

**WESTWOOD REGIONAL SCHOOL DISTRICT
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2021**

**WESTWOOD REGIONAL SCHOOL DISTRICT
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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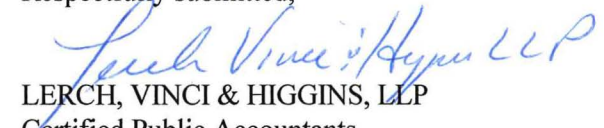
Honorable President and Members
of the Board Trustees
Westwood Regional School District
Washington Township, New Jersey

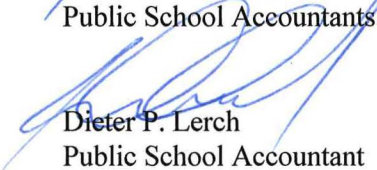
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Westwood Regional School District as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated February 16, 2022.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,


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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
February 16, 2022

**WESTWOOD REGIONAL SCHOOL DISTRICT
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 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 contained in the District's Comprehensive Annual Financial Report (the "CAFR").

Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Keith Rosado	School Business Administrator/ Board Secretary	\$100,000
Deborah Carpino	Treasurer of School Monies	350,000

There is a Public Employees' Faithful Performance Blanket Position Bond covering all other employees with multiple coverage of \$250,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review indicated that the required signatures, certifications and supporting documentation were obtained on the respective purchase orders and/or vouchers.

Payroll Account

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

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

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholdings.

The School Business Administrator completed and filed the required Certification of Compliance with Federal and State Law respecting the reporting of compensation for certain employees.

**WESTWOOD REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE 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, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Finding 2021-1 – Our audit indicated that certain year end outstanding purchase orders were misclassified as encumbrances rather than accounts payable. In addition, certain outstanding purchase order balances classified as encumbrances did not represent obligations of the District.

Recommendation – Outstanding purchase order balances be reviewed to ensure validity of obligations and to ensure proper classification as encumbrances or accounts payable.

Travel

The District had an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

Payments made to employees for a travel event were in accordance with the approved travel policy.

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.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in good condition.

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

The prescribed contractual order system was followed. Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

Treasurer's Records

The Treasurer performed cash reconciliations in accordance with N.J.S.A. 18A:17-9.

All cash receipts were promptly deposited.

Finding 2021-2– Our audit indicated that several old outstanding checks remain on the reconciliation of the net payroll bank account.

Recommendation – Old outstanding checks in the net payroll bank account be reviewed and cleared of record.

**WESTWOOD REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Planning, Accounting and Reporting (Continued)

Elementary and Secondary Education Act (E.S.E.A.) as Amended by the Every Student Succeeds Act (E.S.S.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 projects under Title I, Title II and Title III of the Elementary and Secondary Education Act as amended.

Our examination indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

Other Special Federal and/or State Projects

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

Our examination 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.

Finding 2021-3 – Our audit indicated that the District did not maintain the required level of effort with respect to the Special Education expenditures related to the federal IDEA grant program. **(CAFR Finding 2021-01)**

Recommendation – The District maintain its level of effort with respect to special education expenditures funded from state and/or local funds in accordance with the Federal IDEA grant program compliance requirements.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. 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 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

Project completion reports were finalized and transmitted to the State by the due date.

**WESTWOOD REGIONAL SCHOOL DISTRICT
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. The Board has designated the School Business Administrator 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.

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.

School Food Service

Public Health Emergency

In accordance with the Governor's Declaration of Emergency pertaining to COVID-19, all public, charter and 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 2020-2021, the public health emergency was still applicable. As a result, School Food Service Authorities (SFAs) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) option.

SFA's 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 SFA's 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.

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 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 support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

**WESTWOOD REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

School Food Service (Continued)

We inquired of management about the public health emergency procedures/practices that the SFA 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 SFA.

Net cash resources exceeded three months' average expenditures.

Summer Enrichment Program

The financial transactions and records of the Summer Enrichment Program were maintained in satisfactory condition.

The district has a formal Board policy establishing uniform accounting policies and procedures for the district's student activity funds.

Student Activity Accounts / Scholarship Accounts

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

Cash receipts and disbursements records for all schools were maintained in satisfactory condition.

