

**AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
SCHOOL DISTRICT OF THE
BOROUGH OF HO-HO-KUS
COUNTY OF BERGEN, NEW JERSEY
JUNE 30, 2022**

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

SCHOOL DISTRICT OF THE BOROUGH OF HO-HO-KUS
COUNTY OF PASSAIC, NEW JERSEY

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WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

Steven D. Wielkocz, CPA, RMA, PSA
Matthew B. Wielkocz, CPA, PSA
Paul J. Cuva, CPA, RMA, PSA
James J. Cerullo, CPA, RMA, PSA
Kari Ferguson, CPA, RMA, CMFO, PSA
Robert C. McNinch, CPA, CFE, PSA
Kevin Reeves, CPA, PSA

401 Wanaque Avenue
Pompton Lakes, New Jersey 07442
Phone: (973)-835-7900
Fax: (973)-835-7900
Email: office@w-cpa.com
www.w-cpa.com

REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Borough of Ho-Ho-Kus School District
County of Bergen, 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 Board of Education of the Borough of Ho-Ho-Kus School District in the County of Bergen, for the year ended June 30, 2022, and have issued our report thereon dated January 18, 2023.

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 report is intended for the information of the Borough of Ho-Ho-Kus Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

James Cerullo

James Cerullo, C.P.A.
Licensed Public School Accountant
No. 881

Wielkocz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 18, 2023



**ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, the activities of the Board of Education, the records of the Various Funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

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

Officials Bonds

| <u>Name</u> | <u>Position</u> | <u>Amount</u> |
|--------------|--|---------------|
| Mark Jacobus | Board Secretary/School Business Administrator | \$225,000.00 |

There is a Public Employees' Faithful Performance Blanket Position Bond with The Selective Insurance Co. covering all other employees with multiple coverage of \$100,000.00.

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.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to each of signature, certification or proper documentation.

Payroll Account

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

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

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

Reporting of employee compensation for income tax related purposes did comply with federal and state regulations regarding the compensation which is required to be reported.

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 reserves 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, a transaction error rate of 0.00% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Financial Planning, Accounting and Reporting, (continued)

Board Secretary's Records

The Board Secretary's records were examined and found to be in good order.

Fixed Assets

The general fixed asset records were updated for the additions and disposals of general fixed assets made during the year.

Treasurer's Records

Treasurer's records were examined and found to be in good condition.

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 Title II of the Elementary and Secondary Education Act as amended.

The study of compliance for E.S.E.A. indicated that there were no areas of noncompliance and/or questionable costs.

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.

The study of compliance for the special projects indicated that there were no areas of noncompliance.

Financial Planning, Accounting and Reporting, (continued)

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.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-2 contains definitions for terms used throughout N.J.S.A. 18A:18A-1 et seq. It includes as subsection (p) the term ‘competitive contracting’, which is defined as “the method described in N.J.S.A. 18A:18A-4.1 through 18A:18A-4.5 and in rules promulgated by DCA at N.J.A.C. 5:34-4 of contracting for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated by the purchasing agent or counsel or school business administrator; and the board of education awards a contract to a vendor or vendors from among the formal proposals received.” Also, subsection (aa) defines the term ‘concession’ to exclude vending machines.

N.J.S.A. 18A:18A-3(a) sets forth the bid threshold and requires award by board resolution. There is a higher threshold when there is a “Qualified Purchasing Agent” (QPA) in the district as defined at N.J.A.C. 5:34-1.1 and certified upon approval of an application submitted to DCA. Pursuant to N.J.S.A. 18A:18A-3(b), the bid threshold may be adjusted by the Governor, in consultation with the Department of Treasury, every five years.

N.J.S.A. 18A:18A-4.4 provides boards of education the authority to pass a resolution authorizing the use of competitive contracting. “In order to initiate competitive contracting, the board of education shall pass a resolution authorizing the use of competitive contracting each time specialized goods or services enumerated in sections 45 of L. 1999, c.440 are desired to be contracted.”

Effective July 1, 2020 and thereafter, 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 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 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.

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, amended.

