

**CEDAR GROVE PUBLIC SCHOOLS  
AUDITORS MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2022**

**CEDAR GROVE PUBLIC SCHOOLS  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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## INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and Members  
of the Board of Trustees  
Cedar Grove Public Schools  
Cedar Grove, New Jersey

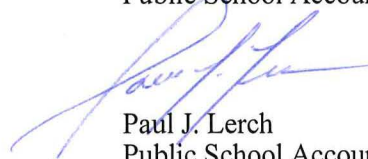
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Cedar Grove Public Schools as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated March 10, 2023.

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.



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



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
March 10, 2023

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, 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 Exhibit J-20, Insurance Schedule contained in the district's Annual Comprehensive Financial Report (the "ACFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael DeVita	Board Secretary/Business Administrator	\$230,000
William Homa, CPA	Treasurer of School Monies	285,000

There is a Public Employees' Blanket Position Bond with Fidelity & Deposit Co. covering all other employees \$100,000 each person.

P.L. 2020, c44

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 of audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did appear to include all health benefit plans offered by the 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

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

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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 signatures, certification 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 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 approved by the Chief School Administrator.

- **Finding 2022-1** – A payroll deduction ledger was not maintained by the District to account for payroll deduction by their respective categories.

**Recommendation** – The District implement and maintain a payroll deduction ledger by individual deduction category.

- **Finding 2022-2 (ACFR Finding 2022-001)** Salary withholdings for the months of April and May were not promptly remitted to the proper agencies.

**Recommendation-** Internal control procedures be reviewed and revised to ensure salary withholding be paid in a timely manner to the respective agencies.

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

The Board has implemented and 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.

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.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Financial Planning, Accounting and Reporting (Continued)**

Board Secretary's Records

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

The prescribed contractual order system was followed.

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

Bids received were summarized in the minutes.

Travel

The District has established a policy regulating travel.

Treasurer's Records

The Treasurer did perform cash reconciliations for all the accounts as required (N.J.S.A. 18A:17-36).

All cash receipts were promptly deposited.

The Treasurer's records were in agreement with the records of the Board Secretary.

Unemployment Compensation Insurance

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance account. The financial transactions are reported in the General Fund.

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

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

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 ACFR.

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 ACFR. This section of the ACFR documents the financial position pertaining to the aforementioned special projects.

I.D.E.A. Part B

Separate accounting was maintained for each approved project.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Financial Planning, Accounting and Reporting (Continued)**

T.P.A.F. Reimbursement

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

There were no expenditures charged to the current year for employee salaries identified as being paid from federal funds.

Nonpublic State Aid

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

**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 \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulates bidding for public school student transportation contracts under NJSA 18A:39-3 which is \$20,200 for 2021-2022.

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 School Business Administrator as the qualified purchasing agent and has approved by Board resolution a bid threshold of \$44,000.

The Cedar Grove Public Schools 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 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 result 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 indicate that no individual payments, contracts, or agreements which were made "for the performance of any work or the furnishing or hiring of any materials or supplies," in excess of statutory thresholds where there had been no advertising for bids in accordance with the provisions of N.J.S.A. 18A:18A-4, as amended.

- **Finding 2022-3** – Our audit of compliance with purchasing and contract award procedures revealed two (2) instances noted where purchases through State Contract and CO-OPs where the vendor's Political Contribution Disclosure Forms, Business Registration Forms, 10% ownership forms and pricing were not on file at the time of audit.

**Recommendation** – Procedures be reviewed and revised to ensure purchases and contract awards are procured and approved in accordance with Public School Contracts Law and State procurement regulations.

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, however, that the district purchased items through the use of State contracts.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**School Food Service**

Public Health Emergency

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency 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, 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 (SFA's) 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 ages 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 school food service program was not selected as a major federal 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. Exceptions were not noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. Exceptions were not noted.

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.

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.

The financial transactions and records of the school food service fund were reviewed on a test basis.

The district utilized 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 Cost Reimbursable Fixed Price contract were reviewed and audited. The FSMC contract does not include an operating results provision.

