

**CITY OF OCEAN CITY**  
**SCHOOL DISTRICT**  
**AUDITOR'S MANAGEMENT REPORT**  
**ON ADMINISTRATIVE FINDINGS**  
**FINANCIAL, COMPLIANCE AND PERFORMANCE**  
**JUNE 30, 2021**



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

Table of Contents

	Page
Independent 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 and Position Control Roster	2
Reserve for Encumbrances and Accounts Payable	2
Classification of Expenditures	2-3
Board Secretary's Records	3
Treasurer's Records	3
Pupil Transportation	3
Elementary and Secondary School Improvement Act	3
Other Special Federal and/or State Projects	3-4
TPAF Reimbursement	4
TPAF Reimbursement to the State for Federal Salary Expenditures	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids	4
School Food Service	4-5
Student Body Activities	5
Application for State School Aid	5
Facilities and Capital Assets	5
Testing of Lead of Drinking Water in Educational Facilities	5
Follow-up on Prior Year Findings	5
Acknowledgment	6
Schedule of Audited Enrollments	7-9
Excess Surplus Calculation	10-11
Recommendations	12





# FORD - SCOTT

& ASSOCIATES, L.L.C.

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## REPORT OF INDEPENDENT AUDITORS

Honorable President and  
Members of the Board of Education  
City of Ocean City School District  
County of Cape May, 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 general purpose financial statements of the Board of Education of the City of Ocean City School District in the County of Cape May for the year ended June 30, 2021, and have issued our report thereon dated February 19, 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 management of the City of Ocean City Board of Education and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

*Ford, Scott & Associates, L.L.C.*

FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Leon P. Costello*

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

February 19, 2022

## **ADMINISTRATIVE FINDINGS – FINANCIAL COMPLIANCE AND PERFORMANCE**

### **Scope of Audit**

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

### **Administrative Practices and Procedures**

#### Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's CAFR.

#### Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Timothy E. Kelley	Board Secretary/ School Business Administrator	\$300,000

#### 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 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 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 all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

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

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

#### Reserve for Encumbrances and Accounts Payable

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

#### Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(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 NJAC 6A:23-8.2. As a results of the procedures performed, a transaction error rate of 1.90% was noted and no additional procedures were deemed necessary.

- A. *General Classification Findings*
- B. *Administrative Classification Findings*

#### Board Secretary's Records

The Board Secretary's Records were in satisfactory condition.

Bids received were summarized in the minutes.

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

Budget appropriations were not greater than realized revenues and Board authorized use of surplus.

No budgetary line accounts were over-expended during the fiscal year and at June 30.

Purchase orders were charged to the appropriate line accounts in accordance with State prescribed Uniform Minimum Chart of Accounts (2R2), for New Jersey Public Schools.

#### Treasurer's Records

The Board Treasurer's Records were in satisfactory condition.

All required reconciliations were performed.

All cash receipts were promptly deposited.

The Treasurers Records were in agreement with the Board Secretary.

#### Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2020-21 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures 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.

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

The E.S.E.A./NCLB financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. did not indicate areas of noncompliance and/or questionable costs.

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

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

Our audit of the federal and state funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

The study of compliance for Other Special Federal and State Projects revealed no areas of noncompliance and/or questionable costs.

### **TPAF Reimbursement**

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted with these filings.

### **TPAF Reimbursement to the State for Federal Salary Expenditures**

The amount of the expenditure charged to the current year's Final Report(s) for all federal awards for the school district to reimburse the State for 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 Grant Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

### **School Purchasing Programs**

#### **Contracts and Agreements Requiring Advertisement for Bids**

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$19,600 for 2020-2021.

The Board of Education has the responsibility of determining whether the expenditures of any category will exceed the statutory thresholds within the contract year. Where questions arise 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.

Based on the results of my examination, I did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provisions 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.

### **School Food Service**

#### **COVID – 19 Emergency**

In accordance with the Governor's Declaration of Emergency pertaining to the COVID 19 Virus 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 Free and Reduced Price eligible students during the period of school closures.

Therefore, 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 Free and Reduced Price



meal eligible students.

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 free and reduced price meal eligible 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/or state support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions noted.

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

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

We also inquired of management about the emergency COVID-19 procedures/practices that the SFA instituted to provide meals to eligible 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.

The Schedule of Meal Count Activity is not a required presentation where the School Food Service Program has not been audited as a major program.

### **Student Body Activities**

Overall, the records of the various student activity funds were in satisfactory condition.

### **Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2020 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low income and bilingual. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers without exception. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent. The District has adequate written procedures for the recording of student enrollment data.

### **Facilities and Capital Assets**

Our audit procedures of facilities and capital assets found no exceptions.

### **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 did submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12(g).

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

In accordance with governmental auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action has been taken on all prior year finds.

**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.

Respectfully submitted,

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

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

February 19, 2022

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

	2020-2021 Application for State School Aid				Sample for Verification				Private Schools for Disabled			
	Reported on A.S.S.A. On Roll	Reported on Workpapers On Roll	Errors Full	Errors Shared	Reported on Workpapers Full	Reported on Workpapers Shared	Verified per Registers On Roll Full	Verified per Registers On Roll Shared	Reported on Private Schools	Sample for Verification	Sample Verified	Sample Errors
Half Day Preschool - 3YR	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4YR	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 3YR	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4YR	37.00	37.00	-	-	5.00	-	5.00	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	58.00	58.00	-	-	8.00	-	8.00	-	-	-	-	-
One	56.00	56.00	-	-	8.00	-	8.00	-	-	-	-	-
Two	63.00	63.00	-	-	9.00	-	9.00	-	-	-	-	-
Three	56.00	56.00	-	-	8.00	-	8.00	-	-	-	-	-
Four	56.00	56.00	-	-	8.00	-	8.00	-	-	-	-	-
Five	70.00	70.00	-	-	10.00	-	10.00	-	-	-	-	-
Six	87.00	87.00	-	-	12.00	-	12.00	-	-	-	-	-
Seven	96.00	96.00	-	-	13.00	-	13.00	-	-	-	-	-
Eight	104.00	104.00	-	-	15.00	-	15.00	-	-	-	-	-
Nine	310.00	310.00	-	-	43.00	-	43.00	-	-	-	-	-
Ten	284.00	284.00	-	-	40.00	-	40.00	-	-	-	-	-
Eleven	282.00	282.00	-	-	39.00	-	39.00	-	-	-	-	-
Twelve	293.00	293.00	-	-	41.00	-	41.00	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,852.00	1,852.00	-	-	259.00	-	259.00	-	-	-	-	-
Special Ed - Elementary	49.00	49.00	-	-	6.00	-	6.00	-	-	-	-	-
Special Ed - Middle School	34.00	34.00	-	-	5.00	-	5.00	-	-	-	-	-
Special Ed - High School	98.00	98.00	-	-	14.00	-	14.00	-	-	-	-	-
Subtotal	181.00	181.00	-	-	25.00	-	25.00	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	2,033.00	2,033.00	-	-	284.00	-	284.00	-	-	-	-	-
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A as LEP Low Income	Reported on Workpapers LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score, Register, & Application	Sample Errors
Half Day Preschool - 3YR	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4YR	10.00	10.00	-	6.00	6.00	-	5.00	5.00	-	4.00	4.00	-
Full Day Preschool - 3YR	12.00	12.00	-	7.00	7.00	-	6.00	6.00	-	5.00	5.00	-
Full Day Preschool - 4YR	13.00	13.00	-	7.00	7.00	-	3.00	3.00	-	3.00	3.00	-
Half Day Kindergarten	13.00	13.00	-	7.00	7.00	-	4.00	4.00	-	3.00	3.00	-
Full Day Kindergarten	12.00	12.00	-	7.00	7.00	-	2.00	2.00	-	2.00	2.00	-
One	12.00	12.00	-	7.00	7.00	-	3.00	3.00	-	3.00	3.00	-
Two	17.00	17.00	-	10.00	10.00	-	-	-	-	-	-	-
Three	16.00	16.00	-	9.00	9.00	-	-	-	-	-	-	-
Four	14.00	14.00	-	8.00	8.00	-	-	-	-	-	-	-
Five	13.00	13.00	-	7.00	7.00	-	-	-	-	-	-	-
Six	19.00	19.00	-	11.00	11.00	-	1.00	1.00	-	1.00	1.00	-
Seven	8.00	8.00	-	5.00	5.00	-	-	-	-	-	-	-
Eight	13.00	13.00	-	7.00	7.00	-	-	-	-	-	-	-
Nine	18.00	18.00	-	11.00	11.00	-	-	-	-	-	-	-
Ten	8.00	8.00	-	5.00	5.00	-	-	-	-	-	-	-
Eleven	13.00	13.00	-	7.00	7.00	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	172.00	172.00	-	98.00	98.00	-	24.00	24.00	-	21.00	21.00	-
Special Ed - Elementary	23.00	23.00	-	13.00	13.00	-	7.00	7.00	-	6.00	6.00	-
Special Ed - Middle School	10.00	10.00	-	6.00	6.00	-	1.00	1.00	-	1.00	1.00	-
Special Ed - High School	14.00	14.00	-	8.00	8.00	-	-	-	-	-	-	-
Subtotal	47.00	47.00	-	27.00	27.00	-	8.00	8.00	-	7.00	7.00	-
Totals	219.00	219.00	-	125.00	125.00	-	32.00	32.00	-	28.00	28.00	-
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-

