

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

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
COUNTY OF SOMERSET  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2022  
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October 22, 2022

The Honorable President and Members  
of the Board of Education  
North Plainfield Borough School District  
County of Somerset, NJ

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 North Plainfield Borough School District in the County of Somerset for the fiscal year ended June 30, 2022, and have issued our report thereon dated October 22, 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 22, 2022, on the financial statements of the Board.

We will review the status of the comments during our next audit engagement. We have already discussed these 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 North Plainfield Borough School District's Board of Education, 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

*Kathryn L. Mantell*  
\_\_\_\_\_  
Kathryn L. Mantell  
Licensed Public School Accountant #884  
Certified Public Accountant

NORTH PLAINFIELD 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 Moneys, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Eileen Rogalski	Treasurer of School Monies	\$ 350,000
Pamela Graziano	Business Administrator/Board Secretary	350,000

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.

P.L. 2020, Chapter 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 under 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 District's data certification was completed by the Superintendent, and the District's Chapter 44 data was submitted relatively timely.

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

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.

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

Financial Planning, Accounting and Reporting (Cont'd)

All payrolls tested were approved by the Superintendent 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 withholding due to the general fund.

The required certification (E-Cert1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrator) to the New Jersey Department of Treasury was filed by the March 15 due date.

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

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. In addition to randomly selecting a test sample, we also reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no errors were noted 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 (E.S.S.A.)

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

The study of compliance for the E.S.E.A. did not indicate any area of noncompliance.

NORTH PLAINFIELD 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 CAFR.

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 CAFR. This section of the CAFR 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 Teachers 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 form 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 . . ."

NORTH PLAINFIELD 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.

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 School Food 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 all 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.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

School Food Service (Cont'd)

Finding:

Net cash resources of the Food Service Fund exceeded three months' average expenditures by \$118,334 as of June 30, 2022. However, as the District is in the process of resolving this excess, a formal recommendation is not deemed necessary at this time.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition 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.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2021 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low income, and bilingual students. 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 two minor exceptions. The information that was included on the workpapers was verified on a test basis with five minor errors. 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's written procedures appear to be adequate 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 with one error. 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 complied with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

There were no School Development Authority Projects for the fiscal year ended June 30, 2022.

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 our testing of these regulations, general compliance was noted.



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

Testing for Lead of All Drinking Water in Education 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 Findings/Recommendations

The prior year recommendations regarding the reconciliation of all bank accounts and the calculation of the T.P.A.F. reimbursement to the State for federal salary expenditures were resolved and have not been included in the current year's audit report.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2021

	2022-2023 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	A.S.S.A.		Workpapers		On Roll		Workpapers		Registers		Registers	
	On Roll	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool 4 Years Old	62.0		62.0				62.0		62.0			
Half Day Kindergarten												
Full Day Kindergarten	189.0		189.0				189.0		189.0			
Grade One	213.0		213.0				213.0		213.0			
Grade Two	202.0		202.0				202.0		202.0			
Grade Three	189.0		189.0				189.0		189.0			
Grade Four	183.0		183.0				183.0		183.0			
Grade Five	204.0		204.0				204.0		204.0			
Grade Six	176.0		177.0		1.0		177.0		177.0			
Grade Seven	200.0		201.0		1.0		201.0		201.0			
Grade Eight	212.0		212.0				212.0		212.0			
Grade Nine	216.0	3.0	216.0	3.0			216.0	3.0	216.0	3.0		
Grade Ten	208.0		208.0				208.0		208.0			
Grade Eleven	243.0	2.0	243.0	2.0			243.0	2.0	243.0	2.0		
Grade Twelve	239.0	2.0	239.0	2.0			239.0	2.0	239.0	2.0		
Subtotal	2,736.0	7.0	2,738.0	7.0	2.0		2,738.0	7.0	2,738.0	7.0		
Special Ed - Elementary	199.0		199.0				19.0		17.0		(2.0)	
Special Ed - Middle School	129.0		129.0				12.0		12.0			
Special Ed - High School	248.0	2.0	248.0	2.0			24.0		23.0			
Subtotal	576.0	2.0	576.0	2.0			55.0		52.0		(2.0)	
Totals	3,312.0	9.0	3,314.0	9.0	2.0	- 0 -	2,793.0	7.0	2,790.0	7.0	(2.0)	- 0 -
Percentage Error					0.06%	0.00%					-0.07%	0.00%

