

**THE BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL  
AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
EAST BRUNSWICK, NEW JERSEY**

**MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS—  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2022**

**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS–  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**Table of Contents**

	<u>Page No.</u>
Report of Independent Auditors .....	1
Scope of Audit .....	2
Administrative Practices and Procedures	
Insurance .....	2
Official Bonds .....	2
Tuition Charges .....	2
Financial Planning, Accounting and Reporting	
Examination of Claims .....	3
Payroll Account and Position Control Roster .....	3
Reserve for Encumbrances and Accounts Payable .....	3
Classification of Expenditures .....	3
• General Classifications	
• Administrative Classifications	
Board Secretary's Records .....	4
Treasurer's Records .....	4
Elementary and Secondary Education Act as amended by the Every Student Succeeds Act (ESSA) .....	4
Other Special Federal and/or State Projects .....	4
T.P.A.F. Reimbursement .....	4
School Purchasing Programs .....	5
Contracts and Agreements Requiring Advertisement for Bids .....	5
School Food Service .....	5
Student Body Activities .....	7
Application for State School Aid .....	7
Pupil Transportation .....	8
Facilities and Capital Assets .....	8
Testing for Lead of All Drinking Water .....	8
Other Suggestions to Management .....	8
Follow-up on Prior Year Findings .....	8
Acknowledgment .....	8
Schedule of Meal Count Activity .....	9
Net Cash Resources Schedule .....	11
Schedule of Audited Enrollments .....	12
Excess Surplus Calculation .....	15
Recommendations .....	18



## INDEPENDENT AUDITORS' REPORT

**Honorable President and Members  
of the Board of Education of the  
Middlesex County Vocational and Technical High Schools**  
County of Middlesex,  
East Brunswick, New Jersey

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Middlesex County Vocational and Technical School District in the County of Middlesex as of and for the year ended June 30, 2022, and have issued the report thereon dated March 2, 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 and use of the Middlesex County Vocational and Technical School District 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.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 2, 2023

A handwritten signature in black ink that reads "David J. Gannon".

David J. Gannon  
Licensed Public School Accountant, No. 2305

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**THE BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2022**

**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 and the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

Insurance

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

Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Karl J. Knehr	Business Administrator/Board Secretary	\$ 285,000
Joseph Greco	Treasurer of School Moneys	285,000

There is a Public Employee's Dishonesty Blanket Bond issued by the Zurich-American Insurance Company covering all other employees with multiple coverage of \$250,000.

*P.L. 2020, c.44*

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year on audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness. The data submitted did include all health benefit plans offered by the district. The School district data certification was completed by the chief school administrator. The school district Chapter 44 data was submitted timely. The original data submission did require significant revision due to errors or omissions on the part of the district.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made a proper adjustment ("billing") to sending Districts for the increase (decrease) in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3, which is performed as part of the District's annual budget process.

**THE BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2022**

**Financial Planning, Accounting and Reporting**

Examination of Claims

An examination of claims paid during the period did not indicate any discrepancies with respect to signatures, certification or supporting documentation and no exceptions were noted.

Payroll Account and Position Control Roster

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 and the Board Secretary/Business Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund, where applicable.

Payrolls were delivered to the treasurer of school moneys with a warrant made to his order for the full amount of each payroll.

An inquiry and subsequent review of the Position Control Roster did not identify any inconsistencies between the payroll records, employee benefit records, the general ledger accounts to where wages are posted, and the Position Control Roster.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable and no exceptions were noted.

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 our selected test samples, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.3*. No exceptions were noted.

**THE BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2022**

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary did not disclose any exceptions.

Treasurer's Records

No exceptions were noted during our review of the financial and accounting records maintained by the Treasurer.

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

The E.S.E.A./NCLB 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.

The study of compliance for E.S.E.A./N.C.L.B. indicated no instances of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (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.

The study of compliance for the special projects indicated no instances of noncompliance.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly 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.

**THE BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2022**

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 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

**School Purchasing Programs**

Contracts and Agreements Requiring Advertisement for Bids

Effective July 1, 2021 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 \$20,200 for 2021-22.

The District 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, performed on a test basis, indicated the following are for improvement.

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

**School Food Service**

Public Health Emergency

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency all Public, Charter, Non-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.

**THE BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2022**

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.

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 FMSC 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 the food service program will return a profit of at least \$29,638. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or 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 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 BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2022**

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

Net cash resources did exceed three months average expenditures. See other suggestion to management.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meals and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review.

USDA Food Donation Program were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

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.