Finding 2021-4 – Our audit of the high school activity and athletic accounts indicated several prior year checks remain outstanding on the respective bank account reconciliations.

Recommendation – Old outstanding checks in the high school activity and athletic accounts be reviewed and appropriately cleared of record.

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, bilingual students and low-income. 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 immaterial exceptions noted. The information that was included on the workpapers was verified with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

The district has adequate written procedures for the recording of student enrollment data.

**WESTWOOD REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE 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 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.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreement for consistence with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction.

Finding 2021-5 – Our audit indicated that New Jersey School Development Authority (SDA) grants awarded to the District for completed capital projects remain uncollected.

Recommendation – Efforts be made to collect outstanding grants balances due from the State of New Jersey School Development Authority for completed capital projects.

Finding 2021-6 – Our audit indicated that unexpended bond proceeds from the 2007 referendum remain in the Capital Projects Fund.

Recommendation - Unexpended proceeds from the District's 2007 referendum be transferred to the Debt Service Fund.

Miscellaneous

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 Findings

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

Suggestions to Management

The District develop a plan to reduce net cash resources in the food service below the maximum of three months' average expenditures.

**WESTWOOD REGIONAL SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOT APPLICABLE

**WESTWOOD REGIONAL SCHOOL DISTRICT
FOOD SERVICE FUND
NET CASH RESOURCES SCHEDULE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Net Cash Resources

Current Assets

Cash and Cash Equivalents	\$	252,343
Accounts Receivable		1,652
Intergovernmental Accounts Receivable		117,753

Current Liabilities

Accounts Payable		(51,886)
Unearned Revenue		(42,981)

Net Cash Resources **\$ 276,881 (A)**

Operating Expenditures

Total Operating Expenditures		576,427
Less Depreciation		(15,541)

Adjusted Total Operating Expenditures **\$ 560,886 (B)**

Average Monthly Operating Expense:

B / 10 **\$ 56,089 (C)**

Three times monthly Average:

C x 3 **\$ 168,266 (D)**

TOTAL IN BOX A	\$	276,881
LESS TOTAL IN BOX D	\$	<u>168,266</u>
NET	\$	<u>108,615</u>

WESTWOOD REGIONAL 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		Reported on		Errors		Sample		Verified per		Errors per		Reported on		Reported on		Sample	
	A.S.S.A.		Workpapers				Selected from		Register		Registers		A.S.S.A. as		Workpapers. as		for	
	On Roll	Shared	On Roll	Shared	Full	Shared	Workpapers	On Roll	Full	Shared	Full	Shared	Private	Private	Errors	Verifi- cation	Sample Verified	Sample Errors
Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	Schools	Errors	Verifi- cation	Sample Verified	Sample Errors	
Half Day Preschool 3 Years Old	6		6		-	-	6		6	-	-			-			-	
Full Day Preschool 3 Years Old					-	-				-	-			-			-	
Half Day Preschool 4 Years Old	8		8		-	-	8		8	-	-			-			-	
Full Day Preschool 4 Years Old					-	-				-	-			-			-	
Half Day Kindergarten					-	-				-	-			-			-	
Full Day Kindergarten	178		178		-	-	38		38	-	-			-			-	
Grade 1	195		195		-	-	40		40	-	-			-			-	
Grade 2	176		176		-	-	34		34	-	-			-			-	
Grade 3	197		197		-	-	39		39	-	-			-			-	
Grade 4	203		203		-	-	45		45	-	-			-			-	
Grade 5	177		177		-	-	52		52	-	-			-			-	
Grade 6	176		176		-	-	176		176	-	-			-			-	
Grade 7	187		187		-	-	187		187	-	-			-			-	
Grade 8	179		179		-	-	179		179	-	-			-			-	
Grade 9	166	2	166	2	-	-	166	2	166	2	-	-					-	
Grade 10	155		155		-	-	155		155	-	-			-			-	
Grade 11	174	1	174	1	-	-	174	1	174	1	-	-					-	
Grade 12	178	2	178	2	-	-	178	2	178	2	-	-					-	
Post- Graduate					-	-				-	-			-			-	
Adult High School (15+ Credits)					-	-				-	-			-			-	
Adult High School (1-14 Credits)					-	-				-	-			-			-	
Subtotal	2,355	5	2,355	5	-	-	1,477	5	1,477	5	-	-	-	-	-	-	-	-
Sp Ed - Elementary	185		185		-	-	28		28			3	3	-	2	2	-	
Sp Ed - Middle School	98		98		-	-	15		15			5	5	-	4	4	-	
Sp Ed - High School	128		128		-	-	19		19			10	10	-	9	9	-	
Subtotal	411	-	411	-	-	-	62	-	62	-	-	18	18	-	15	15	-	
County Vocational - Regular					-	-				-	-			-			-	
County Vocational - F.T. Post-Second					-	-				-	-			-			-	
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	2,766	5	2,766	5	-	-	1,539	5	1,539	5	-	-	18	18	-	15	15	-
Percentage Error					0.00%	0.00%					0.00%	0.00%					0.00%	

