

HIGH POINT REGIONAL
HIGH SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
TABLE OF CONTENTS

	<u>Page</u>
Cover Letter	1
General Comments:	
Scope of Audit	2
Administrative Practices and Procedures:	2
Insurance	2
Officials in Office and Surety Bonds	2
P.L. 2020, c.44	2
Tuition Charges	2
Financial Planning, Accounting and Reporting:	2
Examination of Claims	2
Payroll Account and Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Board Secretary's Records	3
Treasurer's Records	4
Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act	4
Other Special Federal and/or State Projects	5
T.P.A.F. Reimbursement	5
School Purchasing Programs:	5
Contracts and Agreements Requiring Advertisement for Bids	5
School Food Service	6
School Store	8
Student Body Activities	8
Application for State School Aid	8
Pupil Transportation	9
Facilities and Capital Assets	9
Travel Expense and Reimbursement Policy	9
Testing for Lead of all Drinking Water in Educational Facilities	9
Management Suggestions	9
Status of Prior Year's Findings/Recommendations	9
Schedule of Meal Count Activity	10
Schedule of Net Cash Resources	11
Schedule of Audited Enrollments	12
Excess Surplus Calculation	16
Summary of Recommendations	18



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October 24, 2022

The Honorable President and Members
of the Board of Education
High Point Regional High School District
County of Sussex, NJ

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 Board of Education of the High Point Regional High School District in the County of Sussex for the fiscal year ended June 30, 2022, and have issued our report thereon dated October 24, 2022.

As part of our audit, we 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 letter does not affect our report dated October 24, 2022, on the financial statements of the Board.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the suggestions and recommendations.

This report is intended for the information of the High Point Regional High School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Nisivoccia LLP
NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
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 Monies, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Multi-peril insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's ACFR.

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Michelle LaStarza	Treasurer of School Monies (through 12/31/21)	\$ 290,000
Ernest Turner	Treasurer of School Monies (from 12/31/21)	290,000
Tina Palecek	Business Administrator/Board Secretary (through 5/10/22)	290,000
William Sabo	Interim Business Administrator/Board Secretary (from 5/10/22)	290,000

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 the school district.

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

The data certification date does not reflect a submission date later than 60 days after the end of the enrollment period.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23A-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Payroll Account and Position Control Roster

The net salaries of 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. Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the General Fund.

All payrolls were approved by the Superintendent and were certified by the President of the Board, the Board Secretary/Business Administrator and the Superintendent.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

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-8.2. 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.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted below.

Finding 2022-001:

Our review of the Special Revenue Grant funds revealed that the District was requesting funds in advance of expenditures. As a result, the District has unearned revenue for the Title IV grant funds at year end.

Recommendation:

It is recommended that all federal grants not be requested for reimbursement until expended by the District.

Management Response:

The District will ensure to only draw down grants after being expended by the District.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Board Secretary's Records (Cont'd)

Finding 2022-002:

Our review of the financial records of the District revealed that the Annual Maintenance Budget Amount Worksheet was not filed by the District.

Recommendation:

It is recommended that the required Annual Maintenance Budget Amount Worksheet be filed by the District.

Management Response:

The District will ensure that the required Annual Maintenance Budget Amount Worksheet is filed.

Finding 2022-003:

During our review of the District it was noted that there were several budgetary expenditure reclassifications made during the year between funds.

Recommendation:

It is recommended that greater care be taken to ensure that expenditures are posted accurately to limit the number of expenditure reclassifications.

Management Response:

Management will ensure that expenditures are accurately reflected in the various funds in the future to limit the number of expenditure reclassifications made during the year.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

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 herein within the Special Revenue Section of the District's ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, Title IIA and Title IV of the Elementary and Secondary Education Act as amended and reauthorized. The study of compliance for the E.S.E.A. did not indicate any area of noncompliance.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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.

