

**BOARD OF EDUCATION
BOROUGH OF BARRINGTON
COUNTY OF CAMDEN**

**AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

INVERSO & STEWART, LLC
Marlton, New Jersey

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

| | <u>Page No.</u> |
|--|-----------------|
| Auditors' Management Report on Administrative Findings- Financial, Compliance and Performance | 1 |
| Scope of Audit | 2 |
| Administrative Practices and Procedures | |
| Insurance | 2 |
| Official Bonds | 2 |
| P.L. 2020, c,44 | 2 |
| Tuition Charges | 2 |
| Financial Planning, Accounting and Reporting | |
| Examination of Claims | 2 |
| Payroll Account and Position Control Roster | 2-3 |
| Reserve for Encumbrances and Accounts Payable | 3 |
| Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards | 3 |
| Travel | 3 |
| Classification of Expenditures | 3 |
| Board Secretary/Business Administrator's Records | 3 |
| Treasurer's Records | 3 |
| Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act (ESSA) | 3 |
| Other Special Federal and/or State Projects | 4 |
| T.P.A.F. Reimbursement | 4 |
| Nonpublic State Aid | 4 |
| School Purchasing Programs | |
| Contracts and Agreements Requiring Advertisement for Bids | 4 |
| School Food Service | 5-6 |
| Student Body Activities | 6 |
| Application for State School Aid | 6 |
| Pupil Transportation | 6 |
| Testing for Lead of all Drinking Water in Educational Facilities | 7 |
| Follow-up on Prior Year Findings | 7 |
| Review of OFAC Findings | 7 |
| Acknowledgment | 7 |
| Schedule of Meal Count Activity | 8 |
| Net Cash Resource Schedule | 9 |
| Schedule of Audited Enrollment | 10-12 |
| Excess Surplus Calculation | 13-14 |
| Audit Recommendations Summary | 15 |

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: rinverso@inversocpa.com

**-Member of-
American Institute of CPAs
New Jersey Society of CPAs**

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

The Honorable President and
Members of the Board of Education
Barrington School District
Barrington, New Jersey

I 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 Barrington School District, in the County of Camden for the year ended June 30, 2022, and have issued my report thereon dated January 30, 2023.

As part of my audit, I 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 Barrington Board of Education and the New Jersey Department of Education. However, this report is a matter of public record, and its distribution is not limited.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Public School Accountant

Marlton, New Jersey
January 30, 2023

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 School District, 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 School District's ACFR.

Officials Bonds

| <u>Name</u> | <u>Position</u> | <u>Amount</u> |
|--------------------|---|---------------|
| Samuel Dutkin | Board Secretary/School Business Administrator | \$ 50,000 |
| Deborah J. Roncace | Treasurer | 200,000 |

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

P.L. 2020, c.44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year on audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did include all health benefit plans offered by school district.

The school district data certification was completed by the chief school administrator. The school district Chapter 44 data was submitted timely.

Tuition Charges

There were no tuition charges which would require the School District to make the necessary adjustment per *N.J.A.C. 6:23A-3.1(f)3*.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under audit did not indicate any discrepancies with respect to signatures, certifications or supporting documentation.

Payroll Account

The net salaries of all employees of the School District 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, the Board Secretary/Business Administrator, and the Chief School Administrator.

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

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

Payrolls were delivered to the Treasurer of School Moneys with a warrant made to her order for the full amount of each payroll.

The Payroll Account records were maintained in satisfactory condition.

Position Control Roster

No exceptions were noted during my examination of the Employee Position Control Roster

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. My review did not indicate any material discrepancies with respect to classification of orders.

Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards

No exceptions were noted during my examination of obligations of federal grant awards and requests for reimbursement of expenditures against those federal grant awards made during the period under audit.

Travel

No exceptions were noted in my study of compliance for travel expenses.

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 my test of transactions of randomly selected expenditure items. I also reviewed the coding of all expenditures included in my compliance and single audit testing procedures. In addition to randomly selecting a test sample, my sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.2*. My review did not indicate any material discrepancies with respect to classification of expenditures.

