <u>1</u> | |
| Totals | <u>7</u> | <u>5</u> | <u>2</u> | <u>2</u> | <u>2</u> | <u>-0-</u> |
| Percentage Error | | | <u>28.57%</u> | | | <u>0.00%</u> |

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

| | Transportation | | | | | |
|--------------------------|--------------------------------|-------------------------------------|--------|--------|----------|--------|
| | Reported on DRTRS by DOE | Reported on DRTRS by District | Errors | Tested | Verified | Errors |
| Regular - Public Schools | 534.5 | 534.5 | | 25 | 25 | |
| Regular - Special Ed | 80 | 80 | | 8 | 8 | |
| Transported - Non Public | 1 | 1 | | 1 | 1 | |
| AIL | 67 | 67 | | 8 | 8 | |
| Special Needs - Public | 23 | 23 | | 4 | 4 | |
| Special Needs - Private | 26 | 26 | | 5 | 5 | |
| Totals | 731.5 | 731.5 | -0- | 51 | 51 | -0- |
| Percentage Error | | | 0.00% | | | 0.00% |

| | Reported | Re- calculated |
|--------------------------------------|----------|-------------------|
| Average Mileage: | | |
| Regular Including Grade PK Students | 6.5 | 6.5 |
| Regular Excluding Grade PK Students | 6.5 | 6.5 |
| Special Education with Special Needs | 13.8 | 13.8 |

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
YEAR ENDED JUNE 30, 2021

REGULAR DISTRICT

SECTION 1

4% Calculation of Excess Surplus

| | |
|---|---------------------------|
| 2020-2021 Total General Fund Expenditures per the CAFR, Ex. C-1 | <u>\$ 26,972,070</u> (B) |
| Increased by: | |
| Transfer from Capital Outlay to Capital Projects Fund | <u>\$</u> (B1a) |
| Transfer from Capital Reserve to Capital Projects Fund | <u>\$</u> (B1b) |
| Transfer from General Fund to SRF for PreK - Regular | <u>\$</u> (B1c) |
| Transfer from General Fund to SRF for PreK - Inclusion | <u>\$</u> (B1d) |
| Decreased by: | |
| On-Behalf TPAF Pension and Social Security | <u>\$ 4,154,306</u> (B2a) |
| Assets Acquired Under Capital Leases | <u>\$</u> (B2b) |
| Adjusted 2020-2021 General Fund Expenditures [(B)+(B1's)-(B2's)] | <u>\$ 22,817,764</u> (B3) |
| 4% of Adjusted 2020-2021 General Fund Expenditures [(B3) times .04] | <u>\$ 912,711</u> (B4) |
| Enter Greater of (B4) or \$250,000 | <u>\$ 912,711</u> (B5) |
| Increased by: Allowable Adjustments | <u>\$ 787,185</u> (K) |
| Maximum Unassigned Fund Balance [(B5)+(K)] | <u>\$1,699,896</u> (M) |

SECTION 2

| | |
|--|--------------------------|
| Total General Fund - Fund Balances @ 6/30/2021 (Per CAFR Budgetary Comparison Schedule C-1) | <u>\$ 6,251,144</u> (C) |
| Decreased by: | |
| Year-End Encumbrances | <u>\$ 92,782</u> (C1) |
| Legally Restricted: | |
| Designated for Subsequent Year's Expenditures | <u>\$</u> (C2) |
| Excess Surplus - Designated for Subsequent Year's Expenditures | <u>\$</u> (C3) |
| Other Restricted Fund Balances | <u>\$ 4,427,678</u> (C4) |
| Assigned - Designated for Subsequent Year's Expenditures | <u>\$ 487,144</u> (C5) |
| Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)] | <u>\$1,243,540</u> (U1) |

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
YEAR ENDED JUNE 30, 2021
(Continued)

SECTION 3

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

Recapitulation of Excess Surplus as of June 30, 2021

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ -0- (C3)

Restricted Excess Surplus [(E)] \$ -0- (E)

Total Excess Surplus [(C3)+(E)] \$ -0- (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale & Lease-back \$ -0- (I)

Extraordinary Aid \$ 765,457 (J1)

Additional Nonpublic School Transportation Aid \$ 21,728 (J2)

Current Year School Bus Advertising Revenue Realized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)] \$ 787,185 (K)

Detail of Other Restricted Fund Balances

Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$2,212,031

Maintenance Reserve \$1,527,042

Emergency Reserve \$ -0-

Tuition Reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Current Year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Prior Year \$ -0-

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-

Impact Aid General Fund Reserve (Sections 8007 and 8008) \$ -0-

Other State/Government Mandated Reserve \$ -0-

Unemployment Compensation Fund \$ 688,605

Other Restricted Fund Balances Not Noted Above \$ -0-

Total Other Restricted Fund Balances \$ 4,427,678 (C4)

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
YEAR ENDED JUNE 30, 2021

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
None
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. Travel Expense and Reimbursement
None
10. Status of Prior Year's Findings/Recommendations

The prior year findings/recommendation with regard to the accuracy of the number of students reported as low income on the A.S.S.A. was resolved.