School Purchasing Programs, (continued)

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

School Food Service

The financial transactions and statistical records of the School Food Service Fund were maintained in satisfactory condition. The financial accounts, milk count records and eligibility applications were reviewed on a test-check basis.

The number of milks claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed.

Cash receipts and bank records were reviewed for timely deposit.

Expenditures were separately recorded as food, labor and other cost. Vendor invoices were reviewed and costs verified.

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 not exceed three months average expenditures.

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 section entitled Enterprise Funds, Section G of the ACFR.

Student Activity Fund

A cash receipts and disbursements record is maintained in satisfactory condition.

Cash disbursements had proper signatures and supporting documentation.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2021 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, 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 with exceptions noted below. 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.

Application for State School Aid, (continued)

The District maintained workpapers on the prescribed state forms or their equivalent.

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 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.

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.

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 Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings.

Acknowledgment

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

James Cerullo

James Cerullo, C.P.A.
Licensed Public School Accountant
No. 881

Wielkotz + Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

SCHEDULE OF AUDITED ENROLLMENTS

BOROUGH OF HO-HO-KUS SCHOOL DISTRICT
Application for State School Aid Summary
Enrollment as of October 15, 2021

| Enrollment Category | 2022 - 2023 Application for State School Aid | | | Sample for Verification | | | Private School for Disabled | | | |
|---------------------------|--|--------------------------------------|--------|---------------------------------------|-----------------------------------|--------|--|----------------------------|--------------------|--------|
| | Reported on ASSA on Roll | Reported on Workpapers on Roll | Errors | Sample Selected from Workpapers | Verified per Registers on Roll | Errors | Reported on ASSA as Private School | Sample for Verification | Sample Verified | Errors |
| Half Day Preschool - 3YR | 0 | 0 | 0 | 0 | 0 | 0 | | | | |
| Half Preschool-4YR | 3 | 3 | 0 | 3 | 3 | 0 | | | | |
| Full Day Kindergarten | 59 | 59 | 0 | 59 | 59 | 0 | | | | |
| One | 72 | 69 | 3 | 72 | 72 | 0 | | | | |
| Two | 47 | 45 | 2 | 47 | 47 | 0 | | | | |
| Three | 51 | 49 | 2 | 51 | 51 | 0 | | | | |
| Four | 51 | 51 | 0 | 51 | 51 | 0 | | | | |
| Five | 58 | 58 | 0 | 58 | 58 | 0 | | | | |
| Six | 46 | 47 | -1 | 46 | 46 | 0 | | | | |
| Seven | 49 | 49 | 0 | 49 | 49 | 0 | | | | |
| Eight | 65 | 65 | 0 | 65 | 65 | 0 | | | | |
| Subtotal | 501 | 495 | 6 | 501 | 501 | 0 | | | | |
| Special Ed. Elementary | 40 | 41 | -1 | 14 | 14 | 0 | 2 | 2 | 2 | 0 |
| Special Ed. Middle School | 38 | 37 | 1 | 13 | 13 | 0 | 2 | 2 | 3 | -1 |
| Special Ed. High School | | | 0 | 0 | 0 | 0 | 2 | 2 | 1 | 1 |
| Subtotal | 78 | 78 | 0 | 27 | 27 | 0 | 6 | 6 | 6 | 0 |
| Totals | 579 | 573 | 6 | 528 | 528 | 0 | 6 | 6 | 6 | 0 |
| Percentage Error | | | 1.05% | | | 0.00% | | | | 0.00% |

SCHEDULE OF AUDITED ENROLLMENTS (cont.)

BOROUGH OF HO-HO-KUS SCHOOL DISTRICT
Application for State School Aid Summary
Enrollment as of October 15, 2021

| Enrollment Category | Residential Low Income | | | Sample for Verification | | | Residential LEP Low Income | | | Sample for Verification | | |
|---------------------------|--------------------------------|--------------------------------------|--------|---------------------------------|--------------------------------------|--------|--------------------------------|--------------------------------------|--------|---------------------------------|--------------------------------------|--------|
| | Reported on ASOA as Low Income | Reported on Workpapers as Low Income | Errors | Sample Selected from Workpapers | Verified to Application and Register | Errors | Reported on ASOA as Low Income | Reported on Workpapers as Low Income | Errors | Sample Selected from Workpapers | Verified to Application and Register | Errors |
| Full Day Kindergarten | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| One | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Two | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Three | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Four | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Five | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Six | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Seven | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Eight | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Nine | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ten | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Eleven | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Twelve | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 2 | 2 | 0 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Special Ed. Elementary | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Special Ed. Middle School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Special Ed. High School | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Totals | 2 | 2 | 0 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Percentage Error | | | | | | | | | | | | 0.00% |

SCHEDULE OF AUDITED ENROLLMENTS (cont.)

