

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

**TENAFLY BOARD OF EDUCATION**  
**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS**  
**- FINANCIAL, COMPLIANCE AND PERFORMANCE**

**TABLE OF CONTENTS**

	<u>Page No.</u>
Report of Independent Auditor	1
Scope of Audit	2
Administrative Practices and Procedures	2
Financial Planning, Accounting and Reporting	2-4
School Purchasing Programs	5
School Food Service	5-6
Student Body Activity	6
SACC (School Age Childcare) Program	6
Tiger Tots	7
Application for State School Aid	7
Pupil Transportation	7
Facilities and Capital Assets	7
Testing for Lead of all Drinking Water in Educational Facilities	7
Suggestions to Management	7
Schedule of Meal Count Activity – Not Applicable	8
Schedule of Net Cash Resources – Not Applicable	8
Schedule of Audited Enrollments	9-11
Calculation of Excess Surplus	12
Recommendations	13-14
Acknowledgement	14



# LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
GARY W. HIGGINS, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, PSA  
RALPH M. PICONE, III, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA


Honorable President and Members  
of the Board of Education  
Tenafly Board of Education  
500 Tenafly Road  
Tenafly, New Jersey 07670

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 Tenafly Board of Education as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated February 4, 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 Education, 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.

Respectfully submitted,

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

  
Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
February 4, 2022

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

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the Treasurer of School Monies, 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 in Exhibit J-20 of the District's Comprehensive Annual Financial Report (the "CAFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Yas Usami	Board Secretary/School Business Administrator (7/1/20-8/2/20)	\$50,000
Cheryl Nardino	School Business Administrator (8/3/20-6/30/21)	50,000
Cheryl Nardino	Board Secretary (8/3/20-3/28/21)	50,000
Shauna C. DeMarco	Acting Board Secretary (3/29/21-6/30/21)	50,000
Joanne Wilson	Treasurer of School Monies (7/1/20-1/21/21)	360,000
Sheryl Leidig	Treasurer of School Monies (1/26/21-6/30/21)	360,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Selective Insurance covering all other employees with multiple coverage of \$500,000.

Tuition Charges

The District has entered into a five-year contract with the Alpine Board of Education to receive Alpine's high school students. The tuition charges for the 2020/2021 school year, by contract, are the State certified rates for the 2019/2020 school year. The final tuition rate was calculated as a tuition adjustment in accordance with NJAC 6A:23A-17.1. The tuition rate for all other students are determined annually by the Board, and are not subject to adjustment.

**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 each of signature, certifications 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 payroll taxes were deposited in the Payroll Agency Account.

All payrolls tested were certified by the President of the Board, the Board Secretary/Business Administrator and the Chief School Administrator.

Salary withholdings tested were promptly remitted to the proper agencies including health benefits withholding due to the General Fund.

**TENAFLY 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)

**Finding 2020-001** – Our audit noted that a payroll agency ledger by deduction was not currently maintained by the District. In addition, it appears that the balance in the payroll agency bank account was not sufficient to cover the outstanding liabilities at June 30, 2021.

**Recommendation** – A payroll agency ledger be implemented, maintained and reconciled with the monthly bank reconciliation. In addition, procedures be reviewed to ensure sufficient funds are available in the payroll agency bank account.

The District filed the required certificate (E-CERTI) of compliance with requirements for income tax compensation of certain administrators with the NJ Department of Treasury.

Employee Position Control Roster

The District 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 reserve 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.

**Finding 2021-002** – Our audit of the year end encumbrances revealed several purchase orders did not meet the criteria of an outstanding encumbrance.

**Recommendation** – Outstanding purchase orders should be reviewed prior to year-end to ensure the commitments are properly classified as an account payable or encumbrance.

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, a separate test was made to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3 as it relates to administrative coding classification.

Travel

The Board of Trustees has adopted a travel policy that complies with N.J.S.A. 18A:11-12.