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2021

	Private Schools for Disabled				Resident Low Income					
	Reported on A.S.S.A. as Private Schools	Reported on Workpapers as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten						70.0	70.0			
Grade One						89.0	89.0			
Grade Two						118.0	118.0	1.0	1.0	
Grade Three						135.0	135.0	1.0	1.0	
Grade Four						114.0	114.0	1.0	1.0	
Grade Five						129.0	129.0	1.0	1.0	
Grade Six						109.0	109.0			
Grade Seven						120.0	120.0	2.0	2.0	
Grade Eight						119.0	119.0			
Grade Nine						128.5	128.5			
Grade Ten						128.5	128.5			
Grade Eleven						142.5	142.5			
Grade Twelve						148.5	148.5	1.0	1.0	
Subtotal						1,551.0	1,551.0	7.0	7.0	
Special Ed:										
Elementary	6.0	6.0	1.0	1.0		140.0	140.0	1.0	1.0	
Middle	3.0	3.0	1.0	1.0		89.0	89.0	1.0	1.0	
Special Ed - High School	16.0	16.0	1.0	1.0		163.5	163.5	1.0	1.0	
Subtotal	25.0	25.0	3.0	3.0		392.5	392.5	3.0	3.0	
Totals	25.0	25.0	- 0 -	3.0	- 0 -	1,943.5	1,943.5	10.0	10.0	- 0 -
Percentage Error			0.00%		0.00%			0.00%		0.00%

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2021

	Resident LEP Low Income					
	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Full Day Kindergarten	35.0	35.0				
Grade One	42.0	42.0		1.0	1.0	
Grade Two	51.0	51.0		1.0	1.0	
Grade Three	52.0	52.0		1.0	1.0	
Grade Four	34.0	34.0				
Grade Five	23.0	23.0				
Grade Six	18.0	18.0		1.0		(1.0)
Grade Seven	22.0	22.0		1.0		(1.0)
Grade Eight	15.0	15.0		1.0	1.0	
Grade Nine	20.0	20.0				
Grade Ten	29.0	29.0		1.0	1.0	
Grade Eleven	30.0	30.0		1.0	1.0	
Grade Twelve	29.0	29.0		1.0	1.0	
Subtotal	400.0	400.0		9.0	7.0	(2.0)
Special Ed - Elementary	27.0	27.0				
Special Ed - Middle School	5.0	5.0				
Special Ed - High School	6.0	6.0				
Subtotal	38.0	38.0				
Totals	438.0	438.0	- 0 -	9.0	7.0	(2.0)
Percentage Error			0.00%			-28.57%

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2021

	Resident LEP Not Low Income					
	Reported on	Reported on	Errors	Sample	Verified to	Sample
	A.S.S.A. as	Workpapers		Selected	Test Scores	Errors
LEP Not Low	LEP Not Low		from	and Register		
Income	Income	Errors	Workpapers			
Full Day Kindergarten						
Grade One	53.0	53.0		2.0	2.0	
Grade Two	49.0	49.0		1.0	1.0	
Grade Three	22.0	22.0		1.0	1.0	
Grade Four	18.0	18.0		1.0	1.0	
Grade Five	19.0	19.0		1.0	1.0	
Grade Six	11.0	11.0				
Grade Seven	7.0	7.0				
Grade Eight	12.0	12.0				
Grade Nine	16.0	16.0		1.0		(1.0)
Grade Ten	14.0	14.0		1.0	1.0	
Grade Eleven	15.0	15.0		1.0	1.0	
Grade Twelve	12.0	12.0		1.0	1.0	
Subtotal	16.0	16.0				
	<u>264.0</u>	<u>264.0</u>		<u>10.0</u>	<u>9.0</u>	<u>(1.0)</u>
Special Education:						
Elementary	11.0	11.0				
Special Ed - Middle School	1.0	1.0				
Special Ed - High School	2.0	2.0				
Subtotal	<u>14.0</u>	<u>14.0</u>				
Totals	<u>278.0</u>	<u>278.0</u>	<u>- 0 -</u>	<u>10.0</u>	<u>9.0</u>	<u>(1.0)</u>
Percentage Error			<u>0.00%</u>			<u>-10.00%</u>