BOROUGH OF HO-HO-KUS SCHOOL DISTRICT
Application for State School Aid Summary
Enrollment as of October 15, 2021

| <u>Enrollment Category</u> | <u>Residential 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>Errors</u> |
| Full Day Kindergarten | 0 | 0 | 0 | 0 | 0 | 0 |
| One | 0 | 1 | -1 | 1 | 1 | 0 |
| Two | 1 | 2 | -1 | 2 | 2 | 0 |
| Three | 1 | 1 | 0 | 1 | 1 | 0 |
| Four | 0 | 0 | 0 | 0 | 0 | 0 |
| Five | 0 | 0 | 0 | 0 | 0 | 0 |
| Six | 0 | 0 | 0 | 0 | 0 | 0 |
| Seven | 0 | 0 | 0 | 0 | 0 | 0 |
| Eight | | | 0 | | | 0 |
| Subtotal | 2 | 4 | -2 | 4 | 4 | 0 |
| Special Ed. Elementary | 0 | 0 | 0 | 0 | 0 | 0 |
| Special Ed. Middle School | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 0 | 0 | 0 | 0 | 0 | 0 |
| Totals | 2 | 4 | -2 | 4 | 4 | 0 |
| Percentage Error | | | -100.00% | | | 0.00% |

SCHEDULE OF AUDITED ENROLLMENTS (cont.)

BOROUGH OF HO-HO-KUS SCHOOL DISTRICT
Application for State School Aid Summary
Enrollment as of October 15, 2021

| | Reported on | | Transportation | | | | |
|----------------------------------|------------------------|----------------------|----------------|------------|------------|--------------|--|
| | DRTRS by DOE/County | DRTRS by District | Errors | Tested | Verified | Errors | |
| Regular - Public Schools, col. 1 | 233 | 233 | 0 | 112 | 111 | 1 | |
| Regular Special Ed, col. 4 | 33 | 33 | 0 | 16 | 16 | 0 | |
| Transported - Non-Public, col. 2 | 17 | 17 | 0 | 8 | 8 | 0 | |
| Nonpublic AIL, col. 3 | 23 | 23 | 0 | 11 | 12 | -1 | |
| Special Ed. Special, col. 6 | 5 | 5 | 0 | 2 | 2 | 0 | |
| Totals | 311 | 311 | 0 | 149 | 149 | 0 | |
| Percentage Error | | | <u>0.00%</u> | | | <u>0.00%</u> | |

| | Reported | Re-Calculated |
|---|----------|---------------|
| Reg. Avg.(Mileage) = Regular Including Grade PK Students (Part A) | 4.3 | 4.3 |
| Spec. Avg. = Special Ed with Special Needs | 4.7 | 4.7 |

HO-HO-KUS SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REGULAR DISTRICT

SECTION 1

A. 4% Calculation of Excess Surplus

| | | |
|--|-------------------------|--------------------------|
| 2021-22 Total General Fund Expenditures per the CAFR, Ex. C-1 | \$ <u>18,613,690.23</u> | (B) |
| Increased by: | | |
| Transfer from Capital Outlay to Capital Projects Fund | \$ _____ | (B1a) |
| Transfer from Capital Reserve to Capital Projects Fund | \$ _____ | (B1b) |
| Transfer from General Fund to SRF for PreK - Regular | \$ _____ | (B1c) |
| Transfer from General Fund to SRF for PreK - Inclusion | \$ _____ | (B1d) |
| Decreased by: | | |
| On-Behalf TPAF Pension & Social Security | \$ <u>2,904,665.22</u> | (B2a) |
| Assets Acquired Under Capital Leases | \$ _____ | (B2b) |
| Adjusted 21-22 General Fund Expenditures [(B)+(B1s)-(B2s)] | \$ <u>15,709,025.01</u> | (B3) |
| 4% of Adjusted 2021-22 General Fund Expenditures [(B3) times .04] | \$ <u>628,361.00</u> | (B4) |
| Enter Greater of (B4) or \$250,000 | \$ <u>628,361.00</u> | (B5) |
| Increased by: Allowable Adjustment* | \$ <u>358,925.00</u> | (K) |
| Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)] | | \$ <u>987,286.00</u> (M) |

