

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL COMPLIANCE AND PERFORMANCE  
JUNE 30, 2022**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BERGEN COUNTY, NEW JERSEY**

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

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## INDEPENDENT AUDITORS' REPORT

Honorable President and Members  
of the Board of Education  
Northern Valley Regional High School District  
Demarest, 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 Northern Valley Regional High School District as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated February 15, 2023.

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

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

Respectfully submitted,

A handwritten signature in blue ink that reads "PKF O'Connor Davies, LLP".

**PKF O' Connor Davies, LLP**  
Certified Public Accountants

A handwritten signature in blue ink that reads "Gary W. Higgins".

Gary W. Higgins, CPA  
Public School Accountant  
PSA Number CS0081

Woodcliff Lake New Jersey  
February 15, 2023

PKF O'CONNOR DAVIES, LLP  
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**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Board Designee, the activities of the Board of Education and the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's Annual Comprehensive Financial Report (the "ACFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Marc Capizzi	Board Secretary/School Business Administrator	\$400,000
Daniel Hauser	Board Designee	1,000,000

There is a Public Employee Dishonesty with Faithful Performance coverage with New Jersey Schools Insurance Group covering all other employees with multiple coverage of \$1,000,000.

**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) to be submitted for the year of 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. The school district data certification was completed by the chief school administrator. The school district Chapter 44 data was submitted timely.

**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, certification or supporting documentation.

**Payroll Account**

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

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

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 of income tax on compensation of District Administration was filed with the NJ Department of Treasury by the due date

Payrolls were delivered to the Secretary of the Board who then deposited by wire transfer in separate bank accounts for net payroll and withholdings.

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Financial Planning, Accounting and Reporting (Continued)**

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were greater than the estimated costs.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserve for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

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 randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted 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, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

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

All receipts were promptly deposited

The prescribed contractual order system was followed.

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

Bank Reconciliations

The Board designee did perform cash reconciliations for all District accounts (N.J.S.A. 18A:17-36).

The monthly records pertaining to cash reconciliations were in agreement with the records of the Board Secretary.

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method. The financial transactions of this fund are reported in the General Fund.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Financial Planning, Accounting and Reporting (Continued)**

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 Fund of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, Title IIA, Title III and Title IV of the Elementary and Secondary Education Act.

Other Special Federal and/or State Projects

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

Our examination 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 contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

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.

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

The reimbursement to the State for the amount of the expenditure charged to the current year's Final Report for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90-day grant liquidation period required by the Office of Grants Management.

The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Nonpublic State Aid

Project completion reports were finalized and transmitted to the department by the due date.

**School Purchasing Programs**

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18-4 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".

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:39-3 are \$44,000 (with a Qualified Purchasing Agent QPA) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school transportation contracts under N.J.S.A. 18A:39-3 is currently \$20,200.

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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)**

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (C.40A:11-9), the board of education may establish that the bid threshold be up to \$44,000. Such authorizations may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section. The school business administrator is a QPA and the Board by resolution has established the bid threshold to be \$44,000.

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 Solicitor'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 goods or service, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts, or agreements were made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

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

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal, however, that the district purchased items through the use of State contracts.

**Food Service Fund**

The District did not participate in the National School Lunch Program.

The financial transactions and statistical records of the school food services were maintained in satisfactory condition.

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 FSMC contract/addendum were reviewed and audited. As a result of the uncertainties during the public health emergency, the FSMC contract includes no guarantee of operating results for the 2021-2022 school year.

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

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

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

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Enterprise Funds**

The District maintained four (4) enterprise funds, excluding the Food Service Enterprise Fund.

**Student Activity Fund**

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

Cash receipts and cash disbursements records were maintained in good condition.

Cash disbursements did have proper supporting documentation.

**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 handicapped, related services, low-income and bilingual. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers without exception<sup>1</sup>. 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 with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures included a review of transportation-related contracts and purchases. Based on our review, the district complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

**Facilities and Capital Assets**

Our procedures included a review of transactions relating to the Capital Reserve Account.

The District maintained capital assets records utilizing a third party provider.

