

**BOARD OF EDUCATION
TOWNSHIP OF HARRISON
COUNTY OF GLOUCESTER**

**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**

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

The Honorable President and
Members of the Board of Education
Township of Harrison School District
Mullica Hill, 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 Harrison Township School District, in the County of Gloucester 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 Harrison Township 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 No. CS01095

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, the Secretary to School Business Administrator, the activities of the Board of Education, 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 district's ACFR.

Officials Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Robert E. Scharlé	Board Secretary/School Business Administrator	\$ 220,000

There is a Public Employees' Faithful Performance Blanket Position Bond with the School Alliance Insurance Fund covering all other employees with multiple coverage of \$100,000.

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

The district was not required to make any tuition adjustments.

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll Account

The net salaries of all employees of the 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

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

Payrolls were delivered to the secretary of the board with a warrant made to his order for the full amount of each payroll.

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

The Payroll Account records were maintained in satisfactory condition.

Employee 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 to the 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/School Business Administrator's Records

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

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

The E.S.E.A./ESSA 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, II, III, and IV of the Elementary and Secondary Education Act, as amended and reauthorized.

Financial Planning, Accounting and Reporting (Continued)

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

The study of compliance for E.S.E.A./ESSA did not indicate any exceptions.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the 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 special projects indicated no areas of noncompliance and/or questionable costs.

T.P.A.F. Reimbursement

My audit procedures included a test of the biweekly 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 Reports 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 60-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

The study of compliance for nonpublic state aid indicated no areas of noncompliance and/or questionable costs.

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.

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.

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. The FSMC contract includes an operating results provision which guarantees that the food service program will breakeven. The operating results provision has been met. 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.

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 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.

School Food Service (Continued)

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.

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.

USDA 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.

The following was noted in our review:

Finding No. 2022-001:

Net cash resources exceeded three months average expenditures.

Recommendation:

That the School District continue to monitor the finances of its Food Service Fund and create a plan to reduce the net cash resources below its three month average expenditures.

Student Body Activities

The financial records for the Student Activity Fund were maintained in satisfactory condition

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 without exception. The information that was included on the workpapers was verified without exception. The results of my 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

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 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.

Follow-up on Prior Years' Findings

In accordance with government auditing standards, my procedures included a review of all prior year recommendations. There were no prior year findings.

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 Harrison Township 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
Certified Public Accountant
Public School Accountant

January 30, 2023

School Food Service

SCHEDULE OF MEAL COUNT ACTIVITY

HARRISON 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 Rate (High Rate) Sept-Dec	SSO	31,916	31,916	31,916	-	4.3175	\$ -
(High Rate) Jan-June	SSO	61,034	61,034	61,034	-	4.5625	\$ -
	TOTAL	<u>92,950</u>	<u>92,950</u>	<u>92,950</u>			<u>\$ -</u>
	HHFKA - PB Lunch						
National School 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	-	-	-	-	2.4625	\$ -
Jan-June	SSO	-	-	-	-	2.6050	\$ -
	TOTAL	<u>-</u>	<u>-</u>	<u>-</u>			<u>\$ -</u>
	Total Net Overclaim						<u>\$ -</u>

**HARRISON TOWNSHIP SCHOOL DISTRICT
NET CASH RESOURCE SCHEDULE**

**Net cash resources did exceed three months of expenditures
Proprietary Funds - Food Service
For the fiscal year ended June 30, 2022**