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

	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 ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Sample Errors
Half Day Preschool 3 Years Old												
Full Day Preschool 3 Years Old												
Half Day Preschool 4 Years Old												
Full Day Preschool 4 Years Old												
Half Day Kindergarten												
Full Day Kindergarten	12	12	-	3	3	-	4	6	(2)	6	6	-
Grade 1	14	14	-	3	3	-	5	4	1	4	4	-
Grade 2	14	14	-	3	3	-	2	2	-	2	2	-
Grade 3	12	12	-	3	3	-	3	3	-	3	3	-
Grade 4	19	19	-	4	4	-	2	2	-	2	2	-
Grade 5	16	16	-	4	4	-	3	3	-	3	3	-
Grade 6	19	19	-	4	4	-	2	2	-	2	2	-
Grade 7	15	15	-	4	4	-						-
Grade 8	15	15	-	4	4	-						-
Grade 9	18	18	-	4	4	-						-
Grade 10	11	11	-	3	3	-						-
Grade 11	19	19	-	4	4	-	2	2	-	2	2	-
Grade 12	13	13	-	3	3	-	3	2	1	2	2	-
Post- Graduate												
Adult High School (15+ Credits)												
Adult High School (1-14 Credits)												
Subtotal	196	196	-	46	46	-	26	26	-	26	26	-
Sp Ed - Elementary	15	15	-	3	3	-	5	4	1	4	4	-
Sp Ed - Middle School	11	11	-	3	3	-						-
Sp Ed - High School	14	14	-	3	3	-	1	1	-	1	1	-
Subtotal	40	40	-	9	9	-	6	5	1	5	5	-
Res. Mental Health Ctr.												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Totals	236	236	-	55	55	-	32	31	1	31	31	-
Percentage Error		<u>0.00%</u>			<u>0.00%</u>			<u>3.13%</u>			<u>0.00%</u>	

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	250	250	-	44	44	-
Regular - Special Ed	8	8	-	2	2	-
Transported - Non Public	39	39	-	7	7	-
Special Needs	42	42	-	7	7	-
Subtotal	339	339	-	60	60	-
Percentage Error		<u>0.0%</u>			<u>0.0%</u>	

**WESTWOOD REGIONAL 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 ASSA as NOT Low Income	Reported on Workpapers as NOT low Income	Errors	Sample Selected From Workpapers	Verified to Application and Register	Errors
Half Day Preschool 3 Years Old						
Full Day Preschool 3 Years Old						
Half Day Preschool 4 Years Old						
Full Day Preschool 4 Years Old						
Half Day Kindergarten						
Full Day Kindergarten	3	1	2	1	1	-
Grade 1	5	6	(1)	5	5	-
Grade 2	4	4	-	3	3	-
Grade 3	2	2	-	2	2	-
Grade 4	2	2	-	2	2	-
Grade 5	1	1	-	1	1	-
Grade 6	3	3	-	2	2	-
Grade 7			-			-
Grade 8	1	1	-	1	1	-
Grade 9	2	2	-	2	2	-
Grade 10			-			-
Grade 11			-			-
Grade 12	2	3	(1)	2	2	-
Post- Graduate			-			-
Adult High School (15+ Credits)						
Adult High School (1-14 Credits)						
Subtotal	25	25	-	21	21	-
Sp Ed - Elementary		1	(1)	1	1	
Sp Ed - Middle School						
Sp Ed - High School	-	-	-	-	-	-
Subtotal	-	1	(1)	1	1	-
County Vocational - Regular						
County Vocational - F.T. Post-Second						
Subtotal						
Totals	25	26	(1)	22	22	-
Percentage Error		<u>-4.00%</u>			<u>0.00%</u>	

