

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

**LEONIA BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Education
Leonia Board of Education
Leonia, New Jersey

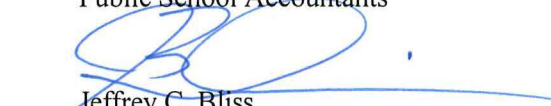
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Leonia Board of Education, State of New Jersey as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated March 3, 2023.

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

This report is intended for the information of management, the Board of Education, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
March 3, 2023

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

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, 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, Schedule of Insurance contained in the district's Annual Comprehensive Financial Report ("ACFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Eric Thomasevich	School Business Administrator/Board Secretary	\$500,000
Antoinette Kelly	Treasurer of School Monies	500,000

There is an Employee Dishonesty Faithful Performance Crime Coverage policy with School Alliance Insurance Fund covering all other employees with multiple coverage of \$500,000 per employee.

P.L. 2020, c44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year of audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did appear to include all health benefit plans offered by the school district.

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

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made the proper adjustment to the billings to sending districts for the adjustment in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to signatures, certifications or supporting documentation.

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

Financial Planning, Accounting and Reporting (Continued)

Payroll Account

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

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

Salary withholdings were promptly remitted by the District to the proper agencies, including health benefit withholdings due to the General Fund.

The District maintains a personnel tracking and accounting (Position Control) system.

The School Business Administrator completed and filed the required Certification of Compliance with Federal and State Law respecting the reporting of compensation for certain employees.

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 included administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23-8.3. As a result of the procedures performed, no additional testing was deemed necessary to test the propriety of expenditure classifications.

Travel

The District had an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

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.

Board Secretary's Records

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

The Board Secretary's reports were presented monthly to the Board on a timely basis and were submitted to the executive county superintendent as prescribed by (N.J.S.A. 18A:17-9 and 18A:17-36).

Acknowledgement of the Board's receipt of the Board Secretary's monthly financial reports were included in the minutes.

The prescribed contractual order system was followed with exceptions noted.

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

Financial Planning, Accounting and Reporting (Continued)

Treasurer's Records

The Treasurer performed cash reconciliations for all District accounts in accordance with N.J.S.A. 18A:17-36.

The Treasurer's bank reconciliations were in agreement with the cash balances of the Board Secretary.

The Treasurer's cash balances were in agreement with the reconciled cash balances as determined during the audit.

Acknowledgement of the Board's receipt of the Treasurer's monthly reports was included in the minutes.

Unemployment Compensation Insurance Account

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Account. The financial transactions of this account are reported in the General Fund.

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

The E.S.E.A./ESSA financial exhibits are contained within the Special Revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, II, III, III Immigrant and IV of the Elementary and Secondary Education Act as amended and reauthorized.

IDEA Part B and Preschool

Separate accounting records were maintained for each approved project. Grant applications, approvals and acceptance of grant funds were made by Board resolution.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on 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.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for District employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Report for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditures were reviewed subsequent to the reimbursement and no exceptions were noted.

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

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:39-3(A) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulates bidding for public school student transportation contracts under NJSA 18A:39-3 which is \$20,200 for the 2021/2022 school year.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c. 198 (c.40A:11-9), the board of education may establish that the bid threshold may be up to \$44,000. 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. The District did not appoint a qualified purchasing agency for the 2021/2022 school year.

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 Board 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.

The results of our examination, did not indicate any individual payments, contracts or agreements were made for the performance of 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, as amended.

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 that purchases were made through the use of state contracts.

Food Service Fund

Public Health Emergency

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency all Public schools were ordered to close effective as of March 18, 2020 for an undetermined period to limit the spread of the virus. As a result, School Food Authorities (SFA) were required to institute alternate procedures to provide meals to eligible students during the period of school closures. Governor Murphy's emergency declaration ended June 4, 2021; however, the United States Department of Agriculture's federal waiver continued through June 30, 2022. Food Service Agencies operated under this federal waiver.

As a result, School Food Authorities (SFA's) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO). SFAs could also choose to participate in the National School Lunch Program utilizing standard counting and 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 ages of 18, as well as persons over 18 with disabilities as defined in the regulations.

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

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 school food service program was selected and audited as a major federal program in accordance with Uniform Guidance.

The financial transactions and records of the school food services were maintained in good condition. The financial accounts and records were reviewed on a test-check basis. Cash receipts and bank records were reviewed for timely deposits.

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. The FSMC contract includes an operating results provision which guarantees that the food service program will have no cost or breakeven food service operation, including the management fee. The operating results provision has been met for the current fiscal year.

The FSMC did not receive a loan in accordance with the Payroll Protection Plan.

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

The cash disbursements records reflected expenditures for program related goods and services. The Districts deposited program monies and made expenditures in accordance with N.J.S.A. 18A:17-34. 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.