**Student Body Activities**

During our audit of the student activity funds, we did not note any exceptions.

**Application for State School Aid (ASSA)**

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 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 work papers without exception as presented in the accompanying Schedule of Audited Enrollments. The information included as part of the work papers was verified without exception. The results of our procedures are

**THE BOARD OF EDUCATION  
OF THE MIDDLESEX COUNTY VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2022**

presented in the Schedule of Audited Enrollments. The District maintained work papers on the prescribed state forms or their equivalent. The District has adequate written procedures for the recording of student enrollment data.

**Pupil Transportation**

The District is a receiving district and, therefore, is not required to file a District Report of Transported Resident Students (DRTRS).

**Facilities and Capital Assets**

Our procedures included a review of New Jersey Schools Development Authority ("NJSDA") grant agreements for consistency with recording the NJSDA revenue, transfer of local funds from the General Fund or from the capital reserve, and awarding of contracts for eligible facilities construction. No exceptions were identified.

**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 submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

**Other Suggestion to Management**

Net cash resources did exceed three months average expenditures, which was a result of the COVID-19 pandemic and the Federal Government's decision to offer free lunches to all students at a higher reimbursement rate than previously provided for, and therefore no formal finding and recommendation was included. The District is aware of the condition and will continue to invest in its food service program until the appropriate amount of net cash resources is depleted.

**Follow-up on Prior Year's Findings**

In accordance with Government Auditing Standards, our procedures included a review of all prior year recommendations. There were no prior year findings and therefore no corrective action was required.

**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.

**THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL SCHOOLS  
COUNTY OF MIDDLESEX**

**SCHEDULE OF MEAL COUNT ACTIVITY**

**FOOD SERVICE FUND**

**NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -Federal**

**ENTERPRISE FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE (a)	(OVER) UNDER CLAIM (b)
National School Lunch (Regula/Rate)	Paid	0	0	0	0	0.37	\$ -
National School Lunch (Regular Rate)	Reduced	0	0	0	0	3.28	0.00
National School Lunch (Regular/SSO Rate)	Free	0	0	0	0	3.68	0.00
National School Breakfast (Regular/SSO Rate)	Free	72,630	72,630	72,630	0	2.61	0.00
National School Lunch (Regular/SSO Rate)	Free	172,622	172,622	172,622	0	4.56	0.00
<b>TOTAL</b>		<b>245,252</b>	<b>245,252</b>	<b>245,252</b>			<b>0.00</b>
National School Lunch	HHFKA - PB Lunch Only				0	0.07	0.00
School Breakfast (Regular Rate)	Paid	0	0	0	0	0.33	0.00
	Reduced	0	0	0	0	2.05	0.00
	Free	0	0	0	0	2.35	0.00
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>0</b>			<b>0.00</b>
<b>Total Net Overclaim</b>							<b>\$ -</b>

**Auditor Notation:**

(a) Reimbursement rates are subject to annual change. Rates indicated in this sample schedule are for illustrative purposes only. Refer to the detailed schedule of reimbursement rates presented on page II-60.29 of this Audit Program. (b) Overclaims or underclaims must be reflected by program on the Schedule of Findings and Questioned Costs (where applicable) and in the AMR. (c) If underclaims are identified and total \$100.00 or more by program, please contact the DOA for requirements to request reimbursement from USDA. Underclaim requests may or may not be approved by USDA for reimbursement. (d) Child and Adult Care Food Program-(CACFP)-At-Risk Dinners

**THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX**

**SCHEDULE OF MEAL COUNT ACTIVITY**

**FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM -STATE  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE (a)	(OVER) UNDER CLAIM (b)
State Reimbursement - National School Lunch (Regular Rate)	Paid	0	0	0	0	0.050	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	0	0	0	0	0.055	0.00
State Reimbursement - National School Lunch (Regular Rate)	Free	0	0	0	0	0.105	0.00
	<b>TOTAL</b>	<u>0</u>	<u>0</u>	<u>0</u>			
 Seamless Summer Option (SSO )							
Lunch	Free	<u>172,622</u>	<u>172,622</u>	<u>172,622</u>	0	0.105	0.00
	<b>TOTAL</b>	<u>172,622</u>	<u>172,622</u>	<u>172,622</u>			
<b>Total Net Overclaim</b>							<u><u>\$ -</u></u>

**Auditor Notation:**

(a) Reimbursement rates are subject to annual change. Rates indicated in this sample schedule are for illustrative purposes only. Refer to the detailed schedule of reimbursement rates presented on page II-60.29 of this Audit Program. (b) Overclaims or underclaims must be reflected by program on the Schedule of Findings and Questioned Costs (where applicable) and in the AMR. (c) State underclaims identified are not eligible for reimbursement.

