

**SADDLE BROOK BOARD OF EDUCATION  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL COMPLIANCE AND PERFORMANCE  
JUNE 30, 2022**

**SADDLE BROOK BOARD OF EDUCATION  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

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

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

## INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and Members  
of the Board of Trustees  
Saddle Brook Board of Education  
Saddle Brook, 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 Saddle Brook Board of Education as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated March 7, 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 Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

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

Paul J. Lerch  
Certified Public Accountant  
Public School Accountant  
PSA Number CS01118

Fair Lawn, New Jersey  
March 7, 2023

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

**Scope of Audit**

The audit covered the financial transactions of the 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**

Fire insurance coverage was carried in the amounts as detailed on the 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>
Raymond Karaty, CPA, PSA	Board Secretary/School Business Administrator	\$ 275,000
Peter Bellani, CPA	Treasurer of School Monies	\$ 275,000

There is an Employees' Dishonesty Faithful Performance coverage with Selective Insurance Company of America, covering all other employees with multiple coverage of \$400,000.

**P.L. 2020, c44**

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 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.

**Tuition Charges**

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

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

**Financial Planning, Accounting and Reporting**

Examination of Claims

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

Payroll 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/Business Administrator and approved by the Chief School Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits premium amounts withheld due to the General Fund.

The School Business Administrator completed and filed the required Certification of Compliance with Federal and State Law respecting the reporting of compensation for certain employees.

Employee Position Control Roster

The District maintained an employee position control roster.

Travel

The District has adopted a policy regulating district travel.

Payments made to employees for a travel event were in accordance with the approved travel policy.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6:20-2A.2(m) 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:23-8.2. As a result of the procedures performed, there were no errors.

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.

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

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

Board Secretary's Records

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

Acknowledgment of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes.

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

The prescribed contractual order system was followed.

**Finding 2022-01** – Our audit revealed a \$700,000 capital financing agreement account with Truist Governmental Finance for the acquisition and installation of various equipment where the financial transactions of the account, were not recorded in the District's accounting records.

**Recommendation 2022-01** – The District record all transactions of the acquisition and installation of various equipment capital financing agreement in their financial accounting records.

Treasurer's Records

The following items were noted during our review of the records of the Treasurer.

The Treasurer did perform cash reconciliations for the general operating account and payroll accounts (N.J.S.A. 18A:17-36).

All cash receipts were promptly deposited.

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

Unemployment Compensation Insurance

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the General Fund as per GASB No. 84.

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

The E.S.E.A./IASA 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.

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

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

**I.D.E.A. Part B**

Separate accounting was maintained for each approved project.

**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 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. Reimbursements**

Our audit procedures included a test of the semi-monthly reimbursements filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

**TPAF Reimbursement to the State for Federal Salary Expenditures**

The amount of the expenditure charged to the current year's Final Report for all federal awards for the school district (or charter school or renaissance school project) to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district (or charter school or renaissance school project) for those employees whose salaries are identified as being paid from federal funds was made subsequent to the end of the 60 day grant liquidations period, but prior to 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 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 are \$44,000 (with a qualified purchasing agent) and \$32,000 (without a qualified purchasing agent), respectively. The District has appointed Raymond Karaty as a qualifying purchasing agent. The law regulating bidding for public school student transportation contracts under NJSA 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 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.

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

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

**School Purchasing Programs (Continued)**

**Contracts and Agreements Requiring Advertisement for Bids (Continued)**

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 my examination indicated that certain 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.

**Food Service Fund**

**Public Health Emergency**

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency, all public, charter and 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.

As a result, School Food Authorities (SFA's) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO). SFAs could also choose to participate in the National School Lunch Program utilizing standard counting and claiming practices.

SFA's 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 SFA's 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 ages of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFA's 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 food service program was selected as a major federal program.

The financial transactions and records of the school food services were maintained in satisfactory condition. The financial accounts and records were reviewed on a test-check basis.



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

**Food Service Fund (Continued)**

**Public Health Emergency (Continued)**

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 Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. The FSMC contract includes a no guarantee profit provision. All vendor discounts, rebates, and credits from vendors and/or the FSMC were credited to the Food Service account.

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 disbursement 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 FSMC recorded and maintained separate supporting documentation for additional costs (food supplied, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSA or SFSP program requirements.

The FSMC did apply for and did receive a loan in accordance with the Payroll Protection Plan and did use the funds to pay for costs applicable to the Food Service Programs. The PPP loan was subsequently forgiven and the FSMC did refund or credit the applicable amounts to the SFA.

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 certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid (ASSA). Meals claimed as served was compared to the number of meals served on a test basis. 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 was not required for 2021/2022 school year.

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

Net cash resources did exceed three-months average expenditures.

**Finding 2022-02** – The June 30, 2022 net cash resources exceeded the three-month average of food service expenses.

**Recommendation 2022-02** - The District review the operations of its Food Service Enterprise Fund to ensure that the net cash resources do not exceed the three-month average expenses.

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.

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

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

**Student Activity Fund and Athletic Account**

The District had a policy and procedures in place for regulating the student activity funds.

Cash receipts and cash disbursements were maintained in good condition.

**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 school for the handicapped, low-income, related services and bilingual education. 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. The information that was included on the workpapers was verified with immaterial exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

**Pupil Transportation**

Our audit procedures included a test of on roll status reported in the 2021-22 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exceptions. 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. 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 SDA grant agreement for consistency with recording SDA revenue, transfer of Local Funds from the General Fund or from the Capital Reserve Account, and awarding contracts for eligible facilities construction.

The District had no active SDA grant funded projects during the current year.

**Miscellaneous**

**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.

**Follow-up on Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations.

**Suggestions for Management**

- Old reconciling items or the District's bank reconciliations be reviewed and cleared of record.

**SADDLE BROOK BOARD OF EDUCATION  
FOOD SERVICE FUND  
SCHEDULE OF MEAL COUNT ACTIVITY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF MEAL COUNT ACTIVITY**

<u>Program</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified to Individual School Tally Sheets</u>	<u>Difference</u>
National School Lunch	<u>195,561</u>	<u>85,646</u>	<u>85,646</u>	<u>-</u>
Total Lunch	<u>195,561</u>	<u>85,646</u>	<u>85,646</u>	<u>-</u>
National School Breakfast	<u>29,452</u>	<u>12,811</u>	<u>12,811</u>	<u>-</u>
Total Breakfast	<u>29,452</u>	<u>12,811</u>	<u>12,811</u>	<u>-</u>
Total	<u><u>225,013</u></u>	<u><u>98,457</u></u>	<u><u>98,457</u></u>	<u><u>-</u></u>

**SADDLE BROOK BOARD OF EDUCATION  
FOOD SERVICE FUND  
SCHEDULE OF NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Current Assets**

Cash & Cash Equiv.	\$ 316,303
Due from Other Gov'ts	79,091
Accounts Receivable	7,906

**Current Liabilities**

Less Accounts Payable	53,811
Less Deferred Revenue	<u>15,182</u>

<b>Net Cash Resources</b>	<b><u>\$ 334,307</u></b>	<b>(A)</b>
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**Net Adj. Total Operating Expense:**

Tot. Operating Exp.	\$ 966,212
Less Depreciation	<u>(12,190)</u>

Adj. Tot. Oper. Exp.	<b><u>\$ 954,022</u></b>	<b>(B)</b>
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**Average Monthly Operating Expense:**

B / 10	<b><u>\$ 95,402</u></b>	<b>(C)</b>
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**Three times monthly Average:**

3 X C	<b><u>\$ 286,207</u></b>	<b>(D)</b>
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TOTAL IN BOX A	\$ 334,307
LESS TOTAL IN BOX D	\$ 286,207
NET	<b>\$ 48,100</b>

From above:

**A is greater than D, cash exceeds 3 X average monthly operating expenses.**

**D is greater than A, cash does not exceed 3 X average monthly operating expenses.**

**SADDLE BROOK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2021  
SCHEDULE OF AUDITED ENROLLMENTS**

	2022-23 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 Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool - 3yr	7		7		-	-	7		7		-	-				
Half Day Preschool - 4yr	13		13		-	-	13		13		-	-				
Full Day Preschool - 3yr	1		1		-	-	1		1		-	-				
Half Day Kindergarten	-		-		-	-	-		-		-	-				
Full Day Kindergarten	107		107		-	-	32		32		-	-				
One	120		120		-	-	42		42		-	-				
Two	101		101		-	-	32		32		-	-				
Three	110		110		-	-	34		34		-	-				
Four	98		98		-	-	31		31		-	-				
Five	106		106		-	-	34		34		-	-				
Six	97		97		-	-	30		30		-	-				
Seven	96		96		-	-	96		96		-	-				
Eight	113		113		-	-	113		113		-	-				
Nine	116	2	116	2	-	-	116	2	116	2	-	-				
Ten	91	4	91	4	-	-	91	4	91	4	-	-				
Eleven	105	3	105	3	-	-	105	3	105	3	-	-				
Twelve	90	2	90	2	-	-	90	2	90	2	-	-				
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	<u>1,371</u>	<u>11</u>	<u>1,371</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>867</u>	<u>11</u>	<u>867</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Ed - Elementary	130		130		-	-	25		25		-	-	4	4	4	-
Special Ed - Middle School	86		86		-	-	16		16		-	-	5	5	5	-
Special Ed - High School	86	3	86	3	-	-	18		18		-	-	12	12	12	-
Subtotal	<u>302</u>	<u>3</u>	<u>302</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>59</u>	<u>-</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>-</u>
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	<u>1,673</u>	<u>14</u>	<u>1,673</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>926</u>	<u>11</u>	<u>926</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>-</u>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>

**SADDLE BROOK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2021  
SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>	<u>Reported on A.S.S.A. as LEP low Income</u>	<u>Reported on Workpapers as LEP low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten	16.0	15.0	1.0	3.0	3.0	-	2.0	2.0	-	2.0	2.0	-
One	20.0	20.0	-	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
Two	26.0	25.0	1.0	5.0	5.0	-	1.0	1.0	-	1.0	1.0	-
Three	14.0	14.0	-	3.0	3.0	-	4.0	4.0	-	4.0	4.0	-
Four	21.0	20.0	1.0	4.0	4.0	-	3.0	3.0	-	3.0	3.0	-
Five	15.0	15.0	-	3.0	3.0	-	-	-	-	-	-	-
Six	25.0	23.0	2.0	4.0	4.0	-	1.0	1.0	-	1.0	1.0	-
Seven	17.0	17.0	-	3.0	2.0	1.0	1.0	1.0	-	1.0	1.0	-
Eight	28.0	27.0	1.0	5.0	4.0	1.0	-	-	-	-	-	-
Nine	22.0	22.5	(0.5)	4.0	4.0	-	-	-	-	-	-	-
Ten	14.0	13.0	1.0	2.0	2.0	-	1.0	1.0	-	1.0	1.0	-
Eleven	19.0	19.0	-	4.0	4.0	-	1.0	1.0	-	1.0	1.0	-
Twelve	18.0	18.5	(0.5)	3.0	3.0	-	1.0	1.0	-	1.0	1.0	-
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>255.0</u>	<u>249.0</u>	<u>6.0</u>	<u>46.0</u>	<u>44.0</u>	<u>2.0</u>	<u>16.0</u>	<u>16.0</u>	<u>-</u>	<u>16.0</u>	<u>16.0</u>	<u>-</u>
Special Ed - Elementary	16.0	16.0	-	3.0	3.0	-	-	-	-	-	-	-
Special Ed - Middle	22.0	24.0	(2.0)	5.0	5.0	-	-	-	-	-	-	-
Special Ed - High	24.0	25.0	(1.0)	5.0	5.0	-	2.0	2.0	-	2.0	2.0	-
Subtotal	<u>62.0</u>	<u>65.0</u>	<u>(3.0)</u>	<u>13.0</u>	<u>13.0</u>	<u>-</u>	<u>2.0</u>	<u>2.0</u>	<u>-</u>	<u>2.0</u>	<u>2.0</u>	<u>-</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>317.0</u>	<u>314.0</u>	<u>3.0</u>	<u>59.0</u>	<u>57.0</u>	<u>2.0</u>	<u>18.0</u>	<u>18.0</u>	<u>-</u>	<u>18.0</u>	<u>18.0</u>	<u>-</u>
Percentage Error			<u>0.95%</u>			<u>3.39%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>					
	<u>Reported on DRTRS by DOE/county</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Reg. - Public Schools, col. 1	81.0	81.0	-	24.0	24.0	-
Reg -SpEd, col. 4	34.0	34.0	-	10.0	10.0	-
Transported - Non-Public, col. 3	30.0	30.0	-	9.0	8.0	1.0
Special Ed Spec, col. 6	32.0	32.0	-	9.0	8.0	1.0
Totals	<u>177.0</u>	<u>177.0</u>	<u>-</u>	<u>52.0</u>	<u>50.0</u>	<u>2.0</u>
Percentage Error						<u>3.85%</u>