- **Finding 2022-1 (ACFR Finding 2022-001)** – Our audit revealed net cash resources exceeded three months of average expenditures at June 30, 2022 in the Food Service Fund.

Recommendation – The District develop a plan to eliminate the excess of net resources in the Food Service Fund.

The number of meals claimed for reimbursement were compared to meal count records. As part of the claims review process the edit check worksheet was completed. We noted an immaterial difference in our testing of meals claimed and meal count records.

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid (ASSA).

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

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

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds.

Student Body Activities

The Board has a policy which clearly establishes the regulation of student activity funds.

Receipts tested were deposited in a timely manner with exception noted.

Cash disbursements tested had proper supporting documentation with exceptions noted.

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

Student Body Activities (Continued)

- **Finding 2022-2** – Our audit of the student activity account revealed the following:
- A deposit in the Anna C. Scott school account was not deposited in a timely manner.
 - Certain check request forms and supporting documentation were not provided for audit for payments made in the Anna C. Scott and Middle School’s student accounts.
 - Only one authorized check signature was obtained on certain payments made from the Middle School Athletic and High School student accounts. In addition, we noted checks issued and cashed with no authorized check signatures from the Middle School Athletic Account. Board policy requires two (2) authorized signatures on all checks issued for payment from the student accounts.

Recommendation – That procedures be reviewed and revised in the student activity accounts to ensure deposits are made timely, check request forms and supporting documentation are available for payments and two authorized signatures are obtain on all checks issued for payment.

Enrichment Program

Separate revenue and expense records and billing journals were maintained for the enrichment program.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2021 Application for State School Aid (ASSA) for on-roll, private schools for the disabled, related services, 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 minor exceptions noted. The information that was included on the workpapers was verified with minor exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District did maintain workpapers on the prescribed state forms or their equivalent for all reporting categories.

The District has adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2021/2022 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

The District had no active SDA grant funded projects during the current fiscal year.

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

Testing for Lead of all Drinking Water in Educational Facilities

The school 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 Findings

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

Suggestions to Management

- Payments made from the Unemployment account be approved by the Board and included in the official minutes.
- Balances in the net payroll, payroll agency and flexible spending accounts be reviewed and any excess balances be cleared of record.
- Available grant program carry-over balances be reviewed for eligible charges before the grant period ends to ensure funds are not released back to the grantor agency.

**LEONIA BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

SCHEDULE OF MEAL COUNT ACTIVITY

<u>Program</u>	<u>Meals 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	SSO	<u>197,182</u>	<u>85,525</u>	<u>85,506</u>	<u>(19)</u>	<u>\$ 4.56</u>	<u>\$ (86.64)</u>
	Total Lunch	<u>197,182</u>	<u>85,525</u>	<u>85,506</u>	<u>(19)</u>	<u>\$ 4.56</u>	<u>\$ (86.64)</u>
National School Breakfast	SSO	<u>12,939</u>	<u>5,556</u>	<u>5,556</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total Breakfast	<u>12,939</u>	<u>5,556</u>	<u>5,556</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Grant Total						<u>\$ (86.64)</u>

**LEONIA BOARD OF EDUCATION
FOOD SERVICE FUND
COMPARISON OF NET CASH RESOURCES TO THREE MONTHS AVERAGE EXPENDITURES
AS OF JUNE 30, 2022**

NET CASH RESOURCE SCHEDULE

<u>Net Cash Resources:</u>		Food Service <u>B-4/5</u>	
<u>ACFR</u>	Current Assets		
B-4	Cash & Cash Equivalents	\$ 264,774	
B-4	Intergovernmental Receivable	77,308	
B-4	Other Accounts Receivable	4,197	
B-4	Due From Other Funds	614	
<u>ACFR</u>	Current Liabilities		
B-4	Less Accounts Payable	(4,581)	
B-4	Less Unearned Revenue	(25,776)	
	Net Cash Resources	\$ 316,536	(A)
<u>Total Net Adjusted Operating Expenses:</u>			
	Total Operating Expenses	\$ 767,561	
	Less Depreciation	(7,332)	
	Total Net Adjusted Total Operating Expenditures	\$ 760,229	(B)
<u>Average Monthly Operating Expenses:</u>			
	Total Net Adjusted Operating Expenses (B) / 10 months	\$ 76,023	(C)
<u>Three Times Monthly Average:</u>			
	3 X Average Monthly Expenses (C)	\$ 228,069	(D)