Board Secretary's Records

The financial records, books of account and minutes were maintained by the School Business Administrator/Board Secretary.

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

The Board Secretary's and Treasurer's monthly financial reports were presented to the Board on a timely basis and were submitted to the Executive County Superintendent as prescribed by N.J.S.A. 18A:17-9 and 18A:17-36.

**Finding 2021-003 (CAFR Finding 2021-001)** – Our audit of the general ledger account balances revealed that certain adjusting journal entries were required to reconcile the Board's accounting records to agree with subsidiary ledgers, records and supporting documentation.

**Recommendation** – Internal controls over financial accounting and reporting procedures be reviewed and enhanced to ensure financial transactions are properly recorded and reported in the District's internal accounting records.

**TENAFLY 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 2021-004** – The amounts budgeted for certain projects in the Capital Projects Fund were not in agreement with the prior year available funds and current year budgeted withdrawal amounts.

**Recommendation** – The District review the adjusted budget in the Capital Projects Fund to ensure that all available funds from the prior year and current year budgeted funds are properly recorded.

**Comment** – Our audit noted that two budgetary line items were overexpended at June 30, 2021. The overexpenditures were the result of audit adjustments and therefore a recommendation is not warranted.

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

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

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.

**Finding 2021-005** – Our audit of ESEA grants noted that reimbursement requests for the FY21 grants were not submitted until after June 30, 2021.

**Recommendation** – Reimbursement request forms for ESEA grants be submitted in a timely manner.

IDEA Part B

Grant application approvals and acceptance of grant funds were made by Board resolution.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibits K-3 and 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.

Salaries and wages were not charged to the Special Revenue Fund federal grants. Thus, the Board is not required to submit a TPAF/FICA reimbursement to the State.

Nonpublic State Aid

Project Completion Reports were finalized and transmitted to the State by the due date.

**TENAFLY 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**

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.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (c.40A:11-9), the Board of Education may establish that the bid threshold may be up to \$44,000. 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. The Board has designated the Business Administrator/Board Secretary as the qualified purchasing agent.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Board 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.

The results of our examination indicated that no 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. 18A:18A-4 except as noted below:

**Finding 2021-006** – Our audit noted that payments to certain vendors accumulated during the year exceeded the quote and bid threshold, however, documentation to support the quotes, state and/or cooperative contracts or bid were not available for audit. In addition, business registration certificates (BRC's) and political contribution disclosure forms (PCD's) for certain vendors were not on file in the District as required by the Local Public Contracts Law.

**Recommendation** – The District adhere to all purchasing requirements contained in the New Jersey Local Public Contracts Law.

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**

The District does not participate in the School Nutrition Program.

**COVID -19 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 alternated procedures to provide meals to Free and Reduced Price eligible students during the period of school closures. During 2020/21 the public health emergency was still applicable.

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 for Free and Reduced Price meal eligible students.

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

**School Food Service (Continued)**

SFA's 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 financial transactions and statistical records of the school food services were maintained in good condition. The financial accounts were reviewed on a test-check basis.

**Finding 2021-007** – Our audit of the Food Service enterprise fund revealed a loss of \$45,176. This loss was after the board contributed \$25,000 to the fund. The Food Service enterprise fund ended June 30, 2021 with a deficit in unrestricted net position in the amount of \$19,799.

**Recommendation** – The District review the operations of its Food Service enterprise fund to ensure that sufficient funds are available to meet the operating needs of the District.

Cash receipts and bank records were reviewed for timely deposit.

Inventory records on food 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 food service management company is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

The District contracted with Pomptonian, Inc. to manage the school food services operations. Provisions of the FSMC contract/addendum were reviewed. The Food Service management company contract includes an operating result provision which guarantees that the food service program will break even. The operating results provision was not met due to COVID which impacted food service operations. All vendor discounts, rebates and credits from vendors and/or FSMC were tracked and credited to the Food Service account and reconciled to supporting documentation at least annually.

