

TOWN OF WEST NEW YORK SCHOOL DISTRICT

**AUDITOR'S MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS –
FINANCIAL, COMPLIANCE AND PERFORMANCE**

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
 AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS -
 FINANCIAL, COMPLIANCE AND PERFORMANCE
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REPORT OF INDEPENDENT AUDITOR

The Honorable President and
Members of the Board of Education
Town of West New York School District
County of Hudson
West New York, New Jersey

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Town of West New York School District in the County of Hudson for the year ended June 30, 2021, and have issued our report thereon dated March 11, 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 for the information of the Town of West New York School District's management, and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



DONOHUE, GIRONDA, DORIA & TOMKINS, LLC
Certified Public Accountants



MAURICIO CANTO
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No. 2541

Bayonne, New Jersey
March 11, 2022

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021**

SCOPE OF AUDIT

The audit covered the financial transactions of the Board Secretary/School Business Administrator, the activities of the Board of Education, and the records of the Athletic Fund, The Student Activity Fund, Food Service Fund and Special Revenue Fund 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, 18A:13-13)

The Board also has public employees faithful performance blanket position bond with the New Jersey School Boards Association Insurance Group Insurance Group covering all employees with multiple coverage of \$250,000.

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Dean Austin	School Business Administrator/ Board Secretary	\$455,000
George A. Spina	Treasurer	\$445,000

Finding 2021-001

The treasurer's surety bond coverage did not meet minimum coverage requirements pursuant to N.J.A.C. 6A:23A-16.4.

Recommendation:

The treasurer's surety bond coverage be evaluated for minimum coverage requirements pursuant to N.J.A.C. 6A:23A-16.4 and adequately increased prior to commencement of each fiscal year.

FINANCIAL PLANNING, ACCOUNTING AND REPORTING

Examination of Claims

A test examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification and proper itemization and/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 the Board's required payroll contributions were deposited in the Agency Reserve 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 premium withholding due to the general fund.

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (Continued)

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2021 or proper classification of orders as reserve for encumbrances and accounts payable. No discrepancies were noted, except for the following:

Finding 2021-002 (ACFR Finding 2021-001)

Closing procedures are not being performed to analyze outstanding purchase orders and agree balances to general ledger accounts payable and encumbrances.

Recommendation:

Closing procedures should be performed to analyze outstanding purchase orders and agree balances and classifications to general ledger accounts payable and encumbrances.

Finding 2021-003 (ACFR Finding 2021-002)

There were several instances where purchases exceeded purchase order amounts and controls were overridden with a negative encumbrance generated in the accounting system. As a result, there were instances of over-expenditures of budget appropriations.

Recommendation:

Budgetary accounting controls should not be overridden to allow for over-expenditures of purchase orders or budget appropriations. Supplementary controls should be implemented to monitor negative encumbrances that are generated when budget controls are overridden.

Travel

No exceptions were noted.

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 classification to determine overall reliability and compliance with *N.J.A.C. 6A:23-8.3*. As a result of the procedures performed, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. General Classification Findings - No exceptions were noted

B. Administrative Classification Findings – No exceptions were noted

Board Secretary's Records/Business Administrator

Our review of the financial and accounting records maintained by the Board Secretary/Business Administrator did not disclose any exceptions.

Elementary and Secondary Education Act (E.S.E.A.)

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 the projects under Titles I and VI of the Elementary and Secondary School Education Act as amended and reauthorized. No exceptions were noted.

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (Continued)

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.

T.P.A.F. Reimbursement

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. Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Report for all federal awards for the District to reimburse the State for the TPAF/FICA payment made by the State on-behalf of the District for those employees whose salaries are identified as being paid from federal funds was made subsequent to the end of the 60 day grant liquidation period required by the Office of Grants Management, but prior to the 90 days required by *N.J.S.A.* 18A:66-90. Accordingly, the expenditure was made in accordance with State law (90 days) and properly reported as obligated and not expended and as an unliquidated balance in the current year's Final Report for all federal awards.

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:39-3(a) are \$40,000 with a Qualified Purchasing Agent (QPA) and \$32,000 without a QPA, respectively. The law regulating bidding for public school student transportation contracts under *N.J.S.A.* 18A:39-3 is currently \$19,600 for 2020-21.

The District 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.

Based on the results of our examination, we 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 provision of *N.J.S.A.* 18A:18A-4.

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

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021**

SCHOOL FOOD SERVICES

Public Health Emergency

In accordance with the Governor’s Declaration of Emergency pertaining to the COVID 19 Virus 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, the District was required to institute alternate 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. As a result, the District was 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.

The District was authorized to solicit and award emergency noncompetitive procurements and contracts with its food service management company (FSMC) in accordance with 2 CFR 200.320 and N.J.S.A.18A:18A-7. The District was 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.