**THE BOARD OF EDUCATION OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS OF COUNTY  
OF MIDDLESEX**

**Net cash resources did/did not exceed three months of expenditures  
Proprietary Funds - Food Service  
FYE 2022**

<u>Net Cash Resources:</u>		<b>Food Service B - 4/5</b>	
<b>CAFR</b>	*	<b>Current Assets</b>	
B-4		Cash & Cash Equiv.	\$ -
B-4		Due from Other Gov'ts	400,788.00
B-4		Accounts Receivable	94,353.00
B-4		Investments	
<b>CAFR</b>		<b>Current Liabilities</b>	
B-4		Less Accounts Payable	(78,490.00)
B-4		Less Accruals	(1,988.00)
B-4		Less Due to Other Funds	
B-4		Less Unearned Revenue	(4,106.00)
		<b>Net Cash Resources</b>	<b><u>\$ 410,557.00</u></b> (A)

**Net Adj. Total Operating Expense:**

B-5	Tot. Operating Exp.	912,422.00	
B-5	Less Depreciation	(19,497.00)	
	Adj. Tot. Oper. Exp.	<b><u>\$ 892,925.00</u></b>	(B)

**Average Monthly Operating Expense:**

	B / 10	<b><u>\$ 89,292.50</u></b>	(C)
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**Three times monthly Average:**

	3 X C	<b><u>\$ 267,877.50</u></b>	(D)
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TOTAL IN BOX A	\$	410,557.00	
LESS TOTAL IN BOX D	\$	267,877.50	
NET	\$	<b><u>142,679.50</u></b>	
From above:			
<b>A is greater than D, cash exceeds 3 X average monthly operating expenses.</b>			
<b>D is greater than A, cash does not exceed 3 X average monthly operating expenses.</b>			

\* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

**THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX**

**SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR STATE SCHOOL AID SUMMARY**

**ENROLLMENT AS OF OCTOBER 15, 2021**

	2022-23 Application for State School Aid (10/15/21 data)						Sample for Verification						Private Schools for Disabled			
	A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Education Elementary School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Education Middle School	-	73.0	-	73.0	-	-	-	-	-	-	-	-	-	-	-	-
Special Education High School	493.0	21.0	493.0	21.0	-	-	25.0	-	25.0	-	-	-	-	-	-	-
Subtotal	493.0	94.0	493.0	94.0	-	-	25.0	-	25.0	-	-	-	-	-	-	-
County Vocational - Regular	1,645.0	3.0	1,645.0	3.0	-	-	224.0	-	224.0	-	-	-	-	-	-	-
County Vocational - First Post Secondary	434.0	-	434.0	-	-	-	47.0	-	47.0	-	-	-	-	-	-	-
Total	2,572.0	97.0	2,572.0	97.0	-	-	296.0	-	296.0	-	-	-	-	-	-	-
Percentage Error					0.00%	0.00%				0.00%	0.00%					0.00%

**THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX**

**SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR STATE SCHOOL AID SUMMARY (continued)**

**ENROLLMENT AS OF OCTOBER 15, 2021**

	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	Sample Errors
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-
Nine	-	-	-	-	-	-	-	-	-	-	-	-
Ten	-	-	-	-	-	-	-	-	-	-	-	-
Eleven	-	-	-	-	-	-	-	-	-	-	-	-
Twelve	-	-	-	-	-	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Special Education Elementary School	-	-	-	-	-	-	-	-	-	-	-	-
Special Education Middle School	23.0	23.0	-	8.0	8.0	-	-	-	-	-	-	-
Special Education High School	179.0	179.0	-	54.0	54.0	-	-	-	-	-	-	-
Subtotal	202.0	202.0	-	62.0	62.0	-	-	-	-	-	-	-
County Vocational - Regular	558.0	558.0	-	170.0	170.0	-	6.0	6.0	-	6.0	6.0	-
County Vocational - First Post Secondary	-	-	-	-	-	-	-	-	-	-	-	-
Total	760.0	760.0	-	232.0	232.0	-	6.0	6.0	-	6.0	6.0	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