**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.

**SACC (School Age Childcare) Program**

The SACC program did not operate during the 2021 school year due to the COVID pandemic. However, the District did incur certain costs chargeable to the program.

**Finding 2021-008** – Our audit of the District's SACC program revealed the following:

- a) The District charged the SACC program \$132,233 for health benefits for the school year, however, there were no employees charged to the SACC Program during the 2020/21 school year receiving health benefits.
- b) The District does not have a formal written cost allocation plan to support operating expenses chargeable to the SACC program.
- c) The SACC program incurred an operating loss of \$54,107 for the 2020/21 school year.

**Recommendation** – Internal control procedures be reviewed to ensure that costs charges to the SACC program are properly substantiated and sufficient funds are available in order to meet the operating needs of the program.



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

**Tiger Tots Program**

The Tiger Tots program did not operate during the 2020/21 school year due to the COVID pandemic.

**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 handicapped, 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 exception. The information that was included on the workpapers was verified with exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

**Finding 2021-009 (CAFR Finding 2021-002)** – Our audit of the District’s Application for State School Aid (“ASSA”) noted the following:

- The On-Roll workpapers reported fifty-six (56) more students than the ASSA. In addition, we verified ten (10) fewer students to the class registers.
- The Private School for the Disabled workpapers reported five (5) fewer student than the ASSA. In addition, we could not verify two (2) students.
- The Low Income workpapers reported six (6) fewer students than the ASSA. In addition, twelve (12) applications were not provided for audit and one (1) application was missing an approval signature.
- Certain special education students did not have an IEP on file or a valid IEP for October 15, 2020.
- The LEP-Low Income workpapers noted one (1) more student than the ASSA.

**Recommendation** – Internal procedures regarding the preparation of the ASSA be reviewed and enhanced to ensure all student counts are accurately reported.

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.

**Facilities and Capital Assets**

Our procedures included a review of the transfer of local funds from the General Fund or from the Capital Reserve Account, and awarding of contracts for eligible facilities construction.

**Finding 2021-010** – Our audit of capital assets revealed that balances per the district’s capital asset inventory report are not in agreement with the audit balances.

**Recommendation** – The capital asset report be reviewed and reconciled to audit balances.

**Testing for Lead of all Drinking Water in Educational Facilities**

The school district adhered to all 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:26-12.4(g).

**Suggestions to Management**

Reconciling items on the Athletic account bank reconciliation be reviewed and cleared of record.

**TENAFLY BOARD OF EDUCATION  
FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
ENTERPRISE FUNDS  
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**

**NOT APPLICABLE-  
DISTRICT DOES NOT PARTICIPATE IN  
NATIONAL SCHOOL LUNCH PROGRAM**

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

	2021-2022 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 Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample from Work- papers	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool 3 yrs	1.0				1.0												
Full Day Kindergarten	136		136		-			30	30								
Grade 1	165		164		1			34	33		1						
Grade 2	214		214		-			55	56		(1)						
Grade 3	238		238		-			56	56								
Grade 4	241		241		-			54	54								
Grade 5	234		234		-			51	51								
Grade 6	259		259		-			259	259								
Grade 7	244		244		-			244	243		1						
Grade 8	257		256		1			256	257		(1)						
Grade 9	237		253		(16)			253	249		4						
Grade 10	263		269		(6)			269	269								
Grade 11	250		259		(9)			259	260		(1)						
Grade 12	251		266		(15)	-		266	268		(2)	-					
Subtotal	2,990	-	3,033	-	(43)	-		2,086	-	2,085	-	1	-				
Special Ed - Elementary	168		170		(2)			43	43				8	6	6	-	
Special Ed - Middle	127		128		(1)			128	128				8	6	6	-	
Special Ed - High	192		202		(10)	-		202	193		9	-	36	28	26	2	
Subtotal	487	-	500	-	(13)	-		373	-	364	-	9	-	52	40	38	2
Totals	3,477	-	3,533	-	(56)	-		2,459	-	2,449	-	10	-	52	40	38	2
Percentage Error					-1.61%							0.41%					5.00%

