

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

**LITTLE FERRY BOARD OF EDUCATION
TABLE OF CONTENTS**

**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE**

	<u>Page No.</u>
Report of Independent Auditor	1
Scope of Audit	2
Administrative Practices and Procedures	2
Financial Planning, Accounting and Reporting	2-4
School Purchasing Programs	4-5
School Food Service	5
Student Body Activity	5
Application for State School Aid	6
Pupil Transportation	6
Facilities and Capital Assets	6
Testing for Lead of all Drinking Water in Educational Facilities	6
Follow-up on Prior Year Findings	6
Schedule of Meal County Activity – Not Applicable	7
Schedule of Net Cash Resources – (Food Services Fund) – Not Applicable	7
Schedule of Audited Enrollments	8-10
Excess Surplus Calculation	11
Recommendations	12
Acknowledgement	13



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

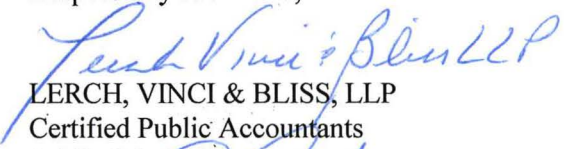
AUDITOR'S MANAGEMENT REPORT

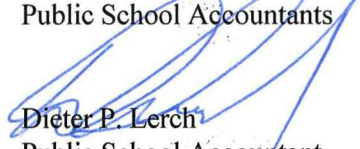
Honorable President and
Members of the Board of Trustees
Little Ferry Board of Education
Little Ferry, New Jersey

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 Little Ferry Board of Education in the County of Bergen as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated February 3, 2023.

As part of our audit, we performed procedures required by the 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 and use of Little Ferry Board of Education's management, the Board of Trustees, 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.

Respectfully submitted,

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


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
February 3, 2023

**LITTLE FERRY 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 Business Administrator/Board Secretary 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

Fire insurance coverage was carried in the amounts as detailed on the Schedule of Insurance contained in the Statistical Section of the District's Annual Comprehensive Financial Report (the "ACFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Steve DiGeronimo	Interim Business Administrator/Board Secretary	\$100,000
Antoinette Kelly	Treasurer of School Monies	300,000

There is a Blanket Dishonesty Bond with the Selective Insurance Company of America covering all other employees with multiple coverage of \$500,000.

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.

If the data certification date reflects submission date later than 60 days after the end of the enrollment period: The original data submission did not require significant revision due to errors or omissions on the part of the district.

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll/Personnel

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, the Business Administrator/Board Secretary and the Chief School Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefit deductions withheld and due to the General Fund.

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 to determine 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.

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

Financial Planning, Accounting and Reporting (Continued)

Travel

The Board of Trustees has adopted a travel policy that complies with N.J.S.A. 18A:11-12.

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 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:23A-8.3.

Board Secretary's Records

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

The Board Secretary's and Treasurer's monthly financial reports were presented 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.

The prescribed contractual order system was followed.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

Acknowledgement of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes. The monthly certification of the availability of line item appropriations and fund balances were also approved.

Finding 2022-1 – Our audit of the Operating and Food Service bank reconciliations revealed numerous reconciling items were reported as a result of interfund transactions throughout the year.

Recommendation – Interfunds be cleared of record prior to year end to ensure reconciling items on the bank reconciliations are limited and properly recorded at year end.

Treasurer's Records

The Treasurer did perform cash reconciliations for all accounts required.

All cash receipts were promptly deposited.

The Treasurer's records were in agreement with the records of the Board Secretary

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

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 IV of the Elementary and Secondary Education Act, as amended.

The audit indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

Other Special Federal and/or State Projects

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

Our audit 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.

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

Financial Planning, Accounting and Reporting (Continued)

Finding 2022-2 (ACFR Finding 2022-001) – Our audit of employee salary charges to ESSER II revealed that a Board resolution was not prepared approving individuals and amounts to be paid and charged to the ESSER II program.