**WESTWOOD REGIONAL SCHOOL DISTRICT
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

REGULAR DISTRICT

Section 1

Four Percent (4%) - Calculation of Excess Surplus

2020-21 Total General Fund Expenditures per the CAFR, Exhibit C-1	\$62,459,962	
Increased by:		
Capital Reserve Transfer to Capital Projects	2,615	
Decreased by:		
On-Behalf TPAF Pension & Social Security	<u>(10,622,677)</u>	
Adjusted 2020-21 General Fund Expenditures	<u>\$51,839,900</u>	
4% of Adjusted 2020-21 General Fund Expenditures	\$2,073,596	
Increased by:		
Allowable Adjustment*	<u>1,090,876</u>	
Maximum Unassigned Fund Balance		<u>\$3,164,472</u>

Section 2 –

Total General Fund – Fund Balance at June 30, 2021 (Per CAFR Budgetary Comparison Schedule C-1)	\$24,665,323	
Decreased by:		
Year End Encumbrances	\$ 1,452,049	
Legal Reserves	16,231,892	
Excess Surplus – Designated for Subsequent Year’s Expenditures	1,000,000	
Designated for Subsequent Year’s Expenditures	<u>1,816,910</u>	
		<u>20,500,851</u>
Total Unassigned Fund Balance		<u>\$4,164,472</u>

Section 3

Restricted Fund Balance – Excess Surplus		<u>\$1,000,000</u>
<u>Recapitulation of Excess Surplus as of June 30, 2021</u>		
Excess Surplus – Designated for Subsequent Year’s Expenditure		\$1,000,000
Excess Surplus		<u>1,000,000</u>
Total Excess Surplus		<u>\$2,000,000</u>

***Detail of Allowable Adjustments**

Nonpublic School Transportation Aid		\$ 43,266
Extraordinary Aid		<u>1,047,610</u>
		<u>\$1,090,876</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

- * 1. Outstanding purchase order balances be reviewed to ensure validity of obligations and to ensure proper classification as encumbrances or accounts payable.
- * 2. Old outstanding checks in the net payroll bank account be reviewed and cleared of record.
- * 3. The District maintain its level of effort with respect to special education expenditures funded from state and/or local funds in accordance with the Federal IDEA grant program compliance requirements.

III. School Purchasing Program

There are none.

IV. School Food Service

There are none.

V. Student Body Activities

- * 4. It is recommended that old outstanding checks in the high school activity and athletic accounts be reviewed and appropriately cleared of record.

VI. Application for State School Aid

There are none.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

It is recommended that:

- 5. Efforts be made to collect outstanding grants balances due from the State of New Jersey School Development Authority for completed capital projects.
- 6. Unexpended proceeds from the District's 2007 referendum be transferred to the Debt Service Fund.

**WESTWOOD REGIONAL SCHOOL DISTRICT
RECOMMENDATIONS**

IX. Miscellaneous

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

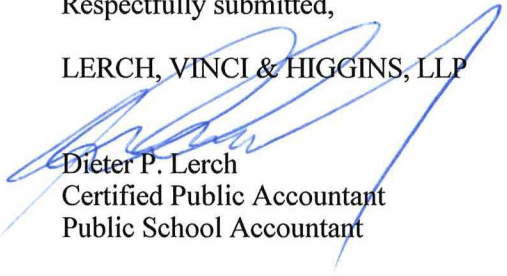
A review was performed on all prior years' recommendations and corrective action was taken on all other than those denoted with an asterisk (*) above.

ACKNOWLEDGEMENT

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

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP



Dieter P. Lerch
Certified Public Accountant
Public School Accountant