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on	Reported on	Errors	Sample Selected from	Verified to Application and Register	Sample Errors	Reported on	Reported on	Errors	Sample Selected from	Verified to Test Score and Register	Errors
	A.S.S.A as Low Income	Workpapers as Low Income					A.S.S.A as LEP Low Income	Workpapers as LEP Low Income				
Half Day Preschool 3 yrs												
Half Day Preschool 4 yrs												
Full Day Preschool 3 yrs												
Full Day Preschool 4 yrs												
Half Day Kindergarten												
Full Day Kindergarten	1	1		1	1							
Grade 1												
Grade 2	2	2		1	1							
Grade 3	4	3	1	3	3							
Grade 4	3	1	2	1	1							
Grade 5	2	1	1	1		1						
Grade 6	3	2	1	2	1	1						
Grade 7	3	3		3	3							
Grade 8	4	3	1	3	1	2		1	(1)		1	1
Grade 9	5	5		4	3	1	1	1			1	1
Grade 10	4	2	2	2	1	1						
Grade 11	5	4	1	4	3	1	1	1			1	1
Grade 12	10	10	-	9	7	2			-			-
Subtotal	46	37	9	34	25	9	2	3	(1)	3	2	1
Special Ed - Elementary	2	2		2		2						
Special Ed - Middle	10	11	(1)	8	6	2						
Special Ed - High	3	5	(2)	2	2	-			-			-
Subtotal	15	18	(3)	12	8	4	-	-	-	-	-	-
Totals	61	55	6	46	33	13	2	3	(1)	3	2	1
Percentage Error		9.84%			28.26%			-50.00%			33.33%	

	Transportation					
	Reported on	Reported on	Errors	Tested	Verified	Errors
	DRTRS by DOE/County	DRTRS by District				
Reg. - Public Schools	74	74	-	18	18	-
Transported - Non - Public	59	59	-	14	14	-
Special Ed. - w/o Spec Needs	10	10	-	3	3	-
Special Ed - w/ Spec Needs	86	86	-	20	20	-
Subtotal	229	229	-	55	55	-
Percentage Error		0.00%			0.00%	

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

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Worpapers	Verified to Application and Register	Errors
Half Day Preschool 3 yrs						
Full Day Preschool 3 yrs						
Half Day Preschool 4 yrs						
Full Day Preschool 4 yrs						
Half Day Kindergarten						
Full Day Kindergarten	10	10		3	3	
Grade 1	15	15		5	5	
Grade 2	8	8		3	3	
Grade 3	14	15		5	5	
Grade 4	9	9		3	3	
Grade 5	10	10		3	3	
Grade 6	16	16		5	5	
Grade 7	15	15		5	5	
Grade 8	14	14		5	5	
Grade 9	11	11		3	3	
Grade 10	10	9	1.0	3	3	
Grade 11	9	9		3	3	
Grade 12	4	4	-	1	1	-
Subtotal	<u>145</u>	<u>145</u>	<u>1</u>	<u>47</u>	<u>47</u>	<u>-</u>
Special Ed - Elementary						
Special Ed - Middle	3	3		1	1	
Special Ed - High	3	3	-	1	1	
Subtotal	<u>6</u>	<u>6</u>	<u>-</u>	<u>2</u>	<u>2</u>	<u>-</u>
Totals	<u>151</u>	<u>151</u>	<u>1</u>	<u>49</u>	<u>49</u>	<u>-</u>
Percentage Error		<u>0.66%</u>			<u>0.00%</u>	