Recommendation – Board resolutions be prepared identifying individuals, salary amounts to be charged and hourly rates to be paid to employees with Federal grant program funds.

I.D.E.A. Part B

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

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.

TPAF Reimbursement to the State for Federal Salary Expenditures'

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

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$20,200. The Board has designated the School Business Administrator as the purchasing agent.

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.

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

Finding 2022-3 (ACFR Finding 2022-002) – Our audit with respect to school purchasing revealed the following:

- a) Contract awards for professional services and National Cooperative contracts were not advertised.
- b) Vendor invoices for plumbing services were not itemized to include hourly rates and number of hours to be charged. In addition, the markup percentages charges on materials exceeded the approved amounts.
- c) Vendors were paid in excess of the not to exceed contract amounts approved in the minutes.

Recommendation – It is recommended that with respect to school purchasing:

- a) Contract awards for professional services and National Cooperative contracts be advertised as required by the Local Public Contracts Law.
- b) Invoices for plumbing services be itemized as to the hourly rates and time to be charged.
- c) Amounts paid to vendors with not to exceed thresholds be reviewed and updated as necessary.

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

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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 purchases were made through the use of State contracts.

School Food Service

In accordance with the Governor's Declaration of Emergency pertaining to the COVID 19 Virus 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 Free and Reduced Price 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) or the Summer Food Service Program (SFSP) option. SFAs could also choose to participate in the National School Lunch Program utilizing standard counting and claiming practices.

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

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

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. Exceptions were not noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. Exceptions were not noted.

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

We also inquired of management about the emergency COVID-19 procedures/practices that the SFA instituted to provide meals to eligible students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations.

Student Body Activity

The Board has a policy which clearly established the regulation of the student activity fund.

Cash receipts were promptly deposited.

Cash disbursements had proper supporting documentation.

**LITTLE FERRY BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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, bilingual and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to District workpapers with immaterial exceptions noted. The information on the workpapers was verified with immaterial exceptions noted. 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 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.

Facilities and Capital Assets

The District had one SDA grant project during the year. Our procedures also included a review of the transfer of local funds from the General Fund or from the Capital Reserve Account and awarding of contracts for eligible facilities constructions.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all 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 including findings. Corrective action had been taken on all prior year findings.

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

NOT APPLICABLE

**FOOD SERVICE FUND
NET CASH RESOURCE SCHEDULE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOT APPLICABLE

**LITTLE FERRY 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 from Work-papers	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 yrs	27.0	-	27.0	-	-	-	27.0	-	27.0	-	-	-	-	-	-	-
Full Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	83.0	-	83.0	-	-	-	83.0	-	83.0	-	-	-	-	-	-	-
Grade 1	74.0	-	73.0	-	1.0	-	73.0	-	73.0	-	-	-	-	-	-	-
Grade 2	70.0	-	70.0	-	-	-	70.0	-	70.0	-	-	-	-	-	-	-
Grade 3	60.0	-	60.0	-	-	-	60.0	-	60.0	-	-	-	-	-	-	-
Grade 4	83.0	-	84.0	-	(1.0)	-	84.0	-	84.0	-	-	-	-	-	-	-
Grade 5	52.0	-	54.0	-	(2.0)	-	54.0	-	54.0	-	-	-	-	-	-	-
Grade 6	72.0	-	73.0	-	(1.0)	-	73.0	-	73.0	-	-	-	-	-	-	-
Grade 7	84.0	-	84.0	-	-	-	84.0	-	84.0	-	-	-	-	-	-	-
Grade 8	91.0	-	88.0	-	3.0	-	88.0	-	88.0	-	-	-	-	-	-	-
Grade 9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grade 10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grade 11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grade 12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	696.0	-	696.0	-	-	-	696.0	-	696.0	-	-	-	-	-	-	-
Special Ed - Elementary	72.0	-	70.0	-	2.0	-	72.0	-	62.0	-	10.0	-	-	-	-	-
Special Ed - Middle	27.0	-	29.0	-	(2.0)	-	27.0	-	37.0	-	(10.0)	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-	-	-	-	-	-	-	4.0	4.0	4.0	-
Subtotal	99.0	-	99.0	-	-	-	99.0	-	99.0	-	-	-	4.0	4.0	4.0	-
Totals	795.0	-	795.0	-	-	-	795.0	-	795.0	-	-	-	4.0	4.0	4.0	-
Percentage Error	<u>0.00%</u> <u>N/A</u>						<u>0.00%</u> <u>N/A</u>						<u>0.00%</u>			

