

Auditor's Management Report

for the

*Township of Hillside
School District*

in the

*County of Union
New Jersey*

for the

*Fiscal Year Ended
June 30, 2022*

**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS – FINANCIAL AND COMPLIANCE**

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Tax ID Number 22-6001974



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Hillside Board of Education
Hillside, New Jersey 07205

We have audited, in accordance with U.S. generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Township of Hillside School District in the County of Union for the year ended June 30, 2022, and have issued our report dated March 22, 2023.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information of the Township of Hillside School District, County of Union, New Jersey, the New Jersey Department of Education and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 962

March 22, 2023

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the activities of the Township of Hillside - 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 Annual Comprehensive Financial Report (ACFR).

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

<u>Name</u>	<u>Position</u>	<u>Amount of Bonds</u>
Dr. David Eichenholz	Business Administrator/Board Secretary	\$300,000.00

There is a Public Employees' Blanket Position Bond covering all other employees with \$50,000 each/\$500,000 per loss.

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 fiscal 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 and was submitted timely.

Financial Planning, Accounting and Reporting

Examination of Claims

Our audit of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Accounts

The net salaries of all employees of the Board were deposited in the Net Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

Financial Planning, Accounting and Reporting (Continued)

Payroll Accounts (Continued)

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

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

2022-01 Finding: An analysis of the balance on deposit in the Salary and Payroll Agency accounts were not maintained.

2022-01 Recommendation: That balances on deposit in the Salary and Payroll Agency accounts be analyzed monthly.

Position Control Roster

The Position Control Roster was reviewed and compared to payroll records, employee benefit records and charges made to the general ledger to ensure proper and consistent financial reporting and that employee benefits are only offered to current employees.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserve for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to the test the propriety of expenditure classification.

Board Secretary's Records

The records maintained by the Board Secretary were properly maintained.

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

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 E.S.E.A. 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 Title I and Title VI of the Elementary and Secondary Education Act as amended and reauthorized.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibits K-3 and K-4 located in the ACFR.

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

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

2022-02 Finding: Our audit noted several prior year open grant balances that have not been cleared of record as of June 30, 2022.

2022-02 Recommendation: Internal control procedures be reviewed and enhanced to ensure that grant balances are analyzed and cleared of record on a timely basis.

T.P.A.F. Reimbursement

Our audit procedures included a test of the semi-monthly reimbursement filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

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(s) 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.

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

Financial Planning, Accounting and Reporting (Continued)

T.P.A.F. Reimbursement (Continued)

2022-03 Finding: Our audit noted the reimbursement and supporting documentation prescribed by the Division of Pensions 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 not remitted to the State prior to the end of the 90 days after the close of the fiscal year.

2022-03 Recommendation: That the District remit reimbursement and all supporting documentation to the Department of Education 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 prior to the 90 days after the close of the fiscal year.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 therefor, except as is provided otherwise in this chapter or specifically by any other law.

The Board of Education may, by resolution, approve by the majority of the board of education and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the board of education finds that it has had negative prior experience with the bidder."

Effective July 1, 2021, the bid threshold in accordance with N.J.S.A. 18A:18A-3(a) and (c) is \$32,000.00. In accordance with N.J.S.A. 40A:11-9 (b) the bid threshold for all purchases made by the District's qualified purchasing agent is \$40,000.00. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18:39-3 is currently \$20,200.00.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or 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.

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 provisions of N.J.S.A. 18A:18A-4.

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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

The system of records did not provide for an accumulation of purchases for which the School Board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal however, that the district made purchases through the use of state contracts.

2022-04 Finding: Our audit of the District's purchasing revealed that several vendors were paid in excess of the bid threshold without the contracts being awarded by resolution of the governing body.

2022-04 Recommendation: That all purchases in excess of the bid threshold be properly awarded by resolution of the governing body.

Food Service Fund

COVID – 19 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, 2021 for an undetermined period to limit the spread of the virus. As a result, School Food Authorities (SFAs) 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.

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

Food Service Fund (Continued)

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

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

Cash receipts and bank records were reviewed for timely deposit.

The 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 Cost Reimbursable Fixed Price or Non- Competitive Emergency Procurement contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. 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 should be 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.