Board Secretary/Business Administrator's Record

The financial and accounting records of the Board Secretary/Business Administrator's office were maintained in satisfactory condition.

Treasurer's Records

The financial and accounting records of the Treasurer were maintained in satisfactory condition.

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

The E.S.E.A./ASSA financial exhibits are contained within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the projects under Titles I, IIA, and VI of the Elementary and Secondary Education Act as amended and reauthorized. The study of compliance for E.S.E.A./ESSA did not indicate any exceptions.

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

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

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

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

The study of compliance for the special projects did not indicate any exceptions.

T.P.A.F. Reimbursement

My audit procedures included a test of the biweekly reimbursements filed with the Department of Education for School District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Reports for all federal awards for the school district to reimburse the state for 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.

Nonpublic State Aid

Not Applicable.

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 \$20,200 for 2021-22.

The School District 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.

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 provision of N.J.S.A. 18A:18A-4, as 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

PUBLIC HEALTH EMERGENCY

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency 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. Governor Murphy's emergency declaration ended June 4, 2021; however, the United States Department of Agriculture's federal waiver continued through June 30, 2022. Food Service Agencies operated under this federal waiver.

As a result, School Food Authorities (SFAs) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO). SFAs could also choose to participate in the National School Lunch Program utilizing standard counting and claiming practices.

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFAs were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all students during the emergency.

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records were reviewed on a test-check basis. Cash receipts and bank records were reviewed for timely deposit.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

I also 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; modifications of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations. I also inquired if the FSMC received a loan in connection with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Program. I also inquired if the PPP loan was subsequently forgiven and the FSMC refunded the applicable amounts to the SFA.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

The district utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17- 34, and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed and audited. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

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

School Food Service (Continued)

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources did not exceed three months average expenditures.

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements.

The FSMC did not apply for and receive a loan in accordance with the Payroll Protection Plan.

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

U.S.D.A. Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The school District maintains the detailed revenue and expenditure information necessary in order to execute the U.S.D.A, mandated Non-Program Food Revenue Tool at least annually.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the ACFR.

Student Body Activities

The review of compliance for student body activities did not indicate any exceptions.

Application for State School Aid

My audit procedures included a test of information reported in the October 15, 2021 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and bilingual. I 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 no exceptions noted. The results of my procedures are presented in the Schedule of Audited Enrollments.

Application for State School Aid (Continued)

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

My procedures included a test of on roll status reported in the 2021-2022 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 my procedures are presented in the Schedule of Audited Enrollments.

My procedures also included a review of transportation related contracts and purchases. Based on my review, the School District complied with proper bidding procedures and award of contracts. No exceptions were noted in my review of transportation related purchases of goods and services.

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:26-12.4(g).

Follow-up on Prior Year Findings

In accordance with government auditing standards, my procedures included a review of all prior year recommendations. Corrective action was taken on the prior year finding.

Office of Fiscal Accountability and Compliance (OFAC) Findings

There were no Office of Fiscal Accountability and Compliance (OFAC) audit reports issued during the fiscal year ended June 30, 2022.

Acknowledgment

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

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Public School Accountant

January 30, 2023

School Food Service

SCHEDULE OF MEAL COUNT ACTIVITY

BARRINGTON SCHOOL DISTRICT

FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

| <u>PROGRAM</u> | <u>MEAL CATEGORY</u> | <u>MEALS CLAIMED</u> | <u>MEALS TESTED</u> | <u>MEALS VERIFIED</u> | <u>DIFFERENCE</u> | <u>RATE</u> | <u>(OVER) UNDER CLAIM</u> |
|---|--------------------------|--------------------------|-------------------------|---------------------------|-------------------|-------------|-----------------------------------|
| National School Lunch (Regula/Rate) | Paid | - | - | - | - | 0.35 | \$ - |
| National School Lunch (Regular Rate) | Reduced | - | - | - | - | 3.26 | \$ - |
| National School Lunch (Regular Rate) | Free | - | - | - | - | 3.66 | \$ - |
| National School Lunch (High Rate) Sept-Dec | SSO | 20,113 | 20,113 | 20,113 | - | 4.3175 | \$ - |
| National School Lunch (High Rate) Jan-June | SSO | 31,271 | 31,271 | 31,271 | - | 4.5625 | \$ - |
| | TOTAL | <u>51,384</u> | <u>51,384</u> | <u>51,384</u> | | | <u>\$ -</u> |
| National School Lunch | HHFKA - PB Lunch Only | - | - | - | - | 0.07 | \$ - |
| | TOTAL | <u>-</u> | <u>-</u> | <u>-</u> | | | <u>\$ -</u> |
| School Breakfast (Severe Needs Rate) | Paid | - | - | - | - | 0.33 | \$ - |
| | Reduced | - | - | - | - | 1.67 | \$ - |
| | Free | - | - | - | - | 1.97 | \$ - |
| Sept-Dec | SSO | 13,693 | 13,693 | 13,693 | - | 2.4625 | \$ - |
| Jan-June | SSO | 20,208 | 20,208 | 20,208 | - | 2.6050 | \$ - |
| | TOTAL | <u>33,901</u> | <u>33,901</u> | <u>33,901</u> | | | <u>\$ -</u> |
| Total Net Overclaim | | | | | | | <u><u>\$ -</u></u> |

**BARRINGTON SCHOOL DISTRICT
NET CASH RESOURCE SCHEDULE**

**Net cash resources did not exceed three months of expenditures
Proprietary Funds - Food Service
For the fiscal year ended June 30, 2022**

| | | Food Service | |
|--|---------------------------------------|---------------------|--------------------|
| | | B - 4/5 | |
| <u>Net Cash Resources:</u> | | | |
| CAFR | * Current Assets | | |
| B-4 | Cash & Cash Equivalents | \$ | 143,652 |
| B-4 | Intergovernmental Accounts Receivable | | 21,814 |
| B-4 | Other Accounts Receivable | | - |
| B-4 | Interfund Accounts Receivable | | - |
| CAFR | Current Liabilities | | |
| B-4 | Less: Accounts Payable | | (28,767) |
| B-4 | Less: Compensated Absences Payable | | - |
| B-4 | Less: Interfund Accounts Payable | | (48,273) |
| B-4 | Less: Unearned revenue | | <u>(2,732)</u> |
| | Net Cash Resources | \$ | <u>85,694</u> (A) |
| <u>Net Adjustment To Total Operating Expense:</u> | | | |
| B-5 | Total Operating Expense | | 293,313 |
| B-5 | Less: Depreciation | | <u>(2,739)</u> |
| | Adjusted Total Operating Expense | \$ | <u>290,573</u> (B) |
| <u>Average Monthly Operating Expense:</u> | | | |
| | B / 10 | \$ | <u>29,057</u> (C) |
| <u>Three times monthly Average:</u> | | | |
| | 3 X C | \$ | <u>87,172</u> (D) |

| | | |
|--|----|----------------|
| TOTAL IN BOX A | \$ | 85,694 |
| LESS TOTAL IN BOX D | | (87,172) |
| NET | \$ | <u>(1,478)</u> |
| From above: | | |
| A is greater than D, cash exceeds 3 X average monthly operating expenses. | | |
| D is greater than A, cash does not exceed 3 X average monthly operating expenses. | | |

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

SOURCE - USDA resource management comprehensive review form.

