

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
COUNTY OF MORRIS
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
COUNTY OF MORRIS
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
TABLE OF CONTENTS

Cover Letter.....	1
Scope of Audit.....	2
Administrative Practices and Procedures	2
Insurance	2
Officials in Office and Surety Bonds	2
P.L. 2020, c.44	2
Tuition Charges	
Financial Planning, Accounting and Reporting.....	2
Examination of Claims.....	2
Payroll Account and Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures:	
General Classifications.....	3
Administrative Classifications	3
Board Secretary's Records	3
Treasurer's Records.....	3
Elementary and Secondary Act (E.S.E.A.) as amended by the Every Student Succeeds Act.....	3
Other Special Federal and/or State Projects	4
T.P.A.F. Reimbursement.....	4
School Purchasing Programs	4
Contracts and Agreements Requiring Advertisement for Bids	4
School Food Service.....	5
Student Body Activities	6
Application for State School Aid.....	6
Pupil Transportation	6
Facilities and Capital Assets.....	6
Travel Expense and Reimbursement Policy.....	6
Testing for Lead of all Drinking Water in Educational Facilities	7
Management Suggestion	7
Status of Prior Year's Findings/Recommendations	7
Schedule of Meal Count Activity (Not Applicable).....	8
Schedule of Net Cash Resources (Not Applicable).....	9
Schedule of Audited Enrollments.....	10-14
Excess Surplus Calculation	15-16
Summary of Recommendations	17

October 26, 2022

The Honorable President and Members
of the Board of Education
Morris Plains Borough School District
County of Morris, 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 financial statements of the Board of Education of the Morris Plains Borough School District in the County of Morris for the fiscal year ended June 30, 2022, and have issued our report thereon dated October 26, 2022.

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 letter does not affect our report dated October 26, 2022, on the financial statements of the Board.

We will review the status of the comments, if any, during our next audit engagement. We have already discussed any comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the suggestions.

This report is intended for the information of the Morris Plains Borough School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Nisivoccia LLP
NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
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, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Ana Thomas	Treasurer	\$ 300,000
Catherine Jensich	Business Administrator/Board Secretary	\$ 300,000

There is a Public Employees' Faithful Performance Bond covering all other employees with multiple coverages in the amount of \$100,000.

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 school district or charter school.

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

The data certification date does not reflect a submission date later than 60 days after the end of the enrollment period.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23A-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

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

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Payroll Account and Position Control Roster

The net salaries of 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 Chief School Administrator and certified by the President of the Board and the School Business Administrator and the Superintendent.

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

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendents, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

Classification of Expenditures – General and Administrative Classifications

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, we reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A-23A-8.3. As a result of the procedures performed, we found no errors and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

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

The E.S.E.A. financial exhibits are contained within the Special Revenue Section of the District's ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, Title IIA and Title IV of the Elementary and Secondary Education Act as amended and reauthorized.

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the ACFR.

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

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

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for district employees who are members of the Teacher's Pension and Annuity Fund. No exceptions were noted.

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

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2022. The Reimbursement form was reviewed and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. 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.

b. Commencing in the fifth year after the year in which P.L. 1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made"

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law"

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

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 Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the 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. General compliance was noted. The results of our examination indicated that no individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, 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.

School Food Service

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 the appropriate school food service personnel, as to whether the State School Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were 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. No exceptions were noted.

Non-program foods were not purchased, prepared or offered for sale.

We inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to 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. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP Loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the SFA if the FSMC received a PPP loan.

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted herein.

Application for State School Aid

Our audit procedures included a test of enrollments and related services reported in the October 15, 2021 Application for State School Aid (A.S.S.A.) for on-roll, bilingual, private schools for the handicapped, 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 the District workpapers with minor exceptions. The information that was included on the workpapers was verified on a test basis without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed State forms or their equivalent. The District 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, on a test basis without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

Our procedures 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 construction. There were SDA Grant funds received and expended in the current year. Based on these procedures, we have no comments.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Based on these procedures, we have no comments.

