



**LONG BRANCH SCHOOL DISTRICT**

**AUDITORS' MANAGEMENT REPORT ON**

**ADMINISTRATIVE FINDINGS –**

**FINANCIAL, COMPLIANCE AND**

**PERFORMANCE**

**JUNE 30, 2021**

## TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' 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
Employee Position Control Roster.....	3
Reserve for Encumbrances and Accounts Payable.....	3
Classification of Expenditures.....	3
• General Classifications	
• Administrative Classifications	
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 .....	4
T.P.A.F. Reimbursement .....	4
Non-Public State Aid .....	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids.....	4
School Food Service .....	5
Student Body Activities.....	6
Application for State School Aid.....	7
Pupil Transportation .....	7
Facilities and Capital Assets.....	7
Miscellaneous.....	7
Follow-up on Prior Year Findings.....	7
Acknowledgment.....	8
Schedule of Meal Count Activity .....	9
Net Cash Resource Schedule .....	11
Schedule of Audited Enrollments.....	12
Excess Surplus Calculation .....	15
Audit Recommendations Summary.....	18



## INDEPENDENT AUDITORS' REPORT

Honorable President and Members  
of the Board of Education  
Long Branch Board of Education  
County of Monmouth, 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 Long Branch School District, County of Monmouth for the year ended June 30, 2021, and have issued our report thereon dated February 28, 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 solely for the information and use of the Long Branch School District's management, Board of Education members, and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Scott A. Clelland  
Licensed Public School Accountant  
No. 1049

WISS & COMPANY, LLP

Florham Park, New Jersey  
February 28, 2022

## 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 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 J-20, Insurance Schedule contained in the District's ACFR.

### Official Bonds *N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13*

Name	Position	Amount
Peter E. Genovese III	School Business Administrator/Board Secretary	\$ 100,000
Nancy L. Valenti	Asst. Business Administrator/Asst. Board Secretary	100,000
Ronald J. Mehlhorn, Sr.	Treasurer of School Monies	475,000

### Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than or less than estimated costs. The District made a proper adjustment to the billings to sending Districts for the increase (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*.

## Financial Planning, Accounting and Reporting

### Examination of Claims

An examination of claims paid during the period did not indicate any discrepancies with respect to signatures, certification or supporting documentation. No discrepancies or exceptions were noted.

### 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/Business Administrator.

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

Payrolls were delivered to the Secretary of the Board who then deposited with warrants in separate banks accounts for net payroll and withholdings.

### Employee Position Control Roster

An inquiry and subsequent review of the Position Control Roster did not identify any inconsistencies between the payroll records, employee benefit records and the general ledger accounts to where wages are posted.

### 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. Our testing revealed no exceptions.

### 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, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

### Board Secretary's Records

Our review of the financial and accounting records maintained by the board secretary identified the following item:

#### **Finding 2021-001:**

During our review, we noted that the interfunds were not being liquidated timely.

#### **Recommendation:**

We recommend that interfunds are reviewed on a regular basis and liquidated when possible.

### Treasurer's Records

No exceptions were noted during our review of the financial and accounting records maintained by the Treasurer.

### Elementary and Secondary Education Act (ESEA) 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 ACFR. This section of the ACFR documents the financial position pertaining to the projects under Title I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. and IDEA indicated the following area of noncompliance and/or questionable costs:

#### **Finding 2021-002:**

During our testing of the E.S.E.A. and IDEA grants, we noted that the final reports submitted to the State were completed subsequent to the due date. In addition, we also noted that the final reports for the IDEA, Title I SIA, Title III and Title III Immigrant grants did not reconcile to the underlying accounting information.

**Recommendation:**

We suggest the District implement procedures to ensure that the Final Reports are submitted timely and to ensure that final reports submitted to the State reconcile to the underlying accounting information.

**Other Special Federal and/or State Projects**

The District’s special projects were approved as listed on Schedules A (K-3) and B (K-4) located in the ACFR.

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 ACFR. This section of the ACFR documents the financial position pertaining to the aforementioned special projects. The study of compliance for the other special projects indicated no instances of noncompliance or questioned costs that are required to be reported in accordance with the Uniform Guidance or State Circular NJ OMB 15-08 other than noted above.

**T.P.A.F. Reimbursement**

Our audit procedures included a test of the biweekly 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 the expenditure charged to the current year’s Final Reports 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 no exceptions were noted.

**Non-Public State Aid**

Our review of Nonpublic State Aid completion reports disclosed no exceptions.

**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 (the Business Administrator is a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school transportation contracts under *N.J.S.A. 18A:39-3* is \$19,600 for 2020-21.