Co. Voc. - Regular  
Co. Voc. - FT Post Sec.

**Transportation**

	Reported on DRTS by DOE/County			Reported on DRTS by District			Transportation		
	Reported on DRTS by DOE/County	Tested	Errors	Reported on DRTS by District	Tested	Errors	Reported on DRTS by District	Tested	Errors
Reg. - Public Schools, col. 1	260.00	124.00	-	260.00	124.00	-	260.00	124.00	-
Reg - Sp Ed, col. 4	24.00	12.00	-	24.00	12.00	-	24.00	12.00	-
Transported - Non-Public, col. 3	37.00	18.00	-	37.00	18.00	-	37.00	18.00	-
ALL Non-Public Schools	16.00	8.00	-	16.00	8.00	-	16.00	8.00	-
Special Ed Spec, col. 6	27.00	13.00	-	27.00	13.00	-	27.00	13.00	-
Totals	364.00	175.00	-	364.00	175.00	-	364.00	175.00	-
Percentage Error	-	-	-	-	-	-	-	-	-

Reg Avg. (Mileage) = Regular Including Grade PK Students  
Reg Avg. (Mileage) = Regular Excluding Grade PK Students  
Spec Avg. = Special Ed with Special Needs

Reported	Recalculated
4.3	4.3
4.3	4.3
4.5	4.5

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

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool - 3YR	-	-	-	-	-	-
Half Day Preschool - 4YR	1.00	1.00	-	1.00	1.00	-
Full Day Preschool - 3YR	1.00	1.00	-	1.00	1.00	-
Full Day Preschool - 4YR	2.00	2.00	-	2.00	2.00	-
Half Day Kindergarten	3.00	3.00	-	3.00	3.00	-
Full Day Kindergarten	2.00	2.00	-	1.00	1.00	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	2.00	2.00	-	1.00	1.00	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	2.00	2.00	-	1.00	1.00	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-
Subtotal	11.00	11.00	-	9.00	9.00	-
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle School	-	-	-	-	-	-
Special Ed - High School	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-
Totals	11.00	11.00	-	9.00	9.00	-
Percentage Error	-	-	-	-	-	-