**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).



**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

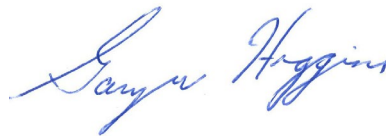
**RECOMMENDATIONS (Continued)**

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,

PKF O'CONNOR DAVIES, LLP



Gary W. Higgins, CPA  
Public School Accountant  
PSA Number CS00814

NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

**SCHEDULE OF AUDITED ENROLLMENTS**

**APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2021**

	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 Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Veri- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool 3 Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 3 Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 Years	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
One	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Two	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Three	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Four	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Five	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Six	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seven	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eight	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nine	427	-	427	-	-	-	222	-	222	-	-	-	-	-	-	-
Ten	440	-	440	-	-	-	232	-	232	-	-	-	-	-	-	-
Eleven	401	-	401	-	-	-	199	-	199	-	-	-	-	-	-	-
Twelve	449	-	449	-	-	-	244	-	244	-	-	-	-	-	-	-
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	1,717	-	1,717	-	-	-	897	-	897	-	-	-	-	-	-	-
Special Ed - Elementary	102		102		-		102		102		-	-	-	-	-	-
Special Ed - Middle School	34		34		-		34		34		-	-	-	-	-	-
Special Ed - High School	354	14	354	14	-		57		57		-	-	22	19	19	
Subtotal	490	14	490	14	-		193	-	193	-	-	-	22	19	19	-
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	2,207	14	2,207	14	-		1,090	-	1,090	-	-	-	22	19	19	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%

**SCHEDULE OF AUDITED ENROLLMENTS**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
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 Application and Register	Sample Errors
	Full	Shared	Full	Shared	Full	Shared				Full	Shared	Full	Shared	Full	Shared			
Full Day Preschool	-		-		-		-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 3 Years							-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 Years							-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten							-	-	-	-	-	-	-	-	-	-	-	-
One							-	-	-	-	-	-	-	-	-	-	-	-
Two							-	-	-	-	-	-	-	-	-	-	-	-
Three							-	-	-	-	-	-	-	-	-	-	-	-
Four							-	-	-	-	-	-	-	-	-	-	-	-
Five							-	-	-	-	-	-	-	-	-	-	-	-
Six							-	-	-	-	-	-	-	-	-	-	-	-
Seven							-	-	-	-	-	-	-	-	-	-	-	-
Eight							-	-	-	-	-	-	-	-	-	-	-	-
Nine	5		5		-		3	3	-	-	-	-	-	-	-	-	-	-
Ten	7		7		-		7	7	-	2		2		-	1	1	-	-
Eleven	8		8		-		7	7	-	1		1		-	1	1	-	-
Twelve	10		10		-		10	10	-	-		-		-	-	-	-	-
Subtotal	30	-	30	-	-	-	27	27	-	3	-	3	-	-	2	2	-	-
Sp Ed - Elementary					-				-					-				-
Sp Ed - Middle School	1		1		-		1	1	-					-				-
Sp Ed - High School	7		7		-		5	5	-					-				-
Subtotal	8	-	8	-	-	-	6	6	-	-	-	-	-	-	-	-	-	-
Total	38	-	38	-	-	-	33	33	-	3	-	3	-	-	2	2	-	-

Percentage Error 0.00% 0.00% 0.00% 0.00% 0.00% 0.00%

	Reported on DRTRS by District	Reported on DRTRS by County	Errors	Tested	Verified	Errors
Regular - Public School	306	306	-	-	-	-
Non-Public Transportation	98	98	-	-	-	-
AIL Non-public	34	34	-	-	-	-
Regular Special Education	31	31	-	-	-	-
Special Needs	36	36	-	-	-	-
Totals	505	505	-	-	-	-

	Reported	Recalculated
Average mileage - regular including Grade PK students	6.2	6.2
Average mileage - regular excluding Grade PK students	6.2	6.2
Average mileage - special education with special needs	12.2	12.2

Percentage Error 0.00% 0.00%

**SCHEDULE OF AUDITED ENROLLMENTS**

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY (continued)  
ENROLLMENT AS OF OCTOBER 15, 2021**