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

	Resident Low Income			Sample for Verification			Resident LEP 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 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	Errors
	Half Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	24.0	24.0	-	5	5	-	2.0	2.0	-	2	2	-
Grade 1	11.0	11.0	-	2	2	-	2.0	2.0	-	2	2	-
Grade 2	13.0	13.0	-	3	3	-	1.0	1.0	-	1	1	-
Grade 3	14.0	14.0	-	3	3	-	-	-	-	-	-	-
Grade 4	11.0	11.0	-	2	2	-	-	-	-	-	-	-
Grade 5	19.0	19.0	-	4	4	-	1.0	1.0	-	1	1	-
Grade 6	12.0	12.0	-	2	2	-	1.0	1.0	-	1	1	-
Grade 7	27.0	27.0	-	5	5	-	-	-	-	-	-	-
Grade 8	15.0	15.0	-	3	3	-	1.0	1.0	-	-	-	-
Grade 9	24.0	23.0	1	5.0	5.0	-	2.0	2.0	-	2.0	2.0	-
Grade 10	26.0	26.0	-	5.0	5.0	-	-	-	-	-	-	-
Grade 11	33.0	33.0	-	6.0	6.0	-	2.0	2.0	-	2.0	2.0	-
Grade 12	30.0	30.0	-	6.0	6.0	-	-	-	-	-	-	-
Subtotal	259.0	258.0	1.0	51.0	51.0	-	12.0	12.0	-	11.0	11.0	-
Special Ed - Elementary	20.0	20.0	-	4.0	4.0	-	-	-	-	-	-	-
Special Ed - Middle	12.0	12.0	-	2.0	2.0	-	-	-	-	-	-	-
Special Ed - High	15.0	11.0	4	3.0	3.0	-	-	-	-	-	-	-
Subtotal	47	43	4	9	9	-	-	-	-	-	-	-
Sent Priv Sch Disabled			-									
Sent to RDS			-									
Sent To CSSD			-									
Totals	306.0	301.0	5.0	60.0	60.0	-	12.0	12.0	-	11.0	11.0	-
Percentage Error		1.63%			0.00%			0.00%			0.00%	

	Transportation					
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
	Reg. - Public Schools	268.0	268.0	-	46.0	46.0
Transported - Non - Public	14.0	14.0	-	3.0	3.0	-
All Non-Public	50.0	50.0	-	10.0	10.0	-
Special Ed. - Public	5.0	5.0	-	2.0	2.0	-
Special Needs - Public	28.0	28.0	-	4.0	4.0	-
	365.0	365.0	-	65.0	65.0	-
Percentage Error		0.00%			0.00%	