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.

Procedures were performed on a test basis, to indicate if any individual payments, contracts, or agreements 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*, as amended. No exceptions were identified.

Resolutions were adopted authorizing the awarding of contracts or agreements for “Professional Services” per *N.J.S.A. 18A:18A-5*. Our testing identified the following:

**Finding 2021-003:**

During our testing of the bid process, we noted the District did not board approve a purchase for software exceeding \$90,000.

**Recommendation:**

We suggest the District strengthen controls over the purchasing process to ensure that purchases exceeding the bid threshold are board approved.

**School Food Service**

**PUBLIC HEALTH EMERGENCY**

In accordance with the Governor’s Declaration of Emergency pertaining to the public health emergency all Public, Charter, 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 SY 2020-2021 the public health emergency was still applicable. As a result, School Food Authorities (SDAs) were required to provide meals in accordance with 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 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 financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

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

The cash disbursement 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.

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 an receive a loan in accordance with the Payroll Protection Plan and did not use the funds to pay for costs applicable to the Food Service Programs. The PPP loan was not subsequently forgiven and the FSMC did not refund or credit the applicable amounts to the SFA.

Net cash resource did exceed three months average expenditures.

**Finding 2021-004:**

During our testing of the food service program, we noted that net cash recourses exceeded three months average expenditures.

**Recommendation:**

We suggest the District implement procedures to ensure that it complies with the net cash resources requirement related to its food service operations.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services 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. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

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, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provisions I and II were 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.

USDA Food Donation Program were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The State of Revenues, Expenses, and Changes in Fund Net Assets (ACFR 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.

**Student Body Activities**

During our audit of the student activity funds, no items were identified.



## **Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2020 Application for State School Aid (ASSA) for on-roll, private school for students with disabilities, low-income, and bilingual. We also performed a review of the district procedures related to its completion. The information on the ASSA was compared to the district workpapers with minor differences. The information included as part of the workpapers was verified with minor differences. The results of our procedures are presented in the Scheduled of Audited Enrollments.

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

The district written procedures appear to be adequate for the recording of student enrollment data.

## **Pupil Transportation**

Because Transportation Aid was not tested as a major program in the 2021 fiscal year, our audit procedures did not include a test of on-roll status reported in the 2020-2021 District Report of Transported Resident Students (DRTRS). We did agree the information presented on the DRTRS by the County/NJDOE and compared to the information presented by the District without exception.

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 District did not purchase any buses during the 2020-2021 school year. 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 New Jersey Schools Development Authority (“NJSDA”) grant agreement for consistency with recording NJSDA revenue and the awarding of contracts for eligible facilities construction. No exceptions were identified.

## **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.

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)*.

## **Follow-up on Prior Year’s Findings**

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings.

There were no audit reports issued by the Office of Fiscal Accountability and Compliance (OFAC) during the 2021 fiscal year.

## **Acknowledgment**

We received the complete cooperation of all the officials of the School District and we greatly appreciate the courtesies extended to the members of the audit team.

**SCHEDULE OF MEAL COUNT ACTIVITY**

**LONG BRANCH SCHOOL DISTRICT**

**FOOD SERVICE FUND**

**NUMBER OF MEALS SERVED - FEDERAL**

**ENTERPRISE FUND**

**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 (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Lunch (Severe Needs Rate)	Paid	-	-	-	-	\$ 0.35	\$ -
National School Lunch (Severe Needs Rate)	Reduced	-	-	-	-	3.13	-
National School Lunch (Severe Needs Rate)	Free	-	-	-	-	3.53	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>-</b>
<b>HHFKA - PB Lunch</b>							
National School Lunch	Only	-	-	-	-	\$ 0.07	\$ -
After School Snack	Free	-	-	-	-	\$ 0.96	\$ -
<b>School Breakfast (Regular Rate)</b>							
	Paid	-	-	-	-	\$ 0.32	\$ -
	Reduced	-	-	-	-	1.59	-
	Free	-	-	-	-	1.89	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>-</b>
<b>School Breakfast (Severe Need Rate)</b>							
	Paid	-	-	-	-	\$ 0.32	\$ -
	Reduced	-	-	-	-	1.96	-
	Free	-	-	-	-	2.26	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>-</b>
<b>Summer Food Service Program</b>							
	Lunch - Free	597,635	597,635	597,635	-	\$ 4.25	\$ -
	Breakfast - Free	600,705	600,705	600,705	-	2.42	-
	<b>TOTAL</b>	<b>1,198,340</b>	<b>1,198,340</b>	<b>1,198,340</b>			<b>-</b>
<b>Total Net Underclaim/(Overclaim)</b>							<b>\$ -</b>