<u>Net Cash Resources:</u>	Food Service B - 4/5	
CAFR * Current Assets		
B-4 Cash & Cash Equivalents	\$ 132,628	
B-4 Intergovernmental Accounts Receivable	24,658	
B-4 Other Accounts Receivable	-	
B-4 Interfund Accounts Receivable	-	
CAFR Current Liabilities		
B-4 Less: Accounts Payable	(11,445)	
B-4 Less: Compensated Absences Payable	-	
B-4 Less: Interfund Accounts Payable	-	
B-4 Less: Unearned revenue	(12,376)	
	<hr/>	
Net Cash Resources	\$ 133,466	(A)
	<hr/> <hr/>	
<u>Net Adjustment To Total Operating Expense:</u>		
B-5 Total Operating Expense	346,830	
B-5 Less: Depreciation	(837)	
	<hr/>	
Adjusted Total Operating Expense	\$ 345,993	(B)
	<hr/> <hr/>	
<u>Average Monthly Operating Expense:</u>		
B / 10	\$ 34,599	(C)
	<hr/> <hr/>	
<u>Three times monthly Average:</u>		
3 X C	\$ 103,798	(D)
	<hr/> <hr/>	

TOTAL IN BOX A	\$ 133,466	
LESS TOTAL IN BOX D	(103,798)	
NET	<hr/> <hr/>	<hr/> <hr/>
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

Harrison Township 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 ASSA On Roll</u>		<u>Reported on Workpapers On Roll</u>		<u>Errors</u>		<u>Sample Selected From Workpapers</u>		<u>Verified per Registers On Roll</u>		<u>Errors per Registers On Roll</u>		<u>Reported on ASSA as Private Schools</u>	<u>Sample for Verifi- cation</u>	<u>Sample Verified</u>	<u>Sample Errors</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>				
Half Day Pre K 3 Yrs	12		12		-			12		12		-				
Half Day Pre K 4 Yrs	14		14		-			14		14		-				
Half Day K	154		154		-			154		154		-				
One	166		166		-			166		166		-				
Two	166		166		-			166		166		-				
Three	180		180		-			180		180		-				
Four	180		180		-			180		180		-				
Five	160		160		-			160		160		-				
Six	167		167		-			167		167		-				
Subtotal	<u>1,199</u>	<u>-</u>	<u>1,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,199</u>	<u>-</u>	<u>1,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
SpEd Elementary	78		78		-			78		78		-	3	3	3	-
SpEd Middle School	18		18		-			18		18		-	-	-	-	-
Subtotal	<u>96</u>	<u>-</u>	<u>96</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96</u>	<u>-</u>	<u>96</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>
Totals	<u>1,295</u>	<u>-</u>	<u>1,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,295</u>	<u>-</u>	<u>1,295</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>
Percentage Error					<u>0.00%</u>	<u>-</u>						<u>0.00%</u>	<u>-</u>			<u>0.00%</u>

Schedule of Audited Enrollments

Harrison Township School District

Application for State School Aid Summary

Enrollment as of October 15, 2021

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified per Application and Register	Sample Errors	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified per Test Score and Register	Sample Errors
Kindergarden	13	13	-	13	13	-						
One	16	16	-	16	16	-						
Two	10	10	-	10	10	-	-	-	-	-	-	-
Three	19	19	-	19	19	-	-	-	-	-	-	-
Four	13	13	-	13	13	-	1	1	-	1	1	-
Five	20	20	-	20	20	-	-	-	-	-	-	-
Six	16	16	-	16	16	-	-	-	-	-	-	-
Subtotal	107	107	-	107	107	-	1	1	-	1	1	-
SpEd Elementary	21	21	-	21	21	-	-	-	-	-	-	-
SpEd Middle School	2	2	-	2	2	-	-	-	-	-	-	-
Subtotal	23	23	-	23	23	-	-	-	-	-	-	-
Totals	130	130	-	130	130	-	1	1	-	1	1	-
Percentage Error			0.00%			0.00%			-			-

Transportation								
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors	Reported	Recalculated
Reg. Public School , col. 1	730	730	-	189	189	-		
Reg. Special Education, col. 4	35	35	-	8	8	-	Avg. Mileage - Regular Including Grade PK students	3.7
Transported-Non-Public, col. 3	106	106	-	25	25	-	Avg. Mileage - Regular Excluding Grade PK students	3.7
Special Needs, Col. 6	43	43	-	10	10	-	Avg. Mileage - Special Ed. with Special Needs	3.0
	914	914	-	232	232	-		
Percentage Error			0.00%			0.00%		