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. Reimbursement

Our 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 T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2022. The reimbursement form was reviewed and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. “When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. 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.

b. Commencing in the fifth year after the year in which P.L.1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made”

N.J.S.A. 18A:18A-4 states, “Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law”

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

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.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution, recognizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$44,000.

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 Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. General compliance was noted.

The results of our examination indicated that no individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", 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.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

School Food Service

The financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts and meal count records were reviewed on a test-check basis. No exceptions were noted.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

The District utilizes a food service management company (FMSC) 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 FMSC Cost Reimbursable Fixed Price contract/addendum were reviewed and audited. The FMSC contract includes an operating results provision which guarantees that the food service program will breakeven. The operating results provision has been met. No exceptions were noted.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

School Food Service (Cont'd)

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. No exceptions were noted.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified on a test basis. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used. No exceptions were noted.

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 nonprofit status of the School Food Service Fund. No exceptions were noted.

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 and did not use the funds to pay for costs applicable to the Food Service Programs.

Net cash resources did not exceed three months average expenditures.

Time sheets and labor costs provided to the District by the Food Service contractor were reviewed on a test basis without exception. Payroll records were maintained on all School Food Service employees authorized by the Board of Education. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records on a test basis. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner. No exceptions were noted.

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 milk (modify as needed) policy was reviewed for uniform administration throughout the school district. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

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

Non-program foods were purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the 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 section entitled "Proprietary Funds", Section G of the ACFR.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

School Store

Finding 2022-004:

Our audit included a review of the records maintained for the School Store enterprise fund. This review revealed that supporting documentation for deposits did not always match the deposited amount.

Recommendation:

It is recommended that School Store receipts be carefully documented and agreed to the deposited amount.

Management Response:

The District will ensure that School Store receipts are carefully documented and agreed to deposited amount.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities Fund for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have the following comments and recommendation.

Finding 2022-005:

Our audit included a review of the records maintained for the student activity funds. This review revealed instances where District-wide standard policies and procedures were not followed. Student Activities, Scholarship and Athletic receipt journals which indicate the date of receipt were not maintained; therefore, the timeliness of deposits could not be determined.

Recommendation:

It is recommended that receipt journals which indicate the date of receipt be maintained by the District.

Management Response:

The District will ensure that receipt journals which indicate the date of receipt are maintained.

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 disabled, low income and bilingual students. 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 exceptions. The information that was included on the workpapers was verified without 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.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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 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 of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

There were SDA Grant funds received and expended in the current year.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal travel policy and procedure pertaining to travel expenses and reimbursements for its employees and board members. The regulations require the District to establish a maximum travel amount for the year and to account for these expenses within a separate account in the budget to ensure that the maximum is not exceeded. The regulations also require that all travel be approved by the Board prior to the event and that the approval list the event, total event cost and the individuals attending. Employees and board members attending an event are then required to complete a post event report to be submitted to a designated person within the District. No exceptions were noted in our review of travel expenditures.

Testing for Lead of All Drinking Water in Educational Facilities

The District did submit the annual Statement of Assurance to the NJ Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).Facilities and Capital Assets

Management Suggestion:

COVID-19 Federal Funding

It is likely that the District will undergo some review of its COVID-19 federal funding if only at a desk review level by state and/or federal agencies. We strongly suggest that the District ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the District ensures that these funds are accounted for in the state account numbers designated by the NJ Department of Education and that any applicable Board policies are current with respect to federal grant requirements.