**SCHEDULE OF MEAL COUNT ACTIVITY**

**LONG BRANCH SCHOOL DISTRICT**

**FOOD SERVICE FUND**

**NUMBER OF MEALS SERVED - STATE**

**ENTERPRISE FUND**

**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 (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
State Reimbursement - National School Lunch (Regular Rate)	Paid	-	-	-	-	\$ 0.05	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	-	-	-	-	0.055	-
State Reimbursement - National School Lunch (Regular Rate)	Free	-	-	-	-	0.255	-
	<b>TOTAL</b>	<u>-</u>	<u>-</u>	<u>-</u>			

**Total Net Underclaim/(Overclaim)**

\$ -

**LONG BRANCH SCHOOL DISTRICT**

**NET CASH RESOURCE SCHEDULE**

**Net cash resources did not exceed three months of expenditures  
Proprietary Fund - Food Service  
For the Fiscal Year Ended June 30, 2021**

<u>Net Cash Resources:</u>		<b>Food Service B - 4/5</b>	
<b>CAFR</b>	*	<b>Current Assets</b>	
B-4		Cash & Cash Equiv.	\$ 783,863
B-4		Due from Other Gov'ts	497,406
B-4		Due from Other Funds	1,273,922
B-4		Accounts Receivable	4,597
<b>CAFR</b>		<b>Current Liabilities</b>	
B-4		Less Accounts Payable	(488,943)
B-4		Less Unearned Revenue	(18,790)
		<b>Net Cash Resources</b>	<b><u>\$ 2,052,055</u></b> (A)

<u>Net Adj. Total Operating Expense:</u>			
B-5	Tot. Operating Exp.	3,086,300	
B-5	Less Depreciation	(56,451)	
	Adj. Tot. Oper. Exp.	<b><u>\$ 3,029,849</u></b>	(B)

<u>Average Monthly Operating Expense:</u>			
	B / 10	<b><u>\$ 302,985</u></b>	(C)

<u>Three times monthly Average:</u>			
	3 X C	<b><u>\$ 908,955</u></b>	(D)

TOTAL IN BOX A	\$ 2,052,055
LESS TOTAL IN BOX D	\$ 908,955
<b>NET</b>	<b><u>\$ 1,143,100</u></b>
From above:	
<b>A is greater than D, cash exceeds 3 X average monthly operating expenses.</b>	
<b>D is greater than A, cash does not exceed 3 X average monthly operating expenses.</b>	

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

SOURCE - USDA resource management comprehensive review form

**SCHEDULE OF AUDITED ENROLLMENTS**  
**LONG BRANCH SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2020**

**Note:** Detailed testing over DRTRS and Non-public transportation was not performed for the fiscal year ended June 30, 2021 as Transportation Aid was not tested in the current year for Single Audit purposes.

	2021-2022 Application for State School Aid (10/15/20 data)						Sample for Verification						Private Schools for Disabled										
	Reported on A.S.S.A. 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 Verification				
	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll		
Half Day Preschool	-	-	-	-	-	-	177	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Preschool	511	-	511	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Full Day Kindergarten	353	-	353	-	-	-	104	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
One	333	-	333	-	-	-	110	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Two	355	-	355	-	-	-	139	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Three	331	-	331	-	-	-	82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Four	341	-	341	-	-	-	74	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Five	321	-	321	-	-	-	170	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Six	318	-	318	-	-	-	318	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Seven	286	-	286	-	-	-	286	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Eight	361	-	361	-	-	-	361	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Nine	340	-	340	-	-	-	340	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ten	327	-	327	-	-	-	327	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Eleven	266	45	266	45	-	-	266	2	266	2	266	2	266	2	266	2	266	2	266	2	266	2	
Twelve	302	17	302	17	-	-	302	-	302	-	302	-	302	-	302	-	302	-	302	-	302	-	
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Subtotal	4,745	62	4,745	62	-	-	3,056	2	3,056	2	3,056	2	3,056	2	3,056	2	3,056	2	3,056	2	3,056	2	
Special Ed - Elementary	295	-	295	-	-	-	130	-	130	-	130	-	130	-	130	-	130	-	130	-	130	-	
Special Ed - Middle School	154	-	154	-	-	-	154	-	154	-	154	-	154	-	154	-	154	-	154	-	154	-	
Special Ed - High School	196	16	196	16	-	-	196	-	196	-	196	-	196	-	196	-	196	-	196	-	196	-	
Subtotal	645	16	645	16	-	-	480	-	480	-	480	-	480	-	480	-	480	-	480	-	480	-	
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Totals	5,390	78	5,390	78	-	-	3,536	2	3,536	2	3,536	2	3,536	2	3,536	2	3,536	2	3,536	2	3,536	2	
Percentage Error					0.00%																		0.00%

**LONG BRANCH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2020**

**SCHEDULE OF AUDITED ENROLLMENTS**

Note: Detailed testing over DRTRS and Non-public transportation was not performed for the fiscal year ended June 30, 2021 as Transportation Aid was not tested in the current year for Single Audit purposes.