SECTION 2

| | | |
|---|------------------------|-----------------------------|
| Total General Fund - Fund Balances @ 6-30-22 (Per CAFR Budgetary Comparison Schedule C-1) | \$ <u>3,581,296.34</u> | (C) |
| Decreased by: | | |
| Year End Encumbrances | \$ _____ | (C1) |
| Legally Restricted - Designated for Subsequent Year's Expenditures | \$ _____ | (C2) |
| Legally Restricted Excess Surplus - Designated for Designated for Subsequent Year's Expenditures** | \$ <u>377,779.00</u> | (C3) |
| Other Restricted Fund Balances**** | \$ <u>1,608,218.34</u> | (C4) |
| Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures | \$ <u>230,234.00</u> | (C5) |
| Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)] | | \$ <u>1,365,065.00</u> (U1) |

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U1)-(M)] IF NEGATIVE ENTER -0- \$ 377,779.00 (E)

Recapitulation of Excess Surplus as of June 30, 2022

| | |
|---|---------------------------|
| Reserved Excess Surplus - Designated for Subsequent Year's Expenditures** | \$ <u>377,779.00</u> (C3) |
| Reserved Excess Surplus***[(E)] | \$ <u>377,779.00</u> (E) |
| Total [(C3)+(E)] | \$ <u>755,558.00</u> (D) |

Footnotes:

- * Allowable Adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:
 - (H) Federal Impact Aid. The passage of P.L. 2015, c. 46 amended N.J.S.A. 18A:7-F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year ending June 30, 2015 the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);
 - (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), Extraordinary Aid;
 - (J1) Extraordinary Aid;
 - (J2) Additional Nonpublic School Transportation Aid
 - (J3) Current Year School Bus Advertising Revenue Recognized
 - (J4) Family Crisis Transportation Aid.

Detail of Allowable Adjustments

| | |
|--|---------------------------|
| Impact Aid | \$ _____ (H) |
| Sale & Lease-back | \$ _____ (I) |
| Extraordinary Aid | \$ <u>350,137.00</u> (J1) |
| Additional Nonpublic School Transportation Aid | \$ <u>8,788.00</u> (J2) |
| Current Year School Bus Advertising Revenue Recognized | _____ (J3) |
| Family Crisis Transportation Aid | \$ _____ (J4) |
| Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)] | \$ <u>358,925.00</u> (K) |

** This amount represents the June 30, 2021 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amounts must agree to the June 30, 2022 CAFR and the sum of the two lines must agree to Audit Summary Worksheet Line 90030.

**** Amount of Other Reserved Fund Balance must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by an other type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:

| | | |
|---|----|-----------------------------|
| Approved unspent separate proposal | \$ | <u> </u> |
| Sale/lease-back reserve | \$ | <u> </u> |
| Capital reserve | \$ | <u>959,118.57</u> |
| Maintenance reserve | \$ | <u>595,206.09</u> |
| Emergency reserve | \$ | <u>35,000.00</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 General Fund Reserve (Sections 8007 and 8008) | \$ | <u> </u> |
| Other state/government mandated reserve | \$ | <u> </u> |
| Reserve for Unemployment Fund | \$ | <u>18,893.68</u> |
| [Other Restricted Fund Balance not noted above]**** | \$ | <u> </u> |
| Total Other Restricted Fund Balance | \$ | <u>1,608,218.34</u> (C4) |

**BOROUGH OF HO-HO-KUS
BOARD OF EDUCATION**

**AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Activity Fund

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Follow-up on Prior Year Findings

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings.