

**LITTLE FALLS BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2021**

**LITTLE FALLS BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Education
Township of Little Falls
County of Passaic, New Jersey

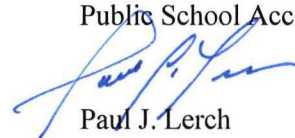
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Little Falls Board of Education as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated January 31, 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 solely for the information and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.



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



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
January 31, 2022

**LITTLE FALLS BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

GENERAL COMMENTS

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, and the Chief School Administrator the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the District's CAFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Christopher Jones	School Business Administrator/ Board Secretary	\$200,000

There is a Public Employees' Faithful Performance Blanket Position Bond with NJSBAIG covering all other employees with multiple coverage of \$100,000.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal 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 tested were certified by the President of the Board and the Board Secretary/School Business Administrator and approved by the Chief School Administrator.

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

**LITTLE FALLS BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

Payrolls were delivered to the secretary of the board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

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.

The Board has implemented and maintains a personnel tracking and accounting (Position Control) system.

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.

Travel

The District had an approved Board travel policy as required by NJAC 6A:23A-6.13 and NJSA 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 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, 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 good condition.

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

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

The prescribed contractual order system was followed.

**LITTLE FALLS BOARD OF EDUCATION
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 – Our audit revealed that the district did not maintain a detail fixed asset reporting system. However, the district did provide an excel worksheets for additions and deletions. In addition, our review of transactions reveled unrecorded fixed assets that were charged to non-capital outlay lines and contain capital outlay charges that were less than \$2,000 for supplies.

Recommendation – It is recommended that the district maintain a current fixed asset reporting that includes detail asset values and the district properly records all additions on an annual basis.

Monthly Board Secretary’s payment and certifications were approved by the Board in a timely manner.

Treasurer's Records (Chief School Administrator)

The Chief School Administrator did perform cash reconciliations for the general operating account, payroll account, payroll agency account, unemployment account and food service account (N.J.S.A. 18A:17-9).

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

The E.S.E.A./E.S.S.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, II, III, IV and the Elementary and Secondary Education Act as amended and reauthorized.

I.D.E.A. Part B

Separate accounting was maintained for each approved project. Grant application approvals and acceptance of grant funds were made by board resolution and recorded in the minutes.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Exhibit K-3 and Exhibit K-4 located in the CAFR.

Our examination 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 contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

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. Reimbursements to the State for Federal Salary Expenditures

Not Applicable.

**LITTLE FALLS BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-4 states, “Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of school funds, not included within the terms of N.J.S.A. 18A:18A-3, shall be made and awarded only by the board of education after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to N.J.S.A. 18A:18A-3 except by contract or agreement”.

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:39-3(a) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The District’s Business Administrator is qualified and the District, by Board resolution, has increased the bid threshold to \$44,000. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$19,600.

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 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.

The results of our examination did not indicate that any individual payments, contracts, or agreements which were 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, amended.

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

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal that purchases were made through the use of State contracts.

School Food Service

Public Health Emergency

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

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.

**LITTLE FALLS BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

School Food Service (Continued)

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 children throughout 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.

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and state support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

We inquired of management about the public health emergency procedures/practices that the SFA instated 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 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 Program. We also inquired if the PPP loan was subsequently forgiven and the FSMC refunded or credited the applicable amount to the SFA.

The financial transactions and records of the school food services 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. Provisions of the FSMC contract/addendum were reviewed. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision was met for 2020/2021.

Cash receipts and bank records were reviewed for timely deposit.

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.

U.S.D.A. commodities were received and a separate inventory was maintained on a first-in, first-out basis.

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 non-profit status of the school food service. Net cash resources did exceed three months average expenditures.

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

Exhibits reflecting Child Nutrition Program operations are included in the CAFR section entitled Enterprise Funds.

**LITTLE FALLS BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Student Body Activity

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

Cash receipts and disbursements records were maintained in good condition.

Cash receipts were promptly deposited. (N.J.A.C. 6A:23A-16.12). Cash disbursements had property supporting documentation (N.J.A.C. 6A:23A-16.12).

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 with an isolated exception. The information that was included on the workpapers was verified without 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 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 2020-2021 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. No exceptions were noted in our review of transportation related purchases of goods and services.