	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	Sample 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	144.0	143.0	1.0	-	-	-	-	-	-	-	-	-
Full Day Preschool	252.0	252.0	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	287.0	287.0	-	33.0	32.0	1.0	174.0	174.0	-	34.0	34.0	-
Full Day Kindergarten	281.0	281.0	-	38.0	38.0	-	87.0	87.0	-	33.0	33.0	-
One	294.0	294.0	-	53.0	53.0	-	103.0	103.0	-	46.0	46.0	-
Two	283.0	283.0	-	38.0	37.0	1.0	114.0	114.0	-	30.0	30.0	-
Three	286.0	286.0	-	52.0	51.0	1.0	108.0	108.0	-	44.0	44.0	-
Four	270.0	270.0	-	17.0	17.0	-	61.0	61.0	-	6.0	6.0	-
Five	263.0	263.0	-	6.0	6.0	-	35.0	35.0	-	6.0	6.0	-
Six	239.0	239.0	-	5.0	5.0	-	38.0	38.0	-	6.0	6.0	-
Seven	293.0	293.0	-	8.0	8.0	-	50.0	50.0	-	8.0	8.0	-
Eight	264.0	264.0	-	4.0	4.0	-	35.0	35.0	-	4.0	4.0	-
Nine	228.0	228.0	-	3.0	3.0	-	32.0	32.0	-	3.0	3.0	-
Ten	215.0	215.0	(3.0)	5.0	5.0	-	40.0	40.0	-	7.0	7.0	-
Eleven	216.0	218.0	(2.0)	7.0	7.0	-	28.0	28.0	-	7.0	7.0	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	3,815.0	3,819.0	(4.0)	269.0	266.0	3.0	905.0	905.0	-	234.0	234.0	-
Special Ed - Elementary	254.0	254.0	-	34.0	34.0	-	98.0	98.0	-	8.0	8.0	-
Special Ed - Middle	137.0	137.0	-	-	-	-	10.0	10.0	-	-	-	-
Special Ed - High	168.0	168.0	-	-	-	-	4.0	4.0	-	-	-	-
Subtotal	559.0	559.0	-	34.0	34.0	-	112.0	112.0	-	8.0	8.0	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	4,374.0	4,378.0	(4.0)	303.0	300.0	3.0	1,017.0	1,017.0	-	242.0	242.0	-
Percentage Error			-0.09%			0.00%			0.00%			0.00%

**Transportation**

	Transportation			Reg Avg. (Mileage) = Regular Including Grade PK students (Part A)			Reg Avg. (Mileage) = Regular Excluding Grade PK students (Part B)			Spec Avg. = Special Ed with Special Needs		
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors	Reported	Recalculated	Reported	Recalculated	Reported	Recalculated
Reg. - Public Schools, col. 1	1,082	1,082	-	-	-	-	3.9	3.9	-	-	-	-
AIL - Non-Public, col. 3	177	177	-	-	-	-	4.0	4.0	-	-	-	-
Transported - Non-Public, col. 2	248	248	-	-	-	-	4.1	4.1	-	-	-	-
Reg. - Special Ed, col. 4	128	128	-	-	-	-	-	-	-	-	-	-
Special Ed Spec. Needs, col. 6	95	95	-	-	-	-	-	-	-	-	-	-
Totals	1,730	1,730	-	-	-	-	3.9	3.9	-	-	-	-
Percentage Error			0.00%			0.00%						0.00%