The District was 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 District 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 District’s expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

Non-program foods were not purchased, prepared, sold, or offered for sale.

We inquired of management about the public health emergency procedures/practices that the District instituted 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 Programs. We also inquired if the PPP loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the District.

STUDENT BODY ACTIVITIES

Overall, cash receipts and disbursements records for the schools were maintained 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 (ASSA) 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 ASSA was compared to the district workpapers without exception. The information that was included on the workpapers was verified. 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.

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021**

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 with some exceptions. 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 SDA grant agreement for consistency with recording SDA revenue, transfer of local funds from the General Fund and awarding of contracts for eligible facilities construction. No exceptions were noted.

TESTING FOR LEAD OF ALL DRINKING WATER IN EDUCATIONAL FACILITIES

The 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 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 FINDINGS

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

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.



DONOHUE, GIRONDA, DORIA & TOMKINS, LLC
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No. 2541

Bayonne, New Jersey
March 11, 2022

WEST NEW YORK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

	2021-2022 Application for State School Aid						Sample of Verification						Private Schools for Disabled				
	Reported on ASSEA		Workpapers		Errors		Sample Selected from Workpapers		Registers Verified per On Roll		Registers per On Roll		Reported on ASSEA as Private Schools	Sample for Verification	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Full Day Preschool (3yr)	65	-	65	-	-	-	65	-	65	-	-	-	-	-	-	-	-
Full Day Preschool (4yr)	300	-	300	-	-	-	300	-	300	-	-	-	-	-	-	-	-
Full Day Kindergarten	480	-	480	-	-	-	480	-	480	-	-	-	-	-	-	-	-
One	533	-	533	-	-	-	533	-	533	-	-	-	-	-	-	-	-
Two	507	-	507	-	-	-	507	-	507	-	-	-	-	-	-	-	-
Three	508	-	508	-	-	-	508	-	508	-	-	-	-	-	-	-	-
Four	497	-	497	-	-	-	497	-	497	-	-	-	-	-	-	-	-
Five	496	-	496	-	-	-	496	-	496	-	-	-	-	-	-	-	-
Six	504	-	504	-	-	-	504	-	504	-	-	-	-	-	-	-	-
Seven	457	-	457	-	-	-	457	-	457	-	-	-	-	-	-	-	-
Eight	493	-	493	-	-	-	493	-	493	-	-	-	-	-	-	-	-
Nine	459	-	459	-	-	-	459	-	459	-	-	-	-	-	-	-	-
Ten	464	-	464	-	-	-	464	-	464	-	-	-	-	-	-	-	-
Eleven	474	-	474	-	-	-	474	-	474	-	-	-	-	-	-	-	-
Twelve	430	-	430	-	-	-	430	-	430	-	-	-	-	-	-	-	-
Subtotal	6,667	-	6,667	-	-	-	6,667	-	6,667	-	-	-	-	-	-	-	-
Special Education-Elementary	406	-	406	-	-	-	406	-	406	-	-	-	41	28	28	-	-
Special Education-Middle	240	-	240	-	-	-	240	-	240	-	-	-	15	12	12	-	-
Special Education-Highschool	286	-	286	-	-	-	286	-	286	-	-	-	21	19	19	-	-
Subtotal	932	-	932	-	-	-	932	-	932	-	-	-	77	59	59	-	-
TOTALS	7,599	-	7,599	-	-	-	7,599	-	7,599	-	-	-	77	59	59	-	0.00%

**WEST NEW YORK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020**

	Resident Low Income			Sample of Verification			Resident LEP Low Income			Sample of Verification		
	Reported on ASSA Low Income	Reported on Workpapers Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Registers	Sample Errors	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Registers	Sample Errors
Full Day Preschool-3yr	29	29	-	5	5	-	-	-	-	-	-	-
Full Day Preschool-4yr	175	175	-	5	5	-	-	-	-	-	-	-
Full Day Kindergarten	356	356	-	4	4	-	54	54	-	22	22	-
One	447	447	-	4	4	-	92	92	-	26	26	-
Two	433	433	-	4	4	-	81	81	-	20	20	-
Three	448	448	-	4	4	-	89	89	-	21	21	-
Four	441	441	-	4	4	-	65	65	-	16	16	-
Five	433	433	-	4	4	-	53	53	-	23	23	-
Six	450	450	-	4	4	-	43	43	-	20	20	-
Seven	390	390	-	4	4	-	37	37	-	14	14	-
Eight	440	440	-	4	4	-	43	43	-	15	15	-
Nine	389	389	-	4	4	-	66	66	-	10	10	-
Ten	383	383	-	4	4	-	75	75	-	10	10	-
Eleven	401	401	-	4	4	-	73	73	-	9	9	-
Twelve	366	366	-	4	4	-	76	76	-	10	10	-
Subtotal	5,581	5,581	-	62	62	-	847	847	-	216	216	-
			0.00%									0.00%
Special Education-Elementary	360	360	-	6	6	-	21	21	-	10	10	-
Special Education-Middle	226	226	-	6	6	-	5	5	-	3	3	-
Special Education-Highschool	256	256	-	6	6	-	3	3	-	3	3	-
Subtotal	842	842	-	18	18	-	29	29	-	16	16	-
TOTALS	6,423	6,423	-	80	80	-	876	876	-	232	232	-
			0.00%									0.00%
Transportation												
Reported on DRTRS by DOE/County	18	18	-	16	16	-	16	16	-	16	16	-
Reported on DRTRS by District	113	113	-	77	77	-	77	77	-	77	77	-
Special Ed. Spec Trans.	242	242	-	138	138	-	138	138	-	138	138	-
TOTALS	373	373	-	231	231	-	231	231	-	231	231	-
			0.00%									0.00%
Reg.-Public Schools							Reg Avg (Mileage) = Regular including Grade PK Students (Part A)			Reported	Recalculated	
Reg. - Special Education							Reg Avg (Mileage) = Regular excluding Grade PK Students (Part B)			1.4	1.4	
Special Ed. Spec Trans.							Special Avg = Special Ed w/ Special Needs			1.4	1.4	
TOTALS										6.6	6.6	

