

**CLIFTON BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2022**

**CLIFTON BOARD OF EDUCATION
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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
Clifton Board of Education
Clifton, 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 Clifton Board of Education as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated January 27, 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
January 27, 2023

**CLIFTON BOARD OF EDUCATION
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 Chief School Administrator, 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 (Exhibit J-20), contained in the District's ACFR.

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael Ucci	Board Secretary/School Business Administrator	\$605,000
Ahmed Shehata	Assistant Board Secretary/ School Business Administrator	\$10,000

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

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 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. The Board made a proper adjustment to the billings to sending districts for the adjustment in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

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 and approvals of supporting documentation.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Financial Planning, Accounting and Reporting (Continued)

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 and the Board Secretary/School Business Administrator and approved by the Chief School Administrator.

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

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrator) to the NJ Department of Treasury was filed by the March 15 due date.

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.

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.

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. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

**CLIFTON BOARD OF EDUCATION
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

Our review of the financial and accounting records maintained by the Board Secretary disclosed the following items:

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

The Board Secretary's and Chief School Administrator's reports were presented monthly to the Board and were submitted to the executive county superintendent as prescribed (N.J.S.A. 18A:17-9 and 18A:17-36)..

The Board Secretary did file other financial reports with the Board which contained schedules similar to those reported in the State prescribed report.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

The pre-numbered contractual order system was followed.

Finding 2022-1 – Our audit of contracts awarded by the District and payments made subsequent to June 30, 2022 revealed unrecorded encumbrances in the Special Revenue Fund and Capital Projects Fund in the amount of \$5,086,000 and \$23,223,000, respectively. An audit adjustment was made to record these amounts.

Recommendation – Procedures be reviewed and enhanced at year-end to ensure all encumbrances are recorded in the District's accounting records at June 30.

Chief School Administrator's Records

The following items were noted during our review of the records of the Chief School Administrator.

The Chief School Administrator did perform cash reconciliations for the general operating account and payroll accounts (N.J.S.A. 18A:17-9).

All cash receipts were promptly deposited.

The Chief School Administrator's records were in agreement with the Board Secretary's records.

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund 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. financial exhibits are contained within the Special Revenue Fund of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, II, III and Title IV of the Elementary and Secondary Education Act.

Our examination of the Federal and State funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Financial Planning, Accounting and Reporting (Continued)

I.D.E.A., Part B

Separate accounting records were maintained for each approved project.

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

Other Special Federal and/or State Projects

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

T.P.A.F. Reimbursements

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.

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.

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 (as amended) 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 \$20,200.

The 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.

The results of our examination did indicate that individual payments, contracts, or agreements were 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, amended.

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

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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 purchase items through the use of State contracts.

Food Service Fund

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 claimants practices.

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.

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.

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 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.

Non-program funds were purchased, prepared and offered for sale.

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. The financial accounts, were reviewed on a test-check basis. Cash receipts and bank records were reviewed for timely deposit.

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 contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which does not guarantee that the food service program will return a profit.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Food Service Fund (Continued)

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

The cash disbursement records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

Net cash resources did exceed three months average expenditures.

U.S.D.A. commodities were received and a separate inventory were maintained on a first-in, first-out basis.

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

Exhibits reflecting Child Nutrition Program operations are included in the ACFR.

Student Activity/Athletic Accounts

The Board has a policy which clearly established the regulation of student activity and athletic accounts.

Cash reports and cash disbursements were maintained in satisfactory condition.

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, low-income, related services and bilingual education. 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. The information that was included on the workpapers was verified with isolated exception. 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.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2021/22 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with no exception. The information that was included in the district workpapers was verified with minor 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 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 Schools Development Authority (SDA) grant agreements for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve, and awarding of contracts for eligible facilities construction.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Testing for Lead of all Drinking Water in Education Facilities

The school district adhered to all requirements of N.J.A.C. 26-12 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 Finding

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

Corrective action was taken on all prior year findings.

Suggestions to Management

- Old reconciling items on the District's bank reconciliations be reviewed and cleared of record.
- Consideration be given to review the operations of its Food Service Enterprise Fund to ensure that the net cash resources do not exceed the three months average expenses.
- Interfund balances between funds be cleared.
- Review the Payroll Agency account to ensure adequate funding.

Follow-up on Prior Year Findings

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

**CLIFTON BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOT APPLICABLE

**CLIFTON BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
CALCULATION OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Current Assets	
Cash and Cash Equivalents	\$ 2,304,045
Due from Other Governments	637,193
Accounts Receivable	1,653
Current Liabilities	
Accounts Payable	(8,835)
Due to Other Funds	(191,753)
Unearned Revenue	<u>(45,077)</u>
Net Cash Resources	<u><u>\$ 2,697,226</u></u>
<u>Adjusted Total Operating Expense:</u>	
Total Operating Expenses	\$ 7,703,646
Less Depreciation	<u>(259,925)</u>
Adjusted Total Operating Expense	<u><u>\$ 7,443,721</u></u>
<u>Average Monthly Operating Expense:</u>	
	<u><u>\$ 744,372</u></u>
<u>Three Times Monthly Average:</u>	
	<u><u>\$ 2,233,116</u></u>
Total Net Cash Resources	\$ 2,697,226
Three Times Monthly Average	<u>2,233,116</u>
Excess(Deficit) Cash Resources	<u><u>\$ 464,110</u></u>