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Testing for Lead of All Drinking Water in Educational Facilities

The District did submit the annual Statement of Assurance to the NJ Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Management Suggestion

COVID-19 Federal Funding

It is likely that the District will undergo some review of its COVID-19 federal funding if only at a desk review level by state and/or federal agencies. We strongly suggest that the District ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the District ensures that these funds are accounted for in the state account numbers designated by the NJ Department of Education and that any applicable Board policies are current with respect to federal grant requirements.

Status of Prior Year's Findings/Recommendations

There were no prior year recommendations.

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(MEMORANDUM ONLY)

NOT APPLICABLE

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
SCHEDULE OF NET CASH RESOURCES
FOOD SERVICE FUND
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(MEMORANDUM ONLY)

NOT APPLICABLE

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
 SCHEDULE OF AUDITED ENROLLMENT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2021

	2022-2023 Application for State School Aid						Sample for Verification					
	Reported on		Workpapers		Errors		Sample		Verified per		Errors per	
	ASSA	On Roll	On Roll	Shared	Full	Shared	Full	Shared	On Roll	Shared	Full	Shared
Full Day Kindergarten	57	57					57		57			
Grade One	55	55					55		55			
Grade Two	74	74					74		74			
Grade Three	36	36					36		36			
Grade Four	57	57					57		57			
Grade Five	57	57					57		57			
Grade Six	50	50					50		50			
Grade Seven	47	47					47		47			
Grade Eight	61	61					61		61			
Subtotal	494	494					494		494			
Special Education:												
Elementary School	51	51					4		4			
Middle School	35	35					4		4			
Subtotal	86	86					8		8			
Totals	580	580	-0-	-0-	-0-	-0-	502	-0-	502	-0-	-0-	-0-
Percentage Error			0.00%	0.00%	0.00%	0.00%		0.00%		0.00%	0.00%	0.00%

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021

	Private Schools for Disabled				Resident Low Income						
	Reported on ASSA as Private Schools	Reported on Workpapers as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten											
Grade One						3	3				
Grade Two						6	7	1	2	2	
Grade Three						3	5	2			
Grade Four						8	8		1	1	
Grade Five						7	8	1		1	
Grade Six						4	4		1	1	
Grade Seven						6	7	1	1	1	
Grade Eight						4	6	2			
Subtotal						41	48	7	6	6	
Special Education:											
Elementary School	1	1	1	1		8	9	1			
Middle School	3	3				4	3	-1			
Subtotal	4	4	1	1		12	12				
Totals	4	4	1	1	-0-	53	60	7	6	6	-0-
Percentage Error								13.21%			0.00%

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021

	Resident LEP Low Income					
	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Full Day Kindergarten						
Grade One	2	2		1	1	
Grade Two	2	2				
Grade Three				2	2	
Grade Four	3	3				
Grade Five						
Grade Six						
Grade Seven						
Grade Eight						
Subtotal	<u>7</u>	<u>7</u>		<u>3</u>	<u>3</u>	
Special Education:						
Elementary School	1	1				
Middle School	1	1				
Subtotal	<u>2</u>	<u>2</u>				
Totals	<u><u>9</u></u>	<u><u>9</u></u>	<u><u>-0-</u></u>	<u><u>3</u></u>	<u><u>3</u></u>	<u><u>-0-</u></u>
Percentage Error			<u><u>0.00%</u></u>			<u><u>0.00%</u></u>

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021

	Resident LEP Not Low Income					
	Reported on ASSA as LEP Not Low Income	Reported on Workpapers as LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Full Day Kindergarten						
Grade One	1	1		1	1	
Grade Two						
Grade Three						
Grade Four	3	3				
Grade Five	3	3		2	2	
Grade Six						
Grade Seven						
Grade Eight						
Subtotal	<u>7</u>	<u>7</u>		<u>3</u>	<u>3</u>	
Special Education:						
Elementary School						
Middle School						
Subtotal						
Totals	<u>7</u>	<u>7</u>	<u>-0-</u>	<u>3</u>	<u>3</u>	<u>-0-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	129	129		14	14	
Regular - Special Education	25	25		2	2	
Transported - Non Public	14	14		2	2	
AIL - Non Public	42	42		2	2	
Special Needs - Public	3	3		1	1	
Special Needs - Private	10	10		1	1	
Totals	<u>223</u>	<u>223</u>	<u>-0-</u>	<u>22</u>	<u>22</u>	<u>-0-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