**WEST NEW YORK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020**

	Resident LEP Not Low Income			Sample of Verification		
	Reported on ASSA NOT LOW Income	Reported on Workpapers NOT LOW Income	Errors	Sample Selected from Workpapers	Verified per Applications & Registers	Errors
Full Day Kindergarten						
One	15	15	-	11	11	-
Two	13	13	-	11	11	-
Three	15	15	-	11	11	-
Four	18	18	-	8	8	-
Five	15	15	-	5	5	-
Six	17	17	-	8	8	-
Seven	17	17	-	7	7	-
Eight	12	12	-	6	6	-
Nine	8	8	-	5	5	-
Ten	23	23	-	13	13	-
Eleven	31	31	-	13	13	-
Twelve	23	23	-	13	13	-
Subtotal	14	14	-	14	14	-
	221	221	-	125	125	-
Special Education-Elementary						
Special Education-Middle	1	1	-	1	1	-
Special Education-Highschool	1	1	-	1	1	-
Subtotal	2	2	-	2	2	-
	4	4	-	4	4	-
	225	225	-	129	129	-
TOTALS	225	225	0.00%	129	129	0.00%

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION 1

Calculation A: 4 Percent Excess Surplus

All districts required to use school-based budgeting are required to complete this calculation using 4 percent on line A10.

2020-21 Total General Fund Expenditures Reported on Exhibit C-1	<u>\$ 144,829,290</u>	(A)
Increased by Applicable Operating Transfers:		
Transfer from Capital Outlay to Capital Projects	-	(A1a)
Transfer from Reserve to Capital Projects	<u>979,600</u>	(A1a)
Transfer from G/F to SRF for Preschool - Regular	-	(A1a)
Transfer from G/F to SRF for Preschool - Inclusion	<u>487,387</u>	(A1a)
Less:		
Expenditures Allocated to Restricted Federal Resources as Reported on Exhibit D-2	<u>(3,972,708)</u>	(A1b)
2020-21 Adjusted General Fund & Other State Expenditures [(A) - (A1a)-(A1b)]	<u>\$ 142,323,569</u>	(A2)
Decreased by:		
On-Behalf TPAF Pension & Social Security	<u>\$ (24,538,455)</u>	(A3)
Assets Acquired Under Capital Leases:		
General Fund 10 Assets Acquired Under Capital Leases reported on Exhibit C-1a	<u>\$ -</u>	(A4)
Add:		
General Fund & State Resources Portion of Fund 15		
Assets Acquired Under Capital Leases:		
Assets Acquired Under Capital Leases in Fund 15 reported on Exhibit C-1a	<u>-</u>	(A5)
Combined General Fund Contribution & State Resources % of Fund 15 Resources Reported on Exhibit D-2	<u>94.37%</u>	(A6)
General Fund & State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5) x (A6)]	<u>-</u>	(A7)
Total Assets Acquired Under Capital Leases [(A4) + (A7)]	<u>-</u>	(A8)
2020-21 General Fund Expenditures [(A2) - (A3) - (A8)]	<u>\$ 117,785,114</u>	(A9)
4% of Adjusted 2020-2021 General Fund Expenditures [(A9) x 4%]	<u>\$ 4,711,405</u>	(A10)
Enter Greater of (A10) or \$250,000	<u>4,711,405</u>	(A11)
Increased by: Allowable Adjustment*	<u>1,073,486</u>	(K)
Maximum Unassigned Fund Balance [(A11) + (K)]	<u>\$ 5,784,891</u>	(M)