SCHEDULE OF AUDITED ENROLLMENTS

Barrington Borough School District

Application for State School Aid Summary

Enrollment as of October 15, 2021

| | <u>2022-2023 Application for State School Aid</u> | | | | | | <u>Sample for Verification</u> | | | | | | <u>Private Schools for Disabled</u> | | | |
|-----------------------|---|----------------|--------------------|----------------|---------------|---------------|--------------------------------|-------------------|---------------------|----------------|-------------------|----------------|-------------------------------------|---------------|-----------------|---------------|
| | <u>Reported on</u> | | <u>Reported on</u> | | <u>Errors</u> | | <u>Sample</u> | | <u>Verified per</u> | | <u>Errors per</u> | | <u>Reported on</u> | <u>Sample</u> | <u>Sample</u> | <u>Sample</u> |
| | <u>ASSA</u> | <u>On Roll</u> | <u>Workpapers</u> | <u>On Roll</u> | <u>Full</u> | <u>Shared</u> | <u>Selected From</u> | <u>Workpapers</u> | <u>Registers</u> | <u>On Roll</u> | <u>Registers</u> | <u>On Roll</u> | | | | |
| | <u>Full</u> | <u>Shared</u> | <u>Full</u> | <u>Shared</u> | <u>Full</u> | <u>Shared</u> | <u>Full</u> | <u>Shared</u> | <u>Full</u> | <u>Shared</u> | <u>Full</u> | <u>Shared</u> | <u>Schools</u> | <u>cation</u> | <u>Varified</u> | <u>Errors</u> |
| Full Day Kindergarten | 60 | | 60 | | - | | 18 | | 18 | | - | | | | | |
| One | 51 | | 51 | | - | | 26 | | 26 | | - | | | | | |
| Two | 50 | | 50 | | - | | 16 | | 16 | | - | | | | | |
| Three | 53 | | 53 | | - | | 16 | | 16 | | - | | | | | |
| Four | 60 | | 60 | | - | | 18 | | 18 | | - | | | | | |
| Five | 45 | | 45 | | - | | 15 | | 15 | | - | | | | | |
| Six | 50 | | 50 | | - | | 16 | | 16 | | - | | | | | |
| Seven | 48 | | 48 | | - | | 15 | | 15 | | - | | | | | |
| Eight | 52 | | 52 | | - | | 16 | | 16 | | - | | | | | |
| Subtotal | 469 | - | 469 | - | - | - | 156 | - | 156 | - | - | - | - | - | - | - |
| SpEd Elementary | 44 | | 44 | | - | | 28 | | 28 | | - | | 3 | 3 | 3 | |
| SpEd Middle School | 32 | | 32 | | - | | 13 | | 13 | | - | | 1 | 1 | 1 | |
| | | | | | | | | | | | | | 4 | 4 | 4 | |
| Subtotal | 76 | - | 76 | - | - | - | 41 | - | 41 | - | - | - | 8 | 8 | 8 | - |
| Totals | 545 | - | 545 | - | - | - | 197 | - | 197 | - | - | - | 8 | 8 | 8 | - |
| Percentage Error | | | | | 0.00% | N/A | | | | | 0.00% | N/A | | | | 0.00% |

Schedule of Audited Enrollments

Barrington Borough School District

Application for State School Aid Summary

Enrollment as of October 15, 2021

| | <u>Resident LEP NOT Low Income</u> | | | <u>Sample for Verification</u> | | |
|-----------------------|---|---|---------------------|--|---|--------------------------|
| | <u>Reported on ASSA as NOT Low Income</u> | <u>Reported on Workpapers as NOT Low Income</u> | <u>Errors</u> | <u>Sample Selected from Workpapers</u> | <u>Verified to Application and Register</u> | <u>Sample Errors</u> |
| Full Day Kindergarten | 1 | 1 | - | 1 | 1 | - |
| One | | | | | | |
| Two | 1 | 1 | - | 1 | 1 | - |
| Three | 1 | 1 | - | 1 | 1 | - |
| Four | 1 | 1 | - | 1 | 1 | - |
| Five | 1 | 1 | - | 1 | 1 | - |
| Six | | | | | | |
| Seven | | | | | | |
| Eight | | | | | | |
| Nine | | | | | | |
| Ten | | | | | | |
| Eleven | | | | | | |
| Twelve | | | | | | |
| Subtotal | <u>5</u> | <u>5</u> | <u>-</u> | <u>5</u> | <u>5</u> | <u>-</u> |
| SpEd Elementary | | | | | | |
| SpEd Middle School | | | | | | |
| SpEd High School | | | | | | |
| Sent to CSSD | | | | | | |
| Subtotal | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Totals | <u><u>5</u></u> | <u><u>5</u></u> | <u><u>-</u></u> | <u><u>5</u></u> | <u><u>5</u></u> | <u><u>-</u></u> |
| Percentage Error | | | <u><u>0.00%</u></u> | | | <u><u>0.00%</u></u> |