**SADDLE BROOK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2021  
SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	9.0	9.0	-	9.0	9.0	-
One	3.0	3.0	-	3.0	3.0	-
Two	3.0	3.0	-	3.0	3.0	-
Three	2.0	2.0	-	2.0	2.0	-
Four	2.0	2.0	-	2.0	2.0	-
Five	1.0	1.0	-	1.0	1.0	-
Six	1.0	1.0	-	1.0	1.0	-
Seven	-	-	-	-	-	-
Eight	-	-	-	-	-	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	1.0	1.0	-	1.0	1.0	-
Twelve	1.0	1.0	-	1.0	1.0	-
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>23.0</u>	<u>23.0</u>	<u>-</u>	<u>23.0</u>	<u>23.0</u>	<u>-</u>
Special Ed - Elementary	3.0	3.0	-	3.0	3.0	-
Special Ed - Middle			-			-
Special Ed - High			-			-
Subtotal	<u>3.0</u>	<u>3.0</u>	<u>-</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>26.0</u>	<u>26.0</u>	<u>-</u>	<u>26.0</u>	<u>26.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**SADDLE BROOK BOARD OF EDUCATION  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

2021-2022 Total General Fund Expenditures per the ACFR		\$ 42,567,451	
Increased by:			
Capital Reserve Transfer to Capital Projects Fund		162,000	
Decreased by:			
Assets Acquired by Lease Purchase		724,249	
On-Behalf TPAF Pension & Social Security		<u>7,565,817</u>	
Adjusted 2021-2022 General Fund Expenditures		<u>\$ 34,439,385</u>	
2% of Adjusted 2021-2022 General Fund Expenditures		\$ 688,788	
Increased by: Allowable Adjustments - Extraordinary Aid & Nonpublic Transportation Aid		<u>290,916</u>	
Maximum Unreserved/Undesignated Fund Balance			<u>\$ 979,704</u>
Total General Fund - Fund Balance at June 30, 2022		\$ 6,419,310	
(Per ACFR Budgetary Comparison Schedule/Statement)			
Decreased by:			
Year End Encumbrances	\$ 543,847		
Maintenance Reserve	1,223,778		
Capital Reserve	3,260,123		
Unemployment Compensation	<u>411,858</u>		
		<u>5,439,606</u>	
Total Unassigned Fund Balance			<u>\$ 979,704</u>
<b>Reserved Fund Balance - Excess Surplus</b>			<u>\$ -</u>
<i>Recapitulation of Excess Surplus as of June 30, 2022</i>			
Reserved Excess Surplus- Designated for Subsequent Year's Expenditures			-
Reserved Excess Surplus			<u>-</u>
Total Excess Surplus			<u>\$ -</u>



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

**RECOMMENDATIONS**

**I. Administration Practices and Procedures**

There are none.

**II. Financial Planning, Accounting and Reporting**

It is recommended that the District record all transactions of the acquisition and installation of various equipment capital financing agreement in their financial accounting records.

**III. School