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
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	81.0	81.0		10.0	10.0	
Regular - Special Education	43.0	43.0		10.0	10.0	
AIL - Non Public				5.0	5.0	
Transported - Non Public	100.0	100.0		1.0	1.0	
Special Needs (Public)	11.0	11.0		3.0	3.0	
Special Needs (Private)	8.0	8.0		3.0	2.0	(1.0)
Totals	243.0	243.0	- 0 -	32.0	31.0	(1.0)
Percentage Error			0.00%			-3.13%

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	4.6	4.6
Average Mileage - Regular Excluding Grade PK Students	4.6	4.6
Average Mileage - Special Education with Special Needs	10.6	10.6

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2022

**REGULAR DISTRICT**

**SECTION 1**

**4% Calculation of Excess Surplus**

2021-2022 Total General Fund Expenditures per the ACFR, Ex. C-1	<u>\$ 81,712,886</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)	
Transfer from General Fund to SRF for Pre-K Inclusion	<u>\$ 183,898</u> (B1c)	
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>\$ 14,987,102</u> (B2a)	
Assets Acquired Under Financed Purchases	<u>\$ -0-</u> (B2b)	
Adjusted 2021-2022 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 66,909,682</u> (B3)	
4% of Adjusted 2021-2022 General Fund Expenditures [(B3) times .04]	<u>\$ 2,676,387</u> (B4)	
Enter Greater of (B4) or \$250,000	<u>\$ 2,676,387</u> (B5)	
Increased by: Allowable Adjustments	<u>\$ 539,268</u> (K)	
Maximum Unassigned Fund Balance [(B5)+(K)]		<u>\$ 3,215,655</u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6/30/2022 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 14,803,950</u> (C)	
Decreased by:		
Year-End Encumbrances	<u>\$ 557,163</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ 3,322,069</u> (C2)	
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 1,824,000</u> (C3)	
Other Restricted Fund Balance	<u>\$ 4,885,063</u> (C4)	
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>\$ 4,215,655</u> (U1)
Total Unreserved/Undesignated Fund Balance for Excess Surplus Calculation [(U1)+(C6)]		<u>\$ 4,215,655</u> (U2)

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2022  
 (Continued)

**SECTION 3**

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 1,000,000 (E)

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

Excess Surplus - Designated for Subsequent Year's Expenditures \$ 1,824,000 (C3)

Excess Surplus [(E)] \$ 1,000,000 (E)

Total [(C3)+(E)] \$ 2,824,000 (D)

**Detail of Allowable Adjustments**

Impact Aid \$ -0- (H)

Sale & Lease-back \$ -0- (I)

Extraordinary Aid \$ 510,268 (J1)

Additional Nonpublic School Transportation Aid \$ 29,000 (J2)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)] \$ 539,268 (K)

**Detail of Other Restricted Fund Balance**

Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Capital Outlay for a District with a Capital Outlay SGLA \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$ 4,550,876

Waiver Offset Reserve \$ -0-

Emergency Reserve \$ -0-

Maintenance Reserve \$ 102,186

Tuition Reserve \$ -0-

Unemployment Compensation \$ 232,001

Other State/Government Mandated Reserve \$ -0-

Other Restricted Fund Balance Not Noted Above \$ -0-

Total Other Restricted Fund Balance \$ 4,885,063 (C4)



NORTH PLAINFIELD 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. Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding the reconciliation of all bank accounts and the calculation of the T.P.A.F. reimbursement to the State for federal salary expenditures were resolved and have not been included in the current year's audit report.