SECTION 2

Total General Fund - Fund Balances at June 30, 2021	<u>\$ 27,322,320</u>	(C)
Decreased by:		
Year-end Encumbrances	-	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	-	(C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**	<u>(8,873,768)</u>	(C3)
Other Restricted/Reserved Fund Balances****	<u>(3,408)</u>	(C4)
Assigned-Designated for Subsequent Year's Expenditures	<u>(914,143)</u>	(C5)
Additional Assigned Fund Balance - Unreserved Designated for Subsequent	<u>-</u>	
Total Unassigned Fund Balance [(C) - (C1) - (C2) - (C3) - (C4) - (C5)]	<u>\$ 17,531,001</u>	(U)

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U) - (M)] IF NEGATIVE ENTER -0-	<u>\$ 11,746,110 (E)</u>
Summary:	
Restricted Excess Surplus -- Designated for Subsequent Year's Expenditures**	<u>\$ 8,873,768 (C3)</u>
Restricted Excess Surplus***[(E)]	<u>11,746,110 (E)</u>
Total [(C3) + (E)]	<u><u>\$ 20,619,878 (D)</u></u>

* This adjustment line (line (K) as detailed below) is to utilized for Impact Aid, Sale and Lease-back, Extraordinary Aid, and Additional Nonpublic School Transportation Aid, and unbudgeted FICA Wage Freeze Grant Revenue, if applicable. Extraordinary Aid and Additional Nonpublic School Transportation Aid for 2020-21 received after June 30 is limited to the amount of revenue recognized in the audit year that was not appropriated.

Detail of Allowable Adjustements

Impact Aid	<u>\$ - (H)</u>
Sale & Lease-back	<u>- (I)</u>
Extraordinary Aid	<u>1,073,486 (J1)</u>
Additional Nonpublic School Transportation Aid	<u>- (J2)</u>
Current Year School Bus Advertising Revenue Recognized	<u>- (J3)</u>
Family Crisis Transportation Aid	<u>- (J4)</u>
Total Adjustments [(H) + (I) + (J1) + (J2) + (J3) + (J4)]	<u><u>\$ 1,073,486 (K)</u></u>

** See (E) above. The amount must agree with the June 30, 2020 ACFR and Audit Summary Worksheet Line 90030.

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

**** Amount for Other Restricted 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 that Assistant to the Commissioner – Field Services prior to September 30.

- (N1) Capital reserve at June 30, 2021
- (N2) Maintenance reserve minimum required under EFCFA
- (N3) Tuition reserve at June 30, 2021
- (N4) Emergency reserve at June 30, 2021
- (N5) School bus fuel offset reserve – current year - June 30, 2021
- (N6) School bus fuel offset reserve – prior year - June 30, 2021
- (N7) Impact Aid general fund reserve at June 30, 2021
- (N5) Impact Aid capital fund reserve at June 30, 2021

Detail of Other Reserved Fund Balance

Statutory restrictions:

Approved unspent separate proposal	<u>\$ -</u>
Sale/lease-back reserve	<u>-</u>
Capital reserve (N-1)	<u>-</u>
Maintenance reserve (N-2)	<u>-</u>
Tuition reserve (N-3)	<u>-</u>
Emergency reserve (N-4)	<u>-</u>
School Bus Advertising 50% Fuel Offset Reserve - current year (N-5)	<u>-</u>
School Bus Advertising 50% Fuel Offset Reserve - prior year (N-6)	<u>-</u>
Impact Aid General Fund Reserve (Section 8002 and 8003) (N-7)	<u>-</u>
Impact Aid Capital Fund Reserve (Section 8007 and 8008) (N-8)	<u>-</u>
Unemployment claims (N-9)	<u>-</u>
Workers' compensation claims (N-10)	<u>3,408</u>
[Other Restricted/Reserved Fund Balance not noted above]****	<u>-</u>
Total Other Restricted/Reserved Fund Balance	<u><u>\$ 3,408 (C4)</u></u>

**TOWN OF WEST NEW YORK SCHOOL DISTRICT
AUDIT RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

1. Administrative Practices and Procedures

- The treasurer's surety bond coverage be evaluated for minimum coverage requirements pursuant to N.J.A.C. 6A:23A-16.4 and adequately increased prior to commencement of each fiscal year.

2. Financial Planning, Accounting and Reporting

- Closing procedures should be performed to analyze outstanding purchase orders and agree balances and classifications to general ledger accounts payable and encumbrances.
- Budgetary accounting controls should not be overridden to allow for over-expenditures of purchase orders or budget appropriations. Supplementary controls should be implemented to monitor negative encumbrances that are generated when budget controls are overridden.

3. School Purchasing Programs

None

4. School Food Services

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Testing for Lead and All Drinking Water in Educational Facilities

None

10. Follow-Up on Prior Year Findings

Corrective action has been taken on the prior year finding.