Miscellaneous

Testing for Lead of All Drinking Water in Educational Facilities

The school district adhered to all the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

Follow-up on Prior Year Findings

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

Acknowledgement

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.

**LITTLE FALLS BOARD OF EDUCATION
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDER
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

**FOOD SERVICE FUND
SCHEDULE OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Net Cash Resources:

CAFR	*	Current Assets			
B-4		Cash & Cash Equiv.	\$	75,600	
B-4		Due from Other Gov'ts		50,860	
B-4		Accounts Receivable			
B-4		Investments			
CAFR		Current Liabilities			
B-4		Less Accounts Payable		(40,521)	
B-4		Less Accruals			
B-4		Less Due to Other Funds			
B-4		Less Deferred Revenue		<u>(10,325)</u>	
		Net Cash Resources	\$	<u>75,614</u>	(A)

Net Adj. Total Operating Expense:

B-5		Tot. Operating Exp.		325,002	
B-5		Less Depreciation		<u>(401)</u>	
		Adj. Tot. Oper. Exp.		<u>324,601</u>	(B)

Average Monthly Operating Expense:

		B / 10		<u>32,460</u>	(C)
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Three times monthly Average:

		3 X C		<u>97,380</u>	(D)
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TOTAL IN BOX A	\$	75,614
LESS TOTAL IN BOX D		97,380
NET	\$	(21,766)

From above:

D is greater than A, cash does not exceed 3 X average monthly operating expenses.

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

	2021-22 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				
Half Day Preschool	10	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 3yr	4	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4yr	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	89	-	89	-	-	-	89	-	89	-	-	-	-	-	-	-
One	84	-	84	-	-	-	84	-	84	-	-	-	-	-	-	-
Two	67	-	67	-	-	-	67	-	67	-	-	-	-	-	-	-
Three	90	-	90	-	-	-	90	-	90	-	-	-	-	-	-	-
Four	62	-	62	-	-	-	62	-	62	-	-	-	-	-	-	-
Five	77	-	77	-	-	-	77	-	77	-	-	-	-	-	-	-
Six	72	-	72	-	-	-	72	-	72	-	-	-	-	-	-	-
Seven	71	-	71	-	-	-	71	-	71	-	-	-	-	-	-	-
Eight	92	-	92	-	-	-	92	-	92	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	<u>719</u>	<u>-</u>	<u>719</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>704</u>	<u>-</u>	<u>704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Ed - Elementary	113	-	113	-	-	-	35	-	35	-	-	-	-	4	4	-
Special Ed - Middle School	54	-	54	-	-	-	17	-	17	-	-	-	-	3	3	-
Special Ed - High School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>167</u>	<u>-</u>	<u>167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>	<u>-</u>
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	<u>886</u>	<u>-</u>	<u>886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>756</u>	<u>-</u>	<u>756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>	<u>-</u>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>

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

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>	<u>Reported on A.S.S.A. as LEP low Income</u>	<u>Reported on Workpapers as LEP low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten	15.0	15.0	-	5.0	5.0	-	1.0	1.0	-	1.0	1.0	-
One	14.0	14.0	-	5.0	5.0	-	1.0	1.0	-	1.0	1.0	-
Two	6.0	6.0	-	2.0	2.0	-	-	-	-	-	-	-
Three	17.0	17.0	-	5.0	5.0	-	-	-	-	-	-	-
Four	15.0	15.0	-	5.0	5.0	-	-	-	-	-	-	-
Five	16.0	16.0	-	5.0	5.0	-	1.0	1.0	-	1.0	1.0	-
Six	19.0	19.0	-	6.0	6.0	-	-	-	-	-	-	-
Seven	12.0	12.0	-	4.0	4.0	-	-	-	-	-	-	-
Eight	13.0	13.0	-	4.0	4.0	-	1.0	1.0	-	1.0	1.0	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>127.0</u>	<u>127.0</u>	<u>-</u>	<u>41.0</u>	<u>41.0</u>	<u>-</u>	<u>4.0</u>	<u>4.0</u>	<u>-</u>	<u>4.0</u>	<u>4.0</u>	<u>-</u>
Special Ed - Elementary	25.0	26.0	(1.0)	8.0	8.0	-	-	-	-	-	-	-
Special Ed - Middle	12.0	12.0	-	4.0	4.0	-	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	<u>37.0</u>	<u>38.0</u>	<u>(1.0)</u>	<u>12.0</u>	<u>12.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>164.0</u>	<u>165.0</u>	<u>(1.0)</u>	<u>53.0</u>	<u>53.0</u>	<u>-</u>	<u>4.0</u>	<u>4.0</u>	<u>-</u>	<u>4.0</u>	<u>4.0</u>	<u>-</u>
Percentage Error			<u>-0.61%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>					
	<u>Reported on DRTRS by DOE/county</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Reg. - Public Schools, col. 1	93.0	93.0	-	35.0	35.0	-
Reg -SpEd, col. 4	11.0	11.0	-	3.0	3.0	-
Transported - Non-Public, col. 3	-	-	-	-	-	-
Special Ed Spec, col. 6	<u>35.0</u>	<u>35.0</u>	<u>-</u>	<u>13.0</u>	<u>13.0</u>	<u>-</u>
Totals	<u>139.0</u>	<u>139.0</u>	<u>-</u>	<u>51.0</u>	<u>51.0</u>	<u>-</u>
Percentage Error					<u>0.00%</u>	