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 apply for and receive a loan in accordance with the Payroll Protection Plan and did use the funds to pay for costs applicable to the Food Service Programs. The FSMC has told the District that the PPP loan has not been subsequently forgiven as of the date of this report.

2022-05 Finding: Net cash resources exceeded three months average expenditures.

2022-05 Recommendation: That the District take appropriate action to ensure that the net cash resources do not exceed three months average expenditures.

Student Body Activities

The records for the Student Body Activities were maintained in satisfactory condition.

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

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 and bilingual. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers without exception. The information that was included on the workpapers was verified 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.

The district had written procedures for the recording of student enrollment.

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. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Capital Assets and Facilities

Our procedures included a review of the SDA grant agreements for consistency with recording of SDA revenue, transfer of local funds from the general or capital reserve account, and awarding of contracts for eligible facilities construction.

Miscellaneous

The school district adhered to the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities. The District submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Follow-Up Prior Year's Audit Findings

In accordance with governmental auditing standards, our procedures included a review of all prior year recommendations. The items noted on the following page with an '**' are repeat unresolved items.

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

Recommendations

1. **Administrative Practices and Procedures**

None

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

***2022-01 Recommendation:** That balances on deposit in the Salary and Payroll Agency accounts be analyzed monthly.

***2022-02 Recommendation:** Internal control procedures be reviewed and enhanced to ensure that grant reimbursements are in agreement with the District's financial records.

***2022-03 Recommendation:** That the District remit reimbursement and all supporting documentation to the Department of Education 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 prior to the 90 days after the close of the fiscal year.

3. **School Purchasing Program**

***2022-04 Recommendation:** That all purchases in excess of the bid threshold be properly awarded by resolution of the governing body.

4. **School Food Service**

***2022-005 Recommendation:** That the District take appropriate action to ensure that the net cash resources do not exceed three months average expenditures.

5. **Student Body Activities**

None

6. **Application for State School Aid**

None

7. **Pupil Transportation**

None

8. **Capital Assets and Facilities**

None

9. **Miscellaneous**

None

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

10. Status of Prior Year's Findings/Recommendations

Items notated above with an "*" are repeated/unresolved findings.

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

	2022-2023 Application for State School Aid (10/15/2021 data)						Sample for Verification						Private School for Disabled			
	Reported as on Roll		Reported on Workpapers on Roll		Errors		Sample Selected from Workpapers		Verified per Registers on Roll		Errors per Registers on Roll		Reported on A.S.S.A. as Private Schools	Sample for Veri- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool - 3 Yr	70	-	70	-	-	-	7	-	7	-	-	-	-	-	-	-
Full Day Preschool - 4 Yr	120	-	120	-	-	-	12	-	12	-	-	-	-	-	-	-
Full Day Kindergarten	161	-	161	-	-	-	16	-	16	-	-	-	-	-	-	-
One	182	-	182	-	-	-	18	-	18	-	-	-	-	-	-	-
Two	159	-	159	-	-	-	16	-	16	-	-	-	-	-	-	-
Three	174	-	174	-	-	-	17	-	17	-	-	-	-	-	-	-
Four	176	-	176	-	-	-	18	-	18	-	-	-	-	-	-	-
Five	156	-	156	-	-	-	16	-	16	-	-	-	-	-	-	-
Six	184	-	184	-	-	-	18	-	18	-	-	-	-	-	-	-
Seven	205	-	205	-	-	-	20	-	20	-	-	-	-	-	-	-
Eight	212	-	212	-	-	-	21	-	21	-	-	-	-	-	-	-
Nine	202	-	202	-	-	-	20	-	20	-	-	-	-	-	-	-
Ten	205	-	205	-	-	-	20	-	20	-	-	-	-	-	-	-
Eleven	186	6	186	6	-	-	19	4	19	4	-	-	-	-	-	-
Twelve	158	1	158	1	-	-	16	1	16	1	-	-	-	-	-	-
Subtotal	2,552	7	2,552	7	0	0	254	5	254	5	0	0	0	0	0	0
Sp. Ed - Elementary	188	-	188	-	-	-	19	-	19	-	-	-	2	2	2	-
Sp. Ed - Middle School	88	-	88	-	-	-	9	-	9	-	-	-	6	5	5	-
Sp. Ed - High School	127	6	127	6	-	-	13	5	13	5	-	-	17	14	14	-
Subtotal	403	6	403	6	0	0	41	5	41	5	0	0	25.0	21	21	0
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	2,955	13	2,955	13	0	0	295	10	295	10	0	0	25.0	21	21	0
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>