BARRINGTON SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 1 - Regular Districts

A. 4% Calculation of Excess Surplus

| | | |
|--|-----------------------|------------------------------|
| 2021-22 Total General Fund Expenditures per the ACFR, Ex C-1 | \$ <u>18,289,130</u> | (B) |
| Increased by: | | |
| Transfer from Capital Outlay to Capital Projects Fund | \$ _____ | (B1a) |
| Transfer from Capital Reserve to Capital Projects Fund | \$ _____ | (B1b) |
| Transfer from General Fund to SRF for PreK-Regular | \$ _____ | (B1c) |
| Transfer from General Fund to SRF for PreK-Inclusion | \$ _____ | (B1d) |
| Decreased by: | | |
| On-Behalf TPAF Pension & Social Security | \$ <u>(2,726,020)</u> | (B2a) |
| Assets Acquired Under Capital Leases | \$ _____ | (B2b) |
| Adjusted 2021-22 General Fund Expenditures [(B)+(B1s)+(B2s)] | \$ <u>15,563,110</u> | (B3) |
| 4% of Adjusted 2021-22 General Fund Expenditures [(B3) times .04] | \$ <u>622,524</u> | (B4) |
| Enter Greater of (B4) or \$250,000 | \$ <u>622,524</u> | (B5) |
| Increased by: Allowable Adjustment | \$ <u>191,214</u> | (K) |
| Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)] | | \$ <u><u>813,738</u></u> (M) |

SECTION 2

| | | |
|--|---------------------|-------------------------------|
| Total General Fund - Fund Balances @ 6-30-22 (Per ACFR Budgetary Comparison Schedule C-1) | \$ <u>3,118,601</u> | (C) |
| Decreased by: | | |
| Year-end Encumbrances | \$ _____ | (C1) |
| Legally Restricted - Designated for Subsequent Year's Expenditures | \$ _____ | (C2) |
| Legally Restricted Excess Surplus - Designated for Subsequent Year's Expenditures | \$ _____ | (C3) |
| Other Restricted Fund Balances | \$ <u>2,650,628</u> | (C4) |
| Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures | \$ _____ | (C5) |
| Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)] | | \$ <u><u>467,973</u></u> (U1) |

BARRINGTON SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 3 - All Districts

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE ENTER -0- \$ -0- (E)

Recapitulation of Excess Surplus as of June 30, 2022

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures \$ -0- (C3)

Reserved Excess Surplus [(E)] \$ -0- (E)

Total [(C3) + (E)] \$ (D)

Detail of Allowable Adjustments

Impact Aid \$ (H)

Sale & Lease-back \$ (I)

Extraordinary Aid \$ 179,904 (J1)

Additional Nonpublic School Transportation Aid \$ 11,310 (J2)

Current Year School Bus Advertising Revenue \$ (J3)

Family Crisis Transportation Aid \$ (J4)

Maintenance of Equity Aid and State Military Impact Aid \$ (J5)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)] \$ 191,214 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal \$

Sale/lease-back reserve \$

Capital reserve \$ 1,342,421

Maintenance reserve \$ 522,252

Emergency reserve \$ 68,371

Tuition reserve \$ 700,000

School Bus Advertising 50% Fuel Offset Reserve - current year \$

School Bus Advertising 50% Fuel Offset Reserve - prior year \$

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$

Impact Aid Capital Fund Reserve (Sections 8007 and 8008) \$

Other state/government mandated reserves \$

Reserve for Unemployment Fund \$ 17,584

Other Restricted Fund Balance not noted above \$

Total Other Restricted Fund Balance \$ 2,650,628 (C4)

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2022

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
Corrective action was taken on the prior year finding.