	<b>Resident LEP NOT Low Income</b>			<b>Sample for Verification</b>		
	Reported on ASSA as Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers	Verified to Application & Register	Sample Errors
Full Day Preschool	-	-	-	-	-	-
Full Day Kindergarten			-			-
One			-			-
Two			-			-
Three			-			-
Four			-			-
Five			-			-
Six			-			-
Seven			-			-
Eight			-			-
Nine	10	10	-	10	10	-
Ten	5	5	-	5	5	-
Eleven	2	2	-	1	1	-
Twelve	-	-	-	-	-	-
Subtotal	<u>17</u>	<u>17</u>	-	<u>16</u>	<u>16</u>	-
Sp Ed - Elementary	-	-				-
Sp Ed - Middle School	-	-				-
Sp Ed - High School	1	1		1	1	-
Subtotal	<u>1</u>	<u>1</u>	-	<u>1</u>	<u>1</u>	-
Total	<u>18</u>	<u>18</u>	-	<u>17</u>	<u>17</u>	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**SCHOOL DISTRICT OF NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2022**

**SECTION 1 - Regular District**

**B. Calculation of Excess Surplus**

2021-22 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ 74,967,321	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ -	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ -	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ -	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ -	(B1d)
Decreased by:		
On-Behalf TPAF Pension, Post-Retirement Contributions, Long-Term Disability Insurance and Social Security	\$ 15,134,385	(B2a)
Assets Acquired Under Leases	\$ -	(B2b)
Adjusted 2021-22 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ 59,832,937	(B3)
4% of Adjusted 2021-22 General Fund Expenditures [(B3) times .04]	\$ 2,393,317	(B4)
Enter Greater of (B4) or \$250,000	\$ 2,393,317	(B5)
Increased by: Allowable Adjustment*	\$ 201,674	(K)
Maximum Unassigned/Undesignated - Unreserved Fund Balance [(B5) + (K)]	\$ 2,594,991	(M)

**SECTION 2**

Total General Fund - Fund Balances at 6-30-22 (Per ACFR Budgetary Comparison Schedule C-1)	\$ 14,170,486	(C)
Decreased by:		
Year-end Encumbrances	\$ 2,223,157	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ -	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ -	(C3)
Other Restricted Fund Balances****	\$ 9,352,338	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ -	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]	\$ 2,594,991	(U1)

**SCHOOL DISTRICT OF NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2022**

**SECTION 3**

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

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

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ _____ - (C3)
Reserved Excess Surplus *** [(E)]	\$ _____ (0) (E)
 Total Excess Surplus [(C3)+(E)]	 \$ _____ (0) (D)

Allowable adjustment to expenditures on line K must be detailed as follows. This \* adjustment line (as detailed below) is to be utilized when applicable for:

(H) Federal Impact Aid. The passage of P.L.2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve – General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);

- (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);
- (J1) Extraordinary Aid;
- (J2) Additional Nonpublic School Transportation Aid;
- (J3) Recognized current year School Bus Advertising Revenue;
- (J4) Family Crisis Transportation Aid;

(J5) Maintenance of Equity Aid and State Military Impact Aid received July 2022

**Detail of Allowable Adjustments**

Impact Aid	\$ _____ - (H)
Sales & Lease-back	\$ _____ - (I)
Extraordinary Aid	\$ 184,838 (J1)
Additional Nonpublic School Transportation Aid	\$ 16,836 (J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____ - (J3)
Family Crisis Transportation Aid	\$ _____ - (J4)
Maintenance of Equity Aid and State Military Impact Aid Received July 2022	\$ _____ - (J5)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J5)]	 \$ 201,674 (K)

\*\* This amount represents the June 30, 2022 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

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

\*\*\*\* Amount for Other Restricted 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.

SCHOOL DISTRICT OF NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

JUNE 30, 2022

**Detail of Other Restricted Fund Balance**

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 8,905,053
Maintenance reserve	\$ 400,000
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	\$ -
Reserve for unemployment	\$ 47,285
Other Restricted Fund Balance not noted above	\$ -
Total Other Restricted Fund Balance	\$ 9,352,338 (C4)

**NORTHERN VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**RECOMMENDATIONS**

I. Administrative 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 Services

There are none.

V. Enterprise Funds

There are none.

VI. Student Body Activities

There are none.

VII. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on the prior year's recommendation. Corrective action was taken on the prior year recommendation.