	Transportation						Average mileage - regular including Grade PK students	Reported	Recalculated
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors			
Regular - Public	-	-	-	-	-	-			
Transported Non-Public	-	-	-	-	-	-	Average mileage - regular excluding Grade PK students	-	-
AIL - Non Public	-	-	-	-	-	-			
Special Education-Public	-	-	-	-	-	-	Average mileage - special education with special needs	-	-
Special Education Needs	-	-	-	-	-	-			
Totals	-	-	-	-	-	-			
Percentage Error			0.00%			0.00%			

**THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX**

**SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR STATE SCHOOL AID SUMMARY**

**ENROLLMENT AS OF OCTOBER 15, 2021**

	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 Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	-	-	-	-	-	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Special Education Elementary School	-	-	-	-	-	-
Special Education Middle School	-	-	-	-	-	-
Special Education High School	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
County Vocational - Regular	6.0	6.0	-	5.0	5.0	-
County Vocational - First Post Secondary	-	-	-	-	-	-
Total	<u>6.0</u>	<u>6.0</u>	<u>-</u>	<u>5.0</u>	<u>5.0</u>	<u>-</u>

Percentage Error

0.00%

-



**THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX**

**EXCESS SURPLUS CALCULATION**

**June 30, 2022**

**SECTION 1 - County Vocational District**

**A. 6% Calculation of Excess Surplus (2021-22) expenditures of \$100 million or less)**

2021-22 Total General Fund Expenditures Reported on Exhibit C-1	\$ <u>52,284,745</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ <u>1,000,000</u>	(B1b)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>9,847,214</u>	(B2a)
Assets Acquired Under Capital Leases	\$ _____	(B2b)
Adjusted 2021-22 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ <u>43,437,531</u>	(B3)
6% of Adjusted 2021-22 General Fund Expenditures [(B3) times .06]	\$ <u>2,606,251</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>2,606,251</u>	(B5)
Increased by: Allowable Adjustment*	\$ _____	(K)
Maximum Unassigned/Unreserved - Undesignated Fund Balance [(B5) + (K)]	\$ <u>2,606,251</u>	(M)

**SECTION 2**

Total General Fund - Fund Balances @ 6/30/2022 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>9,013,954</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>895,190</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>1,335,134</u>	(C3)
Other Restricted Fund Balances****	\$ <u>2,900,100</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>14,866</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u>3,868,664</u>	(U1)

**THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX  
EXCESS SURPLUS CALCULATION**

**June 30, 2022**

**SECTION 3**

Restricted Fund Balance - Excess Surplus \*\*\*  
[(U1)-(M)] IF NEGATIVE ENTER -0- \$ 1,262,413 (E)

**Recapitulation of Excess Surplus as of June 30, 2022**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>1,335,134</u> (C3)
Reserved Excess Surplus *** [(E)]	\$ <u>1,262,413</u> (E)
 Total Excess Surplus [(C3)+(E)]	 \$ <u><u>2,597,547</u></u> (D)

This adjustment line (as detailed below) is to be utilized when applicable for: Impact Aid, Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), Extraordinary Aid, Additional Nonpublic School Aid and Transportation Aid. Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid.

**Detail of Allowable Adjustments**

Impact Aid	\$ _____ - (H)
Sales & Lease-back	\$ _____ - (I)
Extraordinary Aid	\$ _____ - (J1)
Additional Nonpublic School Transportation Aid	\$ _____ - (J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____ - (J3)
Family Crisis Transportation Aid	\$ _____ - (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ _____ - (K)

\*\* This amount represents the June 30, 2021 Excess Surplus (C3 above) and must be included.

\*\*\* Amount must agree to the June 30, 2022 ACFR and Audit Summary Worksheet Line 90030.

\*\*\*\* Amount for Other Reserved Fund Balances 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 any 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.

THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX

EXCESS SURPLUS CALCULATION

June 30, 2022

**Detail of Other Reserved Fund Balance**

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 2,900,100
Maintenance reserve	\$ -
Emergency reserve	\$ -
Tuition reserve	\$ -
School bus advertising 50% fuel offset reserve - current year	\$ -
School bus advertising 50% fuel offset reserve - prior year	\$ -
Impact Aid General Fund Reserve	\$ -
Impact Aid Capital Fund Reserve	\$ -
Other state/government mandated reserve	\$ -
 [Other Restricted Fund Balance not noted above]****	 \$ -
 Total Other Restricted Fund Balance	 <u>\$ 2,900,100</u> (C4)

THE BOARD OF EDUCATION  
OF THE VOCATIONAL AND TECHNICAL HIGH SCHOOLS  
COUNTY OF MIDDLESEX

RECOMMENDATIONS

June 30, 2022

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**

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 Year Audit Findings/Recommendations**

There are none.