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 costs of food and supplies used.

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.



**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**School Food Service ( Continued)**

- **Finding 2022-4** – Our audit revealed net cash resources exceeded three month of average expenditures at June 30, 2022 in the Food Service Fund.

**Recommendation** – The District develop a plan to eliminate the excess of net cash resources in the Food Service Fund.

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid (“ASSA”).

USDA Food Distribution Program (food and/or commodities) were received during the year.

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

**Student Activity and Athletic Association Accounts**

The district has established a policy for the recording and processing of the cash receipts and cash disbursements for the student activity accounts.

All receipts tested were deposited in a timely manner with no exceptions noted.

All cash disbursements tested had proper supporting documentation.

**Application for State School Aid**

Our 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, related services, low-income and bilingual. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers without exception. The information that was included on the workpapers was verified with immaterial 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 written procedures appear to be adequate for the recording of student enrollment data.

**Pupil Transportation**

Our audit 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 information on the DRTRS was compared to District records with no 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 did comply with proper bidding procedures and award of transportation contracts.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Facilities and Capital Assets**

Capital asset records were updated for the additions and disposals of capital assets made throughout the year. The District had no active State School Development Authority (SDA) grant projects during the year.

**Miscellaneous**

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.

**Follow-up on Prior Year Findings**

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

**Suggestion to Management**

- The costs for the 2018/19 Referendum projects which are currently accounted for as construction in progress be transferred to building improvements and depreciated accordingly.
- The unspent project balances in the Capital Projects Fund be reviewed and appropriate action be taken to clear completed project balances of record.
- The District should approve a resolution or memorandum to acknowledge that the District exceeds 130% of the statewide average for legal costs, the specific internal controls procedures implemented for the reduction of costs and to provide reasons why such procedures may not result in a reduction of costs.
- Old reconciling items on the District's bank reconciliations be reviewed and cleared of record.

**CEDAR GROVE PUBLIC SCHOOLS  
FOOD SERVICE FUND  
SCHEDULE OF MILK COUNTY ACTIVITY AND (OVER)/UNDERCLAIM  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOT APPLICABLE**

**FOOD SERVICE FUND  
SCHEDULE OF NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

		Food Service	
<b><u>Net Cash Resources:</u></b>			
CAFR	*	Current Assets	
B-4		Cash	\$ 267,946
B-4		Intergovernmental Receivables	58,045
B-4		Accounts Receivable	
B-4		Due from Other Funds	
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(78,311)
B-4		Less Due to Other Funds	
B-4		Less Unearned Revenue	
		Net Cash Resources	\$ 247,680 (A)
<b><u>Net Adj. Total Operating Expense:</u></b>			
B-5		Total Operating Expenses	\$ 689,456
B-5		Less Depreciation	(1,838)
		Adj. Tot. Oper. Exp.	\$ 687,618 (B)
<b><u>Average Monthly Operating Expense:</u></b>			
		B / 10	\$ 68,762 (C)
<b><u>Three times monthly Average Operating Expense:</u></b>			
		3 X C	\$ 206,285 (D)

TOTAL IN BOX A	\$	247,680	
LESS TOTAL IN BOX D	\$	(206,285)	
NET	\$	41,395	
Net Cash Resources Did Exceed Three Months Expenditures.			

**CEDAR GROVE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2021  
SCHEDULE OF AUDITED ENROLLMENTS**

	2022-2023 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 yrs																
Full Day Preschool 3 yrs																
Full Day Preschool 4 yrs	12.0		12.0		-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten																
Full Day Kindergarten	115.0		115.0		-	-	4.0	4.0	-	-	-	-	-	-	-	-
Grade 1	116.0		116.0		-	-	5.0	5.0	-	-	-	-	-	-	-	-
Grade 2	127.0		127.0		-	-	14.0	14.0	-	-	-	-	-	-	-	-
Grade 3	103.0		103.0		-	-	5.0	5.0	-	-	-	-	-	-	-	-
Grade 4	77.0		77.0		-	-	8.0	8.0	-	-	-	-	-	-	-	-
Grade 5	105.0		105.0		-	-	8.0	8.0	-	-	-	-	-	-	-	-
Grade 6	71.0		71.0		-	-	3.0	3.0	-	-	-	-	-	-	-	-
Grade 7	106.0		106.0		-	-	1.0	1.0	-	-	-	-	-	-	-	-
Grade 8	110.0		110.0		-	-	4.0	4.0	-	-	-	-	-	-	-	-
Grade 9	91.0		91.0		-	-	1.0	1.0	-	-	-	-	-	-	-	-
Grade 10	107.0		107.0		-	-	3.0	3.0	-	-	-	-	-	-	-	-
Grade 11	98.0		98.0		-	-	7.0	7.0	-	-	-	-	-	-	-	-
Grade 12	110.0		110.0		-	-	2.0	2.0	-	-	-	-	-	-	-	-
Adult School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,348.0	-	1,348.0	-	-	-	65.0	65.0	-	-	-	-	-	-	-	-
Special Ed - Elementary	89.0		89.0		-	-	-	-	-	-	-	-	5.0	5.0	5.0	-
Special Ed - Middle	63.0		63.0		-	-	-	-	-	-	-	-	6.0	6.0	6.0	-
Special Ed - High	77.0		77.0		-	-	-	-	-	-	-	-	14.0	14.0	14.0	-
Subtotal	229.0	-	229.0	-	-	-	-	-	-	-	-	-	25.0	25.0	25.0	-
Totals	1,577.0	-	1,577.0	-	-	-	65.0	65.0	-	-	-	-	25.0	25.0	25.0	-
Percentage Error					0.00%	N/A			0.00%	N/A					0.00%	

**CEDAR GROVE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2021  
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers and Register	Verified to Test Score	Errors
	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	4.0	4.0	-	-	-	-	-	-	-	-	-	-
Grade 1	5.0	5.0	-	1	-	1	-	-	-	2.0	2.0	-
Grade 2	14.0	14.0	-	4	3	1	2.0	2.0	-	1.0	1.0	-
Grade 3	5.0	5.0	-	1	1	-	-	-	-	2.0	2.0	-
Grade 4	8.0	8.0	-	2	1	1	-	-	-	1.0	1.0	-
Grade 5	8.0	8.0	-	2	2	-	-	-	-	-	-	-
Grade 6	3.0	3.0	-	1	1	-	-	-	-	-	-	-
Grade 7	1.0	1.0	-	-	-	-	-	-	-	-	-	-
Grade 8	4.0	4.0	-	1	1	-	-	-	-	-	-	-
Grade 9	1.0	1.0	-	-	-	-	-	-	-	1.0	1.0	-
Grade 10	3.0	3.0	-	1	1	-	1.0	1.0	-	-	-	-
Grade 11	7.0	7.0	-	2	2	-	1.0	1.0	-	1.0	1.0	-
Grade 12	2.0	2.0	-	1	1	-	-	-	-	-	-	-
Subtotal	65.0	65.0	-	16.0	13.0	3.0	4.0	4.0	-	8.0	8.0	-
Special Ed - Elementary	7.0	7.0	-	2.0	2.0	-	2.0	2.0	-	-	-	-
Special Ed - Middle	4.0	4.0	-	1.0	1.0	-	-	-	-	-	-	-
Special Ed - High	3.0	3.0	-	1.0	1.0	-	-	-	-	-	-	-
Subtotal	14	14	-	4	4	-	2	2	-	-	-	-
Sent Priv Sch Disabled			-									
Sent to RDS			-									
Sent To CSSD			-									
Totals	79.0	79.0	-	20.0	17.0	3.0	6.0	6.0	-	8.0	8.0	-
Percentage Error		0.00%			15.00%			0.00%			0.00%	

**Transportation**

	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	137.0	137.0	-	21.0	21.0	-
Transported - Non - Public	148.0	148.0	-	23.0	23.0	-
Special Ed. - Public	30.0	30.0	-	5.0	5.0	-
Special Needs - Public	23.0	23.0	-	3.0	3.0	-
	338.0	338.0	-	52.0	52.0	-
Percentage Error		0.00%			0.00%	

**CEDAR GROVE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2021  
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			-			-
Grade 1	2.0	2.0	-	2.0	2.0	-
Grade 2	1.0	1.0	-			-
Grade 3	2.0	2.0	-			-
Grade 4	1.0	1.0	-			-
Grade 5			-			-
Grade 6			-			-
Grade 7			-			-
Grade 8			-			-
Grade 9	1.0	1.0	-			-
Grade 10			-	1.0	1.0	-
Grade 11	1.0	1.0	-	1.0	1.0	-
Grade 12			-			-
Adult School						
Subtotal	8.0	8.0	-	4.0	3.0	-
Special Ed - Elementary			-	2.0	2.0	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	-	-	-	2.0	2.0	-
Totals	8.0	8.0	-	6.0	5.0	-
Percentage Error		<u>0.00%</u>			<u>0.00%</u>	

**CEDAR GROVE PUBLIC SCHOOLS  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**SECTION 1A**

2021-2022 Total General Fund Expenditures per the ACFR	\$ 38,646,031
Decreased by:	
On-Behalf TPAF Pension & Social Security	6,989,172
Assets Acquired Under Capital Lease	-
Adjusted 2021-2022 General Fund Expenditures	\$ 31,656,859
4% of Adjusted 2021-2022 General Fund Expenditures	\$ 1,266,274
Increased by: Allowable Adjustment	543,912
Maximum Unassigned Fund Balance	\$ 1,810,186

**SECTION 2**

Total General Fund - Fund Balance at June 30, 2022	\$ 7,444,550
Decreased by:	
Year End Encumbrances	675,734
Legally Restricted- Excess Surplus - Designated for Subsequent Year's Expenditures	828,944
Other Restricted Fund balances	3,327,804
Total Unassigned Fund Balance	\$ 2,612,068

**SECTION 3**

Fund Balance - Excess Surplus	\$ 801,882
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*Recapitulation of Excess Surplus as of June 30, 2022*

Excess Surplus- Designated for Subsequent Year's Expenditures	\$ 828,944
Excess Surplus	801,882
Total Excess Surplus	\$ 1,630,826

**Detail of Allowable Adjustments**

Additional Nonpublic School Transportation Aid	\$ 501,282
Extraordinary Aid	42,630
	\$ 543,912

**Detail of Other Restricted Fund Balance**

Capital Reserve	\$ 2,492,453
Maintenance Reserve	583,674
Unemployment Reserve	251,677

Total Other Restricted Fund Balance	\$ 3,327,804
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**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**RECOMMENDATIONS**

**I. Administrative Practices and Procedures**

There are none.

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

It is recommended that:

1. The District implement and maintain a payroll deduction ledger by individual deduction category.
2. Internal control procedures be reviewed and revised to ensure salary withholding be paid in a timely manner to the respective agencies.

**III. School Purchasing Programs**

- \* 3. It is recommended that procedures be reviewed and revised to ensure purchases and contract awards are procured and approved in accordance with Public School Contracts Law and State procurement regulations.

**IV. School Food Services**

4. It is recommended that the District develop a plan to eliminate the excess of net cash resources in the Food Service Fund.

**V. Student Activity and Athletic Association Accounts**

There are none.

**VI. Application of State School Aid**

There are none.

**VII. Pupil Transportation**

There are none.

**VIII Facilities and Capital Assets**

There are none.

**IX. Miscellaneous**

There are none.

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

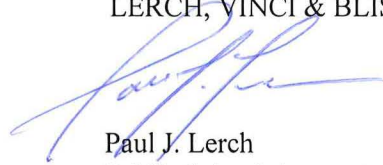
A review was performed on all prior year's recommendations. Corrective action was taken on the prior year recommendations except the item denoted with an asterisk (\*).

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**ACKNOWLEDGMENT**

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 & BLISS, LLP



Paul J. Lerch  
Public School Accountant  
PSA Number CS01118