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

2020-2021 Total General Fund Expenditures per the CAFR		\$ 84,322,704
Increased by:		
Transfer from Capital Reserve to Capital Projects Fund	\$ 2,079,754	
Transfer to Special Revenue Fund - Athletics	<u>40,000</u>	
		<u>2,119,754</u>
		86,442,458
Decreased by:		
On-Behalf TPAF Pension & Social Security		<u>13,350,469</u>
Adjusted 2020-2021 General Fund Expenditures		<u>\$ 73,091,989</u>
4% of Adjusted 2020-2021 General Fund Expenditures		\$ 2,923,680
Increased by:		
Allowable Adjustments		
Extraordinary Aid		1,492,270
Non Public Transportation		<u>31,320</u>
Maximum Unassigned Fund Balance		<u>\$ 4,447,270</u>
Total General Fund - Fund Balance at June 30, 2021 (Per CAFR Budgetary Comparison Schedule C-1)		\$ 10,643,434
Decreased by:		
Encumbrances	\$ 218,203	
Other Restricted Fund Balance		
Capital Reserve	4,206,105	
Maintenance Reserve	605,850	
Emergency Reserve	302,900	
Unemployment Compensation	392,430	
Restricted - Excess Surplus Designated for Subsequent Year's Budget	900,669	
Assigned - Designated for Subsequent Year's Budget	<u>1,078,488</u>	
		<u>7,704,645</u>
Total Unassigned Fund Balance		<u>\$ 2,938,789</u>
<b>Fund Balance - Excess Surplus</b>		<u>\$ -</u>
<b><u>Recapitulation of Excess Surplus as of June 30, 2021</u></b>		
Excess Surplus- Designated for 2021/22 Budget		\$ 900,669
Excess Surplus- Designated for 2022/23 Budget		<u>-</u>
		<u>\$ 900,669</u>

**TENAFLY BOARD OF EDUCATION  
RECOMMENDATIONS**

**I. Administrative Practices and Procedures**

There are none.

**II. Financial Planning, Accounting and Reporting**

It is recommended that:

1. A payroll agency ledger be implemented, maintained and reconciled with the monthly bank reconciliation. In addition, procedures be reviewed to ensure sufficient funds are available in the payroll agency bank account.
2. Outstanding purchase orders should be reviewed prior to year-end to ensure the commitments are properly classified as an account payable or encumbrance.
- \* 3. Internal controls over financial accounting and reporting procedures be reviewed and enhanced to ensure financial transactions are properly recorded and reported in the District's internal accounting records.
4. The District review the adjusted budget in the Capital Projects Fund to ensure that all available funds from the prior year and current year budgeted funds are properly recorded.
5. Reimbursement request forms for ESEA grants be submitted in a timely manner.

**III. School Purchasing Program**

6. It is recommended that the District adhere to all purchasing requirements contained in the New Jersey Local Public Contracts Law.

**IV. School Food Services**

7. It is recommended that the District review the operations of its Food Service enterprise fund to ensure that sufficient funds are available to meet the operating needs of the District.

**V. Student Body Activities**

There are none.

**VI. SACC Program/ Tiger Tots Program**

8. It is recommended that internal control procedures be reviewed to ensure that costs charges to the SACC program are properly substantiated and sufficient funds are available in order to meet the operating needs of the program.

**VII. Application for State School Aid**

9. It is recommended that internal procedures regarding the preparation of the ASSA be reviewed and enhanced to ensure all student counts are accurately reported.

**VIII. Pupil Transportation**

There are none.

**IX. Facilities and Capital Assets**

- \* 10. It is recommended that the capital asset report be reviewed and reconciled to audit balances.

**TENAFLY BOARD OF EDUCATION  
RECOMMENDATIONS**

**X. Miscellaneous**

There are none.

**X. Status of Prior Years' Audit Findings/Recommendations**

A review was performed on all prior years' recommendations. Corrective action was taken on the prior year recommendations, except those denoted with an asterisk (\*).

**ACKNOWLEDGEMENT**

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.