**LONG BRANCH SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2021**

**SECTION 1 - School Based Budget District**

**B. 4% Calculation of Excess Surplus**

2020-21 Total General Fund Expenditures Reported on Exhibit C-1	\$ 118,458,759 (A)
Increased by Applicable Operating Transfers:	
Transfer from Capital Outlay to Capital Projects Fund	\$ - (A1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ - (A1a)
Transfer from General Fund to SRF for PreK-Regular	\$ 262,940 (A1a)
Transfer from General Fund to SRF for PreK-Inclusion	\$ - (A1a)
Less: Expenditures Allocated to Restricted Federal Sources as Reported on Exhibit D-2	\$ 1,618,464 (A1b)
2020-21 Adjusted General Fund & Other State Expenditures [(A)+(A1a)-(A1b)]	\$ 117,103,235 (A2)
Decreased by:	
On-Behalf TPAF Pension & Social Security	\$ 17,786,452 (A3)
Assets Acquired Under Capital Leases:	
General Fund 10 Assets Acquired Under Capital Leases Reported on Exhibit C-1a	\$ - (A4)
Add:	
General Fund and State Resources Portion of Fund 15 Assets Acquired Under Capital Leases:	
Assets Acquired Under Capital Leases in Fund 15 Reported on Exhibit C-1a	\$ - (A5)
Combined General Fund Contribution and State Resources Percent of Fund 15 Resources Reported on Exhibit D-2	96.94% (A6)
General Fund and State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5) * (A6)]	\$ - (A7)
Total Assets Acquired Under Capital Leases [(A4) + (A7)]	\$ - (A8)
2020-21 General Fund Expenditures [(A2)-(A3)-(A8)]	\$ 99,316,783 (A9)
4 percent of Adjusted 2020-21 General Fund Expenditures [(A9) times .04]	\$ 3,972,671 (A10)
Enter Greater of (A10) or \$250,000	\$ 3,972,671 (A11)
Increased by: Allowable Adjustment*	\$ 496,728 (K)
Maximum Unassigned Fund Balance [(A11) + (K)]	\$ 4,469,399 (M)

LONG BRANCH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2021

**SECTION 2**

Total General Fund – Fund Balances at June 30, 2021 (Per ACFR Budgetary Comparison Schedule C-1)	\$ 10,959,091 (C)
Decreased by:	
Year-end Encumbrances	\$ 2,349,307 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ - (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ 585,750 (C3)
Other Restricted Fund Balances****	\$ 2,992,028 (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	\$ 1,792,686 (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ 3,239,320 (U)

**SECTION 3**

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

**Recapitulation of Excess Surplus as of June 30, 2021**

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ 585,750 (C3)
Restricted Excess Surplus *** [(E)]	\$ - (E)
Total [(C3)+(E)]	\$ 585,750 (D)

**Detail of Allowable Adjustments**

Impact Aid	\$ - (H)
Sales & Lease-back	\$ - (I)
Extraordinary Aid	\$ 401,936 (J1)
Additional Nonpublic School Transportation Aid	\$ 94,792 (J2)
Current Year School Bus Advertising Revenue Recognized	\$ - (J3)
Family Crisis Transportation Aid	\$ - (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ 496,728 (K)

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

\*\*\* The amount entered must agree with the June 30, 2021 ACFR and Audit Summary Worksheet Line 90030.

\*\*\*\* Amount for Other Restricted/Reserved Fund Balance must be detailed for each source and request for approval to use amounts other than state imposed legal restrictions in the excess surplus calculation must be submitted to the Assistant Commissioner - Field Services prior to September 30.

**LONG BRANCH SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2021**

**Detail of Other Restricted Fund Balance**

Statutory Restrictions:	
Approved Unspent Separate Proposal	\$ -
Sale/Lease-Back Reserve	\$ -
Capital Reserve (N-1)	\$ 1
Maintenance Reserve (N-2)	\$ 2,700,000
Tuition Reserve (N-3)	\$ -
Unemployment Reserve	\$ 292,027
Emergency Reserve (N-4)	\$ -
School Bus Advertising 50% Fuel Offset Reserve - Current Year (N-5)	\$ -
School Bus Advertising 50% Fuel Offset Reserve - Prior Year (N-6)	\$ -
Impact Aid General Fund Reserve (Sections 8002 and 8003) (N-7)	\$ -
Impact Aid Capital Fund Reserve (Sections 8007 and 8008) (N-8)	\$ -
Other Restricted Fund Balance Not Noted Above****	\$ -
Total Other Restricted Fund Balance	\$ 2,992,028 (C4)

**LONG BRANCH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2021**

Audit Recommendations Summary

We suggest the following:

1. Administrative Practices and Procedures – None.
2. Financial Planning, Accounting and Reporting –  
  
2021-001: The District review interfunds on a regular basis and liquidate when possible.  
  
2021-002: The District ensure that E.S.E.A. and IDEA Final Reports are submitted timely and reconciled to underlying accounting information.
3. School Purchasing Programs –  
  
2021-003: The District ensure that purchases exceeding the bid threshold are board approved.
4. School Food Service –  
  
2021-004: The District ensures that it is in compliance with the net cash resources requirement related to its food service operations.
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 – all prior year findings have been corrected and are not repeated in the current year.