TOTAL NET CASH RESOURCES	\$ 316,536
LESS THREE MONTHS AVERAGE EXPENDITURES	\$ 228,069
NET OVER (UNDER)	\$ 88,467

NET CASH RESOURCES DID EXCEED THREE MONTHS OF EXPENSES

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

	2022-2023 Application for State School Aid						Sample for Verification				Private Schools for Disabled							
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared						
Half Day Preschool 3 Years Old					-	-											-	
Half Day Preschool 4 Years Old					-	-											-	
Full Day Preschool 3 Years Old					-	-											-	
Full Day Preschool 4 Years Old	32		36		(4)	-		36		32			4				-	
Half Day Kindergarten					-	-											-	
Full Day Kindergarten	86		86		-	-		86		86							-	
Grade 1	102		101		1	-		101		101							-	
Grade 2	110		110		-	-		110		110							-	
Grade 3	100		100		-	-		100		100							-	
Grade 4	115		113		2	-		113		113							-	
Grade 5	106		106		-	-		106		106							-	
Grade 6	101		101		-	-		101		101							-	
Grade 7	171		171		-	-		171		171							-	
Grade 8	179		178		1	-		178		178							-	
Grade 9	194		194		-	-		194		194							-	
Grade 10	181		181		-	-		181		181							-	
Grade 11	186		185		1	-		185		185							-	
Grade 12	185		185		-	-		185		185							-	
Post- Graduate					-	-											-	
Adult High School (15+ Credits)					-	-											-	
Adult High School (1-14 Credits)					-	-											-	
Subtotal	1,848	-	1,847	-	1	-		1,847	-	1,843	-		4	-			-	
Sp Ed - Elementary	63		66		(3)	-		15		15							-	
Sp Ed - Middle School	66		69		(3)	-		12		12			2		1	1	-	
Sp Ed - High School	114		117		(3)	-		24		24			5		2	2	-	
Subtotal	243	-	252	-	(9)	-		51	-	51	-			7	3	3	-	
County Vocational - Regular					-	-											-	
County Vocational - F.T. Post-Second					-	-											-	
Subtotal	-	-	-	-	-	-		-	-	-	-		-	-	-	-	-	
Totals	2,091	-	2,099	-	(8)	-		1,898	-	1,894	-		4	-	7	3	3	-
Percentage Error					-0.38%	0.00%							0.21%		-			0.00%

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

	Resident Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application	Sample Errors
	Half Day Preschool 3 Years Old			-		
Half Day Preschool 4 Years Old			-			-
Full Day Preschool 3 Years Old			-			-
Full Day Preschool 4 Years Old			-			-
Half Day Kindergarten			-			-
Full Day Kindergarten	9	9	-	3	3	-
Grade 1	8	8	-	2	2	-
Grade 2	9	9	-	2	2	-
Grade 3	10	10	-	2	2	-
Grade 4	12	12	-	3	3	-
Grade 5	14	14	-	2	2	-
Grade 6	14	14	-	5	5	-
Grade 7	10	10	-	4	4	-
Grade 8	24	24	-	5	5	-
Grade 9	20	20	-	4	4	-
Grade 10	16	16	-	3	3	-
Grade 11	23	23	-	4	4	-
Grade 12	15	15	-	4	4	-
Post- Graduate			-			-
Adult High School (15+ Credits)			-			-
Adult High School (1-14 Credits)			-			-
Subtotal	184	184	-	43	43	-
Sp Ed - Elementary	9	9	-	2	2	-
Sp Ed - Middle School	11	9	2	1	1	-
Sp Ed - High School	15	15	-	3	3	-
Subtotal	35	33	2	6	6	-
County Vocational - Regular	-	-	-	-	-	-
County Vocational - F.T. Post-Second	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	219	217	2	49	49	-
Percentage Error			<u>0.91%</u>			<u>0.00%</u>

	Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Errors
	Half Day Preschool 3 Years Old			-		
Half Day Preschool 4 Years Old			-			-
Full Day Preschool 3 Years Old			-			-
Full Day Preschool 4 Years Old			-			-
Half Day Kindergarten			-			-
Full Day Kindergarten	2	2	-	1	1	-
Grade 1	3	3	-	1	1	-
Grade 2	1	1	-	1	1	-
Grade 3	3	3	-	1	1	-
Grade 4	2	2	-	1	1	-
Grade 5	-	-	-	-	-	-
Grade 6	2	2	-	1	1	-
Grade 7	1	1	-	1	1	-
Grade 8	3	3	-	1	1	-
Grade 9	1	1	-	-	-	-
Grade 10	1	2	(1)	1	1	-
Grade 11	-	-	-	-	-	-
Grade 12	1	2	(1)	1	1	-
Post- Graduate	-	-	-	-	-	-
Adult High School (15+ Credits)	-	-	-	-	-	-
Adult High School (1-14 Credits)	-	-	-	-	-	-
Subtotal	20	22	(2)	10	10	-
Sp Ed - Elementary	1	1	-	1	1	-
Sp Ed - Middle School	1	1	-	1	1	-
Sp Ed - High School	1	2	(1)	2	2	-
Subtotal	3	4	(1)	4	4	-
County Vocational - Regular	-	-	-	-	-	-
County Vocational - F.T. Post-Second	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	23	26	(3)	14	14	-
Percentage Error			<u>-13.04%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	23	23	-	15	15	-
Transported - Non Public	-	-	-	-	-	-
AIL Non-Public	-	-	-	-	-	-
Regular - Special Ed	2	2	-	2	2	-
Special Needs	13	13	-	3	3	-
Subtotal	38	38	-	20	20	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