Status of Prior Year's Findings/Recommendations

There were no prior year recommendations.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Program	Meals Claimed	Meals Tested	Meals Verified	Difference	Rate	(Over)/Under Claim
Severe School Lunch:						
Seamless Summer Option	24,178	5,001	5,001	-0-	\$ 4.32	\$ -0-
Seamless Summer Option	35,769	10,835	10,835	-0-	\$ 4.56	-0-
Severe School Breakfast:						
Seamless Summer Option	5,311	553	553	-0-	\$ 2.46	-0-
Seamless Summer Option	9,315	2,699	2,699	-0-	\$ 2.61	-0-
Total	<u>14,626</u>	<u>3,252</u>	<u>3,252</u>			<u>-0-</u>
Total Net Overclaim						<u>\$ -0-</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF NET CASH RESOURCES
FOOD SERVICE FUND
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Net Cash Resources:

ACFR	*	Current Assets		
B-4		Cash & Cash Equiv.	\$	156,057
B-4		Due from Other Gov'ts		19,949
B-4		Accounts Receivable		57,796
ACFR		Current Liabilities		
B-4		Less Accounts Payable		(86)
B-4		Less Accruals		
B-4		Less Due to Other Funds		(76,211)
B-4		Less Deferred Revenue		(2,753)
				<u> </u>
		Net Cash Resources	\$	<u>154,752</u> (A)

Net Adj. Total Operating Expense:

B-5		Tot. Operating Exp.	\$	539,027
B-5		Less Depreciation		<u>(2,671)</u>
		Adj. Tot. Oper. Exp.	<u>\$</u>	<u>536,356</u> (B)

Average Monthly Operating Expense:

		B / 10	\$	<u>53,636</u> (C)
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Three times monthly Average:

		3 X C	\$	<u>160,907</u> (D)
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TOTAL IN BOX A	\$	154,752	(A)
LESS TOTAL IN BOX D		<u>160,907</u>	(D)
NET	\$	<u>(6,155)</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			

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2021

	2022-2023 Application for State School Aid						Sample for Verification					
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Grade Nine	149	2	149	2			149	2	149	2		
Grade Ten	161	4	161	4			161	4	161	4		
Grade Eleven	186	4	186	4			186	4	186	4		
Grade Twelve	174		173		1		173		173			
Subtotal	670	10	669	10	1		669	10	669	10		
Special Ed - High School	134	1	129	1	5		14		14			
Subtotal	134	1	129	1	5		14		14			
Totals	804	11	798	11	6	-0-	683	10	683	10	-0-	-0-
Percentage Error					0.75%	0.00%					0.00%	0.00%

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 SCHEDULE OF AUDITED ENROLLMENTS
 ENROLLMENT AS OF OCTOBER 15, 2021

	Private Schools for Disabled				Resident Low Income				
	Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Grade Nine					10	10	2	2	
Grade Ten					19	19	1	1	
Grade Eleven					18	18	1	1	
Grade Twelve					17	17	3	3	
Subtotal					64	64	7	7	
Special Ed - High School	14	5	5		27.5	26	2	2	
Subtotal	14	5	5		28	26	2	2	
Totals	14	5	5	-0-	91.5	90	9	9	-0-
Percentage Error				0.00%			-1.64%		0.00%

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2021

Resident LEP Not Low Income						
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, and Register	Sample Errors
Grade Nine	1	1				
Grade Ten	1	1		1	1	
Totals	<u>2</u>	<u>2</u>	<u>-0-</u>	<u>1</u>	<u>1</u>	<u>-0-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

Resident LEP Low Income						
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Grade Ten	1	1		1	1	
Grade Twelve	1	1				
Totals	<u>2</u>	<u>2</u>	<u>-0-</u>	<u>1</u>	<u>1</u>	<u>-0-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2021

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	638	638		12	12	
Regular - Special Education	115	115		5	5	
Transported - Non Public	31	31		3	3	
AIL - Non Public	6	6		1	1	
Special Needs - Public	15	15		2	2	
Special Needs - Private	10	10		2	2	
Totals	815	815	-0-	25	25	-0-
Percentage Error			0.00%			0.00%
				Reported	Re- calculated	
Average Mileage - Regular Including Grade PK Students				7.0	7.0	
Average Mileage - Regular Excluding Grade PK Students				7.0	7.0	
Average Mileage - Special Education with Special Needs				17.2	17.2	