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

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	3.0	3.0	-	3.0	3.0	-
One	1.0	1.0	-	1.0	1.0	-
Two	-	-	-	-	-	-
Three			-			-
Four	1.0	1.0	-	1.0	1.0	-
Five			-			-
Six			-			-
Seven	2.0	2.0	-	2.0	2.0	-
Eight	3.0	3.0	-	3.0	3.0	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>10.0</u>	<u>10.0</u>	<u>-</u>	<u>10.0</u>	<u>10.0</u>	<u>-</u>
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	<u>0.0</u>	<u>0.0</u>	<u>-</u>	<u>0.0</u>	<u>0.0</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>10.0</u>	<u>10.0</u>	<u>-</u>	<u>10.0</u>	<u>10.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**LITTLE FALLS BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION 1

2020-2021 Total General Fund Expenditures per the CAFR, Exhibit C-1	\$	19,667,827
Decreased by:		
On-Behalf TPAF Pension & Social Security		3,299,871
Adjusted 2020-2021 General Fund Expenditures	\$	16,367,956
4% of Adjusted 2020-2021 General Fund Expenditures	\$	654,718
Enter Greater of 4% of Adjusted 2020-2021 General Fund Expenditures or \$250,000		654,718
Increased by: Allowable Adjustment*		45,933
Maximum Unassigned Fund Balance	\$	700,651

SECTION 2

Total General Fund - Fund Balance at June 30, 2021 (Per CAFR Budgetary Comparison Schedule/Statement)	\$	5,475,475
Decreased by:		
Restricted:		
Capital Reserve	\$	1,264,224
Capital Reserve - Designated for Subsequent Year's Expenditures		1,200,000
Maintenance Reserve		455,440
Maintenance Reserve - Designated for Subsequent Year's Expenditures		100,000
Excess Surplus:		
Prior Year - Designated for Subsequent Year's Expenditures		611,983
Unemployment Compensation		182,369
Committed:		
Year-End Encumbrances		111,888
Assigned:		
Year-End Encumbrances		164,730
Designated for Subsequent Year's Expenditures		34,190
		4,124,824
Total Unassigned Fund Balance	\$	1,350,651

SECTION 3

Restricted Fund Balance - Excess Surplus	\$	650,000
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Recapitulation of Excess Surplus as of June 30, 2020

Reserved Excess Surplus - Designated for Subsequent Year's Budget	\$	611,983
Excess Surplus		650,000
	\$	1,261,983

**Detail of Allowable Adjustments*

Extraordinary Aid	\$	36,363
Additional Nonpublic School Transportation Aid		9,570
Total Adjustments	\$	45,933

**LITTLE FALLS BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

RECOMMENDATIONS

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that the district maintain a current fixed asset reporting that includes detail asset values and the district properly records all additions on an annual basis.

III. School Purchasing Program

There are none.

IV. School Food Services

There are none.

V. Student Body Activities

There are none.

VI. Application for State School Aid

There are none.

VII. Pupil Transportation

There are none.

VIII. Miscellaneous

There are none.

Status of Prior Years' Audit Findings/Recommendations

Corrective action was not taken on prior year audit finding/recommendations.

ACKNOWLEDGMENT

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



Paul J. Lerch
Public School Accountant
Certified Public Accountant