**HILLSIDE BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
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 Application as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Preschool - 3 Yr	25	25	-	4	4	-	-	-	-	-	-	-
Full Day Preschool - 4 Yr	48	46	-	8	8	-	-	-	-	-	-	-
Full Day Kindergarten	76	76	-	14	14	-	14	14	-	11	11	-
One	102	102	-	18	18	-	12	12	-	9	9	-
Two	84	84	-	15	15	-	11	11	-	8	8	-
Three	101	101	-	18	18	-	11	11	-	8	8	-
Four	106	106	-	19	19	-	8	8	-	6	6	-
Five	90	90	-	16	16	-	6	6	-	5	5	-
Six	99	99	-	18	18	-	7	7	-	5	5	-
Seven	96	96	-	17	17	-	9	9	-	7	7	-
Eight	119	119	-	21	21	-	7	7	-	5	5	-
Nine	102	102	-	18	18	-	7	7	-	5	5	-
Ten	98	98	-	18	18	-	6	6	-	5	5	-
Eleven	93	93	-	17	17	-	5	5	-	4	4	-
Twelve	87.5	87.5	-	16	16	-	6	6	-	5	5	-
Subtotal	1,324.5	1,324.5	0	237	237	0	109	109	0.0	83	83	0
Sp. Ed - Elementary	106	106	-	19	19	-	9	9	-	7	7	-
Sp. Ed - Middle School	54	54	-	10	10	-	2	2	-	2	2	-
Sp. Ed - High School	70.5	70.5	-	13	13	-	2	2	-	2	2	-
Subtotal	240.5	230.5	0	42	42	0	13.0	13	0.0	11.0	11	0.0
Totals	1,555.0	1,555.0	0.0	279	279	0	122.0	122	0.0	94.0	94	0.0
Percentage Error			0.00%			0.00%			0.00%			0.00%

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	Transportation			Tested	Verified	Errors		Reported	Recalculated
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors						
Reg. - Public Schools, col. 1	160	160	0	83	83	0	A1-5	6.40	6.40
Reg -SpEd, col. 4	27	27	0	14	14	0	A8-10	6.50	6.50
Transported - Non-Public, col. 3	0	0	0	0	0	0	A6-A7		
Special Ed Spec, col. 6	92	92	0	48	48	0	B1,2,3,6,7,8	15.40	15.40
Totals	279	279	0	145	145	0			
			0.00%			0.00%			
								Reg Avg.(Mileage) = Regular Including Grade PK students (Part A)	6.40
								Reg Avg.(Mileage) = Regular Excluding Grade PK students (Part B)	6.50
								Spec Avg. = Special Ed with Special Needs	15.40

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

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as LEP NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Preschool - 3 Yr	-	-	-	-	-	-
Full Day Preschool - 4 Yr	-	-	-	-	-	-
Full Day Kindergarten	9	9	-	6	6	-
One	17	17	-	12	12	-
Two	11	11	-	7	7	-
Three	10	10	-	7	7	-
Four	10	10	-	7	7	-
Five	6	6	-	4	4	-
Six	6	6	-	4	4	-
Seven	5	5	-	3	3	-
Eight	12	12	-	8	8	-
Nine	12	12	-	8	8	-
Ten	14	14	-	10	10	-
Eleven	10	10	-	7	7	-
Twelve	7	7	-	5	5	-
Subtotal	129	129	0	88	88	0
Special Ed - Elementary	4	4	-	3	3	-
Special Ed - Middle	2	2	-	1	1	-
Special Ed - High	-	-	-	-	-	-
Subtotal	6	6	0	4	4	0
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	135.0	135	0.0	92.0	92	0
Percentage Error			0.00%			0.00%