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2022

Section 1 - REGULAR DISTRICT

2021-2022 Total General Fund Expenditures per the ACFR	<u>\$ 26,862,908</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ -0-</u>	(B1b)
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>\$ 4,942,658</u>	(B2a)
Assets Acquired Under Capital Leases	<u>\$ -0-</u>	(B2b)
 Adjusted 2021-2022 General Fund Expenditures [(B)+(B1's)-(B2's)]	 <u>\$ 21,920,250</u>	 (B3)
 4% of Adjusted 2021-2022 General Fund Expenditures [(B5) times .04]	 <u>\$ 876,810</u>	 (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 876,810</u>	(B5)
Increased by: Allowable Adjustment	<u>\$ 272,050</u>	(K)
 Maximum Unassigned Fund Balance [(B5)+(K)]		 <u>\$ 1,148,860</u> (M)

Section 2

Total General Fund - Fund Balances @ 6/30/2022 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 4,645,802</u>	(C)
Decreased by:		
Assigned - Year End Encumbrances	<u>\$ 412,902</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u>	(C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 526,939</u>	(C3)
Other Restricted Fund Balances	<u>\$ 1,433,918</u>	(C4)
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ 105,370</u>	(C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		 <u>\$ 2,166,673</u> (U1)

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Section 3

Recapitulation of Excess Surplus as of June 30, 2021

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 526,939 (C3)
Restricted Excess Surplus [(E)]	<u>\$ 1,017,813 (E)</u>
 Total [(C3)+(E)+(F)]	 <u>\$ 1,544,752 (D)</u>

Detail of Allowable Adjustments

Impact Aid	\$ -0- (H)
Sale and Lease Back	<u>\$ -0- (I)</u>
Extraordinary Aid	<u>\$ 260,320 (J1)</u>
Additional Nonpublic School Transportation Aid	<u>\$ 11,730 (J2)</u>
Current Year School Bus Advertising Revenue Recognized	<u>\$ -0- (J3)</u>
Family Crisis Transportation Aid	<u>\$ -0- (J4)</u>
Maintenance of Equity Aid and State Military Impact Aid	<u>\$ -0- (J5)</u>
 Total Adjustments [(H)+(I)+(J1)+(J2)]	 <u>\$ 272,050 (K)</u>

Detail of Other Restricted Fund Balances

Statutory Restrictions	\$ -0-
Approved Unspent Separate Proposal	<u>\$ -0-</u>
Sale/Lease-Back Reserve	<u>\$ -0-</u>
Capital Reserve	<u>\$ 1,232,981</u>
Maintenance Reserve	<u>\$ 200,937</u>
Emergency Reserve	<u>\$ -0-</u>
Tuition Reserve	<u>\$ -0-</u>
Unemployment Reserve	<u>\$ -0-</u>
Other State/Governmental Mandated Reserve	<u>\$ -0-</u>
Other Restricted Fund Balance not Noted Above	<u>\$ -0-</u>
 Total Other Restricted Fund Balances	 <u>\$ 1,433,918</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2022

It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

- a. Finding 2022-001: All federal grants not be requested for reimbursement until expended by the District.
- b. Finding 2022-002: The required Annual Maintenance Budget Amount Worksheet be filed by the District.
- c. Finding 2022-003: Greater care be taken to ensure that expenditures are posted accurately to limit the number of expenditure reclassifications.

3. School Purchasing Program

None

4. School Food Service

None

5. Student Body Activities

Finding 2022-004: School Store receipts be carefully documented and agreed to deposited amount by the District.

6. School Store

Finding 2022-005: Receipt journals which indicate the date of receipt be maintained by the District.

7. Application for State School Aid

None

8. Pupil Transportation

None

9. Travel Expense and Reimbursement Policy

None

10. Facilities and Capital Assets

None

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

11. Status of Prior Year's Findings/Recommendations

The were no prior year recommendations.