**OCEAN CITY SCHOOL DISTRICT  
EXCESS SURPLUS CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2021**

**REGULAR DISTRICT**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2020-21 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>45,432,564.00</u> (a)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	\$ _____ (b)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____ (b)
Transfer from General Fund to SFR for PreK-Regular	\$ <u>101,336.00</u> (b)
Decreased By:	
On-Behalf TPAF Pension & Social Security	\$ <u>8,389,583.00</u>
Assets Acquired Under Capital Leases	_____
Adjusted 2020-21 General Fund Expenditures	\$ <u><u>37,144,317.00</u></u>
4% of Adjusted 2020-21 General Fund Expenditures [(B3) times .04]	\$ <u>1,485,772.68</u> (a)
Enter Greater of (A) or \$250,000	\$ <u>1,485,772.68</u>
Increased by: Allowable Adjustment*	\$ <u>238,508.00</u> (c)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]	\$ <u><u>1,724,280.68</u></u>

**SECTION 2**

Total General Fund - Fund Balances @ 06/30/21 (Per CAFR Budgetary Comparison schedule/statement C-1)	\$ <u>15,342,649.00</u>
Decreased by:	
Year-end Encumbrances	\$ <u>304,858.00</u>
Legally Restricted-Designated for Subsequent Year's Expenditures	\$ _____ (d)
Legally Restricted-Excess Surplus - Designated for Subsequent Year's Expenditures ***	\$ <u>975,504.00</u> (d)
Other Restricted Fund Balances ***	\$ <u>11,456,593.00</u>
Assigned Fund Balance-Unreserved Designated for Subsequent Year's Expenditures	\$ _____ (d)
Total Unassigned Fund Balance	\$ <u><u>2,605,694.00</u></u>

**SECTION 3**

Restricted Fund Balance - Excess Surplus \*\*\* [(U1)-(M)] IF NEGATIVE ENTER - 0 - \$ 881,413.32 (e)

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

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures ** (Audsum line 90031)	\$ <u>975,504.00</u> (f)
Reserved Excess Surplus (Audsum line 90030)	\$ <u>881,413.32</u> (g)
Total Excess Surplus	\$ <u><u>1,856,917.32</u></u>

\* This adjustment line (as detailed below) is to be utilized for Impact Aid (when applicable), Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), and Extraordinary Aid, Additional Nonpublic School Transportation Aid and Unbudgeted TPAF Wage Freeze Grant Funding. (Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion Extraordinary Aid and Additional Nonpublic School Transportation Aid.)

**OCEAN CITY SCHOOL DISTRICT  
EXCESS SURPLUS CALCULATION  
FOR THE YEAR ENDED JUNE 30, 2021**

**Detail of Allowable Adjustment**

Impact Aid	\$ _____
Sale & Lease-back	\$ _____
Extraordinary Aid	\$ 223,138.00
Additional Nonpublic School Transportation Aid	\$ 15,370.00
 Total Adjustments [(H)+(I)+(J1) + (J2)]	 \$ 238,508.00

\*\* This amount represents the June 30, 2021 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

\*\*\* Amounts must agree to the June 30, 2021 CAFR and the sum of the two lines must agree to Audit Summary Worksheet Line 90030.

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

**Detail of Other Restricted Fund Balance**

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Capital outlay for a district with a capital outlay cap waiver	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ 4,225,818.00
Maintenance reserve	\$ 2,596,684.00
Emergency reserve	\$ 424,732.00
Waiver offset reserve	\$ _____
Tuition reserve	\$ 3,800,000.00
Reserve for Unemployment Fund	\$ 409,359.00
Other state/government mandated reserve	\$ _____
[Other Restricted Fund Balance not noted above]****	\$ _____
 Total Other Restricted Fund Balance	 \$ 11,456,593.00

AUDIT RECOMMENDATIONS SUMMARY  
For the Fiscal Year Ended June 30, 2021  
OCEAN CITY SCHOOL DISTRICT

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

No prior year findings.