HILLSIDE 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</u> <u>CATEGORY</u>	<u>MEALS</u> <u>CLAIMED</u>	<u>MEALS</u> <u>TESTED</u>	<u>MEALS</u> <u>VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE</u>	<u>(OVER)</u> <u>UNDER</u> <u>CLAIM</u>
National School Lunch (Regular Rate)	Free	321,365	321,365	321,365	0	4.5625/4.3175	0.00
	TOTAL	<u>321,365</u>	<u>321,365</u>	<u>321,365</u>			<u>0.00</u>
School Breakfast (Regular Rate)	Free	174,305	174,305	174,305	0	2.605/2.4625	0.00
	TOTAL	<u>174,305</u>	<u>174,305</u>	<u>174,305</u>			<u>0.00</u>
Total Net Overclaim (Underclaim)							<u><u>0.00</u></u>

**TOWNSHIP OF HILLSIDE SCHOOL DISTRICT
NET CASH RESOURCE SCHEDULE - FOOD SERVICE
FY 2022**

<u>Net Cash Resources:</u>		Food Service B - 4/5
ACFR		
Current Assets		
B-4	Cash & Cash Equiv.	390,998.83
B-4	Due from Other Gov'ts	673,306.91
B-4	Accounts Receivable	31,603.81
B-4	Investments	
ACFR		
Current Liabilities		
B-4	Less Accounts Payable	(285,533.22)
B-4	Less Accruals	
B-4	Less Due to Other Funds	0.00
B-4	Less Unearned Revenue	<u>(10,011.52)</u>
	Net Cash Resources	<u>800,364.81 (A)</u>

Net Adj. Total Operating Expense:

B-5	Total Operating Exp.	1,842,036.74
B-5	Less Depreciation	<u>32,392.00</u>
	Adj. Total Operating Exp.	<u>1,874,428.74 (B)</u>

Average Monthly Operating Expense:

B / 10 **187,442.87 (C)**

Three times monthly Average:

3 X C **562,328.62 (D)**

TOTAL IN BOX A	<u>800,364.81</u>
LESS TOTAL IN BOX D	<u>(562,328.62)</u>
NET	<u>238,036.19</u>

**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.**

HILLSIDE SCHOOL DISTRICT
SCHEDULE OF CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REGULAR DISTRICT

SECTION 1

4% Calculation of Excess Surplus

2021 - 2022 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ 66,588,270.60	
Increased by:		
Transfer from General Fund to SRF for Preschool (Inclusion)	\$ 333,840.00	
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ 9,907,350.26	
Adjusted 2021 - 2022 General Fund Expenditures		<u>\$ 57,014,760.34</u>
4% of Adjusted 2021 - 2022 General Fund Expenditures		<u>\$ 2,280,590.41</u>
Greater of Line Above or \$250,000.00		<u>\$ 2,280,590.41</u>
Increased by: Allowable Adjustment		<u>\$ 852,481.00</u>
Maximum Unreserved/Undesignated Fund Balance		<u>\$ 3,133,071.41</u>

SECTION 2

Total General Fund - Fund Balances @ 6-30-2022	\$ 15,419,613.78	
Decreased by:		
Year-End Encumbrances	\$ 3,039,022.34	
Legally Restricted-Excess Surplus-Designated for Subsequent Year's Expenditures	\$ 850,000.00	
Other Restricted Fund Balances	\$ 6,853,341.94	
Assigned Fund Balance - Unreserved-Designated for Subsequent Year's Expenditures	\$ 1,938,325.00	
Total Unassigned Fund Balance		<u>\$ 2,938,924.50</u>

SECTION 3

Restricted Fund Balance-Excess Surplus	\$ 0.00
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Total General Fund - Fund Balances @ 6-30-2022

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 850,000.00
Restricted Excess Surplus	\$ 0.00
Total Excess Surplus	<u>\$ 850,000.00</u>

Detail of Allowable Adjustments

Extraordinary Aid	\$ 852,481.00
	<u>\$ 852,481.00</u>

Detail of Other Restricted Fund Balance:

Capital Reserve	\$ 6,660,492.86
Reserve for Unemployment Fund	<u>192,849.08</u>
	<u>\$ 6,853,341.94</u>