6

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

10

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Worpapers	Verified to Application and Register	Errors
	Half Day Preschool 3 yrs	-	-	-	-	-
Full Day Preschool 3 yrs	-	-	-	-	-	-
Half Day Preschool 4 yrs	-	-	-	-	-	-
Full Day Preschool 4 yrs	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	15.0	15.0	-	7.0	7.0	-
Grade 1	14.0	14.0	-	7.0	7.0	-
Grade 2	6.0	6.0	-	4.0	4.0	-
Grade 3	3.0	3.0	-	2.0	2.0	-
Grade 4	2.0	2.0	-	2.0	2.0	-
Grade 5	1.0	1.0	-	1.0	1.0	-
Grade 6	-	-	-	-	-	-
Grade 7	1.0	1.0	-	1.0	1.0	-
Grade 8	5.0	5.0	-	4.0	4.0	-
Grade 9	4.0	4.0	-	2.0	2.0	-
Grade 10	6.0	6.0	-	2.0	2.0	-
Grade 11	1.0	1.0	-	1.0	1.0	-
Grade 12	2.0	2.0	-	1.0	1.0	-
Adult School						
Subtotal	60.0	60.0	-	34.0	34.0	-
Special Ed - Elementary	3.0	3.0	-	3.0	3.0	-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	3.0	3.0	-	3.0	3.0	-
Totals	63.0	63.0	-	37.0	37.0	-
Percentage Error		0.00%			0.00%	

**LITTLE FERRY BOARD OF EDUCATION
CALCULATION OF EXCESS SUPLUS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION 1A - Four Percent (4%) - Calculation of Excess Surplus

2021-2022 Total General Fund Expenditures per the CAFR		\$ 27,949,880
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ 3,751,256	
Lease Purchase	<u>51,591</u>	
		<u>3,802,847</u>
Adjusted 2021-2022 General Fund Expenditures		<u>\$ 24,147,033</u>
4% of Adjusted 2021-2022 General Fund Expenditures		<u>\$ 965,881</u>
Enter Greater of 4% of Adjusted 2021-2022 General Fund Expenditures or \$250,000		\$ 965,881
Increased by: Allowable Adjustments-Extraordinary Aid /NP Transportation		<u>369,429</u>
Maximum Unassigned Fund Balance		<u>\$ 1,335,310</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2022 (Per CAFR Budgetary Comparison Schedule/Statement)		\$ 6,198,319
Decreased by:		
Year End Encumbrances	\$ 460,226	
Restricted Fund Balance- Designated for Subsequent Year's Expenditures	239,559	
Restricted Fund Balance - Excess Surplus-Designated for Subsequent Year's Expenditures	335,745	
Restricted Fund Balance - Capital Reserve	2,300,000	
Restricted Fund Balance - Maintenance Reserve	637,094	
Restricted Fund Balance - Tuition Reserve	<u>550,000</u>	
Total Unassigned Fund Balance		<u>\$ 1,675,695</u>

SECTION 3

Restricted Fund Balance - Excess Surplus \$ 340,385

Recapitulation of Excess Surplus as of June 30, 2022

Excess Surplus-Designated for Subsequent Year's Expenditures		\$ 335,745
Excess Surplus		<u>340,385</u>
Total Excess Surplus		<u>\$ 548,071</u>

Detail of Allowable Adjustments

Extraordinary Aid - Unbudgeted		\$ 350,869
Additional Non Public Transportation Aide		<u>18,560</u>
		<u>\$ 369,429</u>

**LITTLE FERRY BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Interfunds be cleared of record prior to year end to ensure reconciling items on the bank reconciliations are limited and properly recorded at year end.
2. Board resolutions be prepared identifying individuals, salary amounts to be charged and hourly rates to be paid to employees with Federal grant program funds.

III. School Purchasing Program

It is recommended that with respect to school purchasing:

- a) Contract awards for professional services and National Cooperative contracts be advertised as required by the Local Public Contracts Law.
- b) Invoices for plumbing services be itemized as to the hourly rates and time to be charged.
- c) Amounts paid to vendors with not to exceed thresholds be reviewed and updated as necessary.

IV. School Food Services

There are none.

V. Student Body Activities

There are none.

VI. Application for State School Aid

There are none.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

There are none.

IX. Miscellaneous

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

In accordance with government auditing standards, we have reviewed the status of all prior year findings. Corrective action was taken on all prior year findings with the exception of those denoted with an asterisk.

**LITTLE FERRY BOARD OF EDUCATION
RECOMMENDATIONS
(CONTINUED)**

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



Dieter P. Lerch

Public School Accountant

PSA Number CS00756