	<u>Reported</u>	<u>Recalculated</u>
Average Mileage - Regular Including Grade PK Students	3.8	3.8
Average Mileage - Regular Excluding Grade PK Students	3.8	3.8
Average Mileage - Special Education with Special Needs	10.9	10.9

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2022

Section 1 - REGULAR DISTRICT

2021-22 Total General Fund Expenditures per the CAFR	<u>\$ 20,720,996</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ -0-</u>	(B1b)
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>\$ 2,826,894</u>	(B2a)
Assets Acquired Under Leases and Financed Purchases	<u>\$ 185,976</u>	(B2b)
 Adjusted 2021-22 General Fund Expenditures [(B)+(B1's)-(B2's)]	 <u>\$ 17,708,126</u>	 (B3)
 4% of Adjusted 2021-22 General Fund Expenditures [(B5) times .04]	 <u>\$ 708,325</u>	 (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 708,325</u>	(B5)
Increased by: Allowable Adjustment	<u>\$ 271,527</u>	(K)
 Maximum Unassigned Fund Balance [(B5)+(K)]		 <u>\$ 979,852</u> (M)

Section 2

Total General Fund - Fund Balances @ 6/30/22 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 5,531,389</u>	(C)
Decreased by:		
Reserved for Encumbrances	<u>\$ 55,890</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u>	(C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 600,000</u>	(C3)
Other Restricted Fund Balances	<u>\$ 2,924,078</u>	(C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenitures	<u>\$ 181,569</u>	(C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		 <u>\$ 1,769,852</u> (U1)

Section 3

Restricted Fund Balance-Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0-		<u>\$ 790,000</u> (E)
--	--	-----------------------

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2022

Recapitulation of Excess Surplus as of June 30, 2022

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 600,000 (C3)
Restricted Excess Surplus [(E)]	<u>\$ 790,000 (E)</u>
Total [(C3)+(E)+(F)]	<u>\$ 1,390,000 (D)</u>

Detail of Allowable Adjustments

Impact Aid	\$ -0- (H)
Sale and Lease Back	<u>\$ -0- (I)</u>
Extraordinary Aid	<u>\$ 255,867 (J1)</u>
Additional Nonpublic School Transportation Aid	<u>\$ 15,660 (J2)</u>
Total Adjustments [(H)+(I)+(J1)+(J2)]	<u>\$ 271,527 (K)</u>

Detail of Other Restricted Fund Balance

Statutory Restrictions	<u>\$ -0-</u>
Approved Unspent Separate Proposal	<u>\$ -0-</u>
Sale/Lease-Back Reserve	<u>\$ -0-</u>
Capital Reserve	<u>\$ 1,672,155</u>
Emergency Reserve	<u>\$ -0-</u>
Maintenance Reserve	<u>\$ 309,695</u>
Tuition Reserve	<u>\$ 749,000</u>
Unemployment Compensation	<u>\$ 193,228</u>
Other State/Governmental Mandated Reserve	<u>\$ -0-</u>
Other Restricted Fund Balance not Noted Above	<u>\$ -0-</u>
Total Other Restricted Fund Balance	<u>\$ 2,924,078</u>

MORRIS PLAINS BOROUGH SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2022

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
None
3. School Purchasing Program
None
4. School Food Service
None
5. Student Body Activities
None
6. Application for State School Aid
None
7. Pupil Transportation
None
8. Facilities and Capital Assets
None
9. Miscellaneous
None
10. Status of Prior Year's Findings/Recommendations
There were no prior year recommendations.