Schedule of Audited Enrollments

Harrison Township 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>
One			-			-
Two			-			-
Three			-			-
Four	1	1	-	1	1	-
Five			-			-
Six			-			-
Seven			-			-
Eight			-			-
Nine			-			-
Ten			-			-
Eleven			-			-
Twelve			-			-
Subtotal	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
SpEd Elementary			-			-
SpEd Middle School			-			-
SpEd High School			-			-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>-</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>-</u></u>
Percentage Error			<u><u>0.00%</u></u>			<u><u>0.00%</u></u>

HARRISON TOWNSHIP 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>24,137,078.31</u>	(B)
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	\$	<u> </u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$	<u> </u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$	<u> </u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$	<u> </u>	(B1d)
Decreased by:			
On-Behalf TPAF Pension & Social Security	\$	<u>(4,884,641.94)</u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u> </u>	(B2b)
Adjusted 2021-22 General Fund Expenditures [(B)+(B1s)+(B2s)]	\$	<u>19,252,436.37</u>	(B3)
4% of Adjusted 2021-22 General Fund Expenditures [(B3) times .04]	\$	<u>770,097.45</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>770,097.45</u>	(B5)
Increased by: Allowable Adjustment	\$	<u>127,220.00</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]	\$	<u><u>897,317.45</u></u>	(M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-22 (Per ACFR Budgetary Comparison Schedule C-1)	\$	<u>4,302,778.78</u>	(C)
Decreased by:			
Year-end Encumbrances	\$	<u>897,205.30</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$	<u> </u>	(C2)
Legally Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$	<u>465,432.73</u>	(C3)
Other Restricted Fund Balances	\$	<u>1,049,813.51</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$	<u>424,567.27</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$	<u><u>1,465,759.97</u></u>	(U1)

HARRISON TOWNSHIP SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 3 - All Districts

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE ENTER -0-	\$	<u>568,442.52</u>	(E)
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Recapitulation of Excess Surplus as of June 30, 2022

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	\$	<u>465,432.73</u>	(C3)
Reserved Excess Surplus [(E)]	\$	<u>568,442.52</u>	(E)
 Total [(C3) + (E)]	 \$	 <u>1,033,875.25</u>	 (D)

Detail of Allowable Adjustments

Impact Aid	\$	<u> </u>	(H)
Sale & Lease-back	\$	<u> </u>	(I)
Extraordinary Aid	\$	<u>96,480.00</u>	(J1)
Additional Nonpupic School Transportation Aid	\$	<u>30,740.00</u>	(J2)
Current Year School Bus Advertising Revenue	\$	<u> </u>	(J3)
Family Crisis Transportation Aid	\$	<u> </u>	(J4)
Maintenance of Equity Aid and State Military Impact Aid	\$	<u> </u>	(J5)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	 \$	 <u>127,220.00</u>	 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:		-	
Approved unspent separate proposal	\$	<u> </u>	
Sale/lease-back reserve	\$	<u> </u>	
Capital reserve	\$	<u>6,648.29</u>	
Maintenance reserve	\$	<u>922,959.77</u>	
Emergency reserve	\$	<u> </u>	
Tuition reserve	\$	<u> </u>	
School Bus Advertising 50% Fuel Offset Reserve - current year	\$	<u> </u>	
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$	<u> </u>	
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$	<u> </u>	
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$	<u> </u>	
Other state/government mandated reserves	\$	<u> </u>	
Reserve for Unemployment Fund	\$	<u>120,205.45</u>	
Other Restricted Fund Balance not noted above	\$	<u> </u>	
 Total Other Restricted Fund Balance	 \$	 <u>1,049,813.51</u>	 (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

That the School District continue to monitor the finances of its Food Service Fund and create a plan to reduce the net cash resources below its three month average expenditures.

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

There were no prior year audit findings/recommendations.