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

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as NOT Low Income	Reported on Workpapers as NOT low Income	Errors	Sample Selected From Workpapers	Verified to Application	Errors
Half Day Preschool 3 Years Old						
Full Day Preschool 3 Years Old			-			-
Half Day Preschool 4 Years Old			-			-
Full Day Preschool 4 Years Old			-			-
Half Day Kindergarten			-			-
Full Day Kindergarten	8	8	-	2	2	-
Grade 1	12	12	-	3	3	-
Grade 2	6	6	-	2	2	-
Grade 3	5	5	-	2	2	-
Grade 4	-	-	-	-	-	-
Grade 5	1	1	-	1	1	-
Grade 6	1	1	-	1	1	-
Grade 7	-	-	-	2	2	-
Grade 8	2	2	-	1	1	-
Grade 9	2	2	-	2	2	-
Grade 10	1	-	1	1	1	-
Grade 11	2	3	(1)	2	2	-
Grade 12	4	3	1	3	3	-
Post- Graduate			-			-
Adult High School (15+ Credits)			-			-
Adult High School (1-14 Credits)			-			-
Subtotal	44	43	1	22	22	-
Sp Ed - Elementary	-	-	-			-
Sp Ed - Middle School	-	-	-			-
Sp Ed - High School	3	2	1	2	2	-
Subtotal	3	2	1	2	2	-
County Vocational - Regular	-					
County Vocational - F.T. Post-Second	-					
Subtotal						
Totals	47	45	2	24	24	-
Percentage Error			<u>4.26%</u>			<u>0.00%</u>

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

SECTION 1 - Regular District

Four Percent (4%) - Calculation of Excess Surplus

2021-2022 Total General Fund Expenditures per the ACFR	\$ 46,319,164	
Increased by:		
Transfers to Special Revenue Fund	74,700	
Transfers to Capital Projects Fund	85,919	
Decreased by:		
Assets Acquired Under Leases	(46,431)	
Expenditures Funded by Insurance Recoveries	(1,401,734)	
On-Behalf TPAF Pension & Social Security	<u>(8,477,328)</u>	
Adjusted 2021-2022 General Fund Expenditures	<u>\$ 36,554,290</u>	
4% of Adjusted 2021-2022 General Fund Expenditures	\$ 1,462,170	
Allowable Adjustments - Extraordinary Aid	<u>43,770</u>	
Maximum Unassigned Fund Balance		\$ 1,505,940

SECTION 2

Total General Fund - Fund Balance at June 30, 2022 (Per CAFR Budgetary Comparison Schedule/Statement C-1)	\$ 6,949,593	
Decreased by:		
Restricted Fund Balances - Capital Reserve	\$ 1,775,344	
Restricted Fund Balances - Capital Reserve - Designated for Subsequent Year's Expenditures	382,500	
Restricted Fund Balances - Maintenance Reserve	575,000	
Restricted Fund Balances - Maintenance Reserve - Designated for Subsequent Year	275,000	
Restricted - Unemployment Compensation Reserve	180,921	
Excess Surplus Designated for Subsequent Year's Expenditures	600,000	
Assigned - Year End Encumbrances	1,078,570	
Assigned - Designated for Subsequent Year Expenditures	292,200	
Assigned - Insurance Recovery Expenditures	<u>524,674</u>	
		<u>5,684,209</u>
Total Unassigned Fund Balance		<u>1,265,384</u>
Restricted Fund Balance - Excess Surplus		<u>-</u>

SECTION 3

Recapitulation of Restricted Excess Surplus as of June 30, 2022		
Excess Surplus		\$ -
Excess Surplus - Designated for Subsequent Year's Expenditures		<u>600,000</u>
Total		<u>\$ 600,000</u>

**LEONIA BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

There are none.

III. School Purchasing Program

There are none.

IV. School Food Service

1. It is recommended that the District develop a plan to eliminate the excess in net cash resources in the Food Service Fund.

V. Student Body Activities

2. It is recommended that procedures be reviewed and revised in the student activity accounts to ensure deposits are made timely, check request forms and supporting documentation are available for payments and two authorizing signatures are obtain on all checks issued for payment.

VI. Enrichment Program

There are none.

VII. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

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

ACKNOWLEDGEMENT

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

Respectfully submitted,
LERCH, VINCI & BLISS, LLP



Jeffrey C. Bliss
Public School Accountant
Certified Public Accountant