**CLIFTON BOARD OF EDUCATION
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						On Roll - Special Education			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		Sample for Verifi- cation	Sample Verified	Sample Errors	Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared							
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared							
Half Day Preschool 3 Years Old	66	-	-	-	66	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 Years Old	323	-	-	-	323	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 3 Years Old	-	-	66	-	(66)	-	-	32	32	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 Years Old	21	-	338	-	(317)	-	-	15	15	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	679	-	679	-	-	-	-	70	70	-	-	-	-	-	-	-	-	-	-
Grade 1	646	-	646	-	-	-	-	113	113	-	-	-	-	-	-	-	-	-	-
Grade 2	628	-	628	-	-	-	-	109	109	-	-	-	-	-	-	-	-	-	-
Grade 3	644	-	644	-	-	-	-	86	86	-	-	-	-	-	-	-	-	-	-
Grade 4	645	-	645	-	-	-	-	93	93	-	-	-	-	-	-	-	-	-	-
Grade 5	662	-	662	-	-	-	-	60	60	-	-	-	-	-	-	-	-	-	-
Grade 6	604	-	604	-	-	-	-	310	310	-	-	-	-	-	-	-	-	-	-
Grade 7	638	-	638	-	-	-	-	301	301	-	-	-	-	-	-	-	-	-	-
Grade 8	711	-	711	-	-	-	-	375	375	-	-	-	-	-	-	-	-	-	-
Grade 9	715	-	715	-	-	-	-	715	713	-	2	-	-	-	-	-	-	-	-
Grade 10	618	-	618	-	-	-	-	618	619	-	(1)	-	-	-	-	-	-	-	-
Grade 11	528	-	528	-	-	-	-	528	528	-	-	-	-	-	-	-	-	-	-
Grade 12	596	-	596	-	-	-	-	596	595	-	1	-	-	-	-	-	-	-	-
Post- Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult High School (15+ Credits)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult High School (1-14 Credits)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	8,724	-	8,718	-	6	-	-	4,021	4,019	-	2	-	-	-	-	-	-	-	-
Sp Ed - Elementary	785	-	795	-	(10)	-	-	59	59	-	-	33	33	-	17	13	13	-	-
Sp Ed - Middle School	382	-	382	-	-	-	-	184	184	-	-	16	16	-	17	13	13	-	-
Sp Ed - High School	504	-	504	-	-	-	-	504	507	-	(3)	21	21	-	42	42	41	1	-
Subtotal	1,671	-	1,681	-	(10)	-	-	747	750	-	(3)	70	70	-	76	68	67	1	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - F.T. Post-Second	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	10,395	-	10,399	-	(4)	-	-	4,768	4,769	-	(1)	-	70	70	-	76	68	67	1
Percentage Error					<u>-0.04%</u>						<u>-0.02%</u>				<u>0.00%</u>				<u>1.49%</u>

**CLIFTON BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2021
SCHEDULE OF AUDITED ENROLLMENTS**

	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	Sample Errors
Half Day Preschool 3 Years Old			-			-
Half Day Preschool 4 Years Old			-			-
Full Day Preschool 3 Years Old			-			-
Full Day Preschool 4 Years Old			-			-
Half Day Kindergarten			-			-
Full Day Kindergarten	391	391	-	5	5	-
Grade 1	350	350	-	5	5	-
Grade 2	355	355	-	5	5	-
Grade 3	344	344	-	5	5	-
Grade 4	357	356	1	5	5	-
Grade 5	358	358	-	5	5	-
Grade 6	340	340	-	4	4	-
Grade 7	326	325	1	4	4	-
Grade 8	346	345	1	4	4	-
Grade 9	343	343	-	5	5	-
Grade 10	280	280	-	4	4	-
Grade 11	242	242	-	3	3	-
Grade 12	288	288	-	4	4	-
Post- Graduate			-			-
Adult High School (15+ Credits)			-			-
Adult High School (1-14 Credits)			-			-
Subtotal	4,320	4,317	3	58	58	-
Sp Ed - Elementary	482	483	(1)	6	6	-
Sp Ed - Middle School	255	255	-	4	4	-
Sp Ed - High School	283	282	1	4	4	-
Subtotal	1,020	1,020	-	14	14	-
County Vocational - Regular			-			-
County Vocational - F.T. Post-Second			-			-
Subtotal	-	-	-	-	-	-
Totals	5,340	5,337	3	72	72	-
Percentage Error			<u>0.06%</u>			<u>0.00%</u>

	Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Errors
Half Day Preschool 3 Years Old			-			-
Half Day Preschool 4 Years Old			-			-
Full Day Preschool 3 Years Old			-			-
Full Day Preschool 4 Years Old			-			-
Half Day Kindergarten			-			-
Full Day Kindergarten	40	40	-	7	7	-
Grade 1	34	34	-	6	6	-
Grade 2	32	32	-	5	5	-
Grade 3	39	39	-	6	6	-
Grade 4	34	34	-	6	6	-
Grade 5	26	26	-	4	4	-
Grade 6	12	12	-	2	2	-
Grade 7	13	13	-	2	2	-
Grade 8	15	15	-	2	2	-
Grade 9	30	25	5	4	4	-
Grade 10	20	20	-	3	3	-
Grade 11	19	19	-	3	3	-
Grade 12	23	23	-	4	4	-
Post- Graduate			-			-
Adult High School (15+ Credits)			-			-
Adult High School (1-14 Credits)			-			-
Subtotal	337	332	5	54	54	-
Sp Ed - Elementary	28	28	-	5	5	-
Sp Ed - Middle School	7	7	-	1	1	-
Sp Ed - High School	6	6	-	1	1	-
Subtotal	41	41	-	7	7	-
County Vocational - Regular			-			-
County Vocational - F.T. Post-Second			-			-
Subtotal	-	-	-	-	-	-
Totals	378	373	5	61	61	-
Percentage Error			<u>1.34%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	2,260	2,260	-	53	52	1
Transported - Non Public	172	172	-	4	4	-
Regular - Special Ed	165	165	-	4	4	-
Special Needs	435	435	-	10	7	3
Subtotal	3,032	3,032	-	71	67	4
Percentage Error			<u>0.00%</u>			<u>5.63%</u>

**CLIFTON BOARD OF EDUCATION
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 ASSA as NOT Low Income	Reported on Workpapers as NOT low Income	Errors	Sample Selected From Workpapers	Verified to Application	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	45	45	-	6	6	-
Grade 1	41	41	-	6	6	-
Grade 2	23	23	-	3	3	-
Grade 3	24	24	-	3	3	-
Grade 4	20	20	-	3	3	-
Grade 5	23	23	-	4	4	-
Grade 6	23	23	-	3	3	-
Grade 7	17	15	2	2	2	-
Grade 8	26	26	-	4	4	-
Grade 9	30	29	1	4	4	-
Grade 10	34	34	-	5	5	-
Grade 11	22	22	-	3	3	-
Grade 12	9	9	-	1	1	-
Post- Graduate			-			-
Adult High School (15+ Credits)			-			-
Adult High School (1-14 Credits)			-			-
Subtotal	337	334	3	47	47	-
Sp Ed - Elementary	7	7		1	1	-
Sp Ed - Middle School	2	2		1	1	-
Sp Ed - High School	-	-		-	-	-
Subtotal	9	9	-	2	2	-
County Vocational - Regular						
County Vocational - F.T. Post-Second						
Subtotal						
Totals	346	343	3	49	49	-
Percentage Error			<u>0.87%</u>			<u>0.00%</u>

**CLIFTON BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

2021-2022 Total General Fund Expenditures per the CAFR		\$ 236,509,867
Increased by:		
Transfers to Special Revenue Fund		1,903,569
Decreased by:		
On-Behalf TPAF Pension & Social Security		42,730,588
Required Maintenance Expenditures (Non-Budget)		<u>3,081,545</u>
Adjusted 2021-2022 General Fund Expenditures		<u>192,601,303</u>
4% of Adjusted 2021-2022 General Fund Expenditures		7,704,052
Increased by: Allowable Adjustment		<u>1,883,159</u>
Maximum Unassigned Fund Balance		<u>\$ 9,587,211</u>
Total General Fund - Fund Balance at June 30, 2022 (Per CAFR Budgetary Comparison Schedule/Statement)		\$ 22,129,398
Decreased by:		
Year End Encumbrances		616,704
Capital Reserve		6,265,285
Capital Reserve - Designated for Subsequent Year's Expenditures		3,441,800
Maintenance Reserve		777,952
Unemployment Reserve		206,805
Assigned Fund Balances - Designated for Subsequent Year's Expenditures		<u>1,233,641</u>
Total Unassigned Fund Balance		<u>\$ 9,587,211</u>
Restricted Fund Balance - Excess Surplus		<u>\$ -</u>
<u>Detail of Allowable Adjustments</u>		
Additional Nonpublic School Transportation Aid		\$ 194,175
Extraordinary Aid		<u>1,688,984</u>
Total Adjustment		<u>\$ 1,883,159</u>

**CLIFTON BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that procedures be reviewed and enhanced at year-end to ensure all encumbrances are recorded in the District's accounting records at June 30.

III. School Purchasing Program

There are none.

IV. Food Service Fund

There are none.

V. Student Activity/Athletic Accounts

There are none

VI. Application for 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.

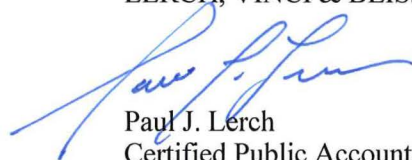
X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all.

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 & BLISS, LLP



Paul J. Lerch
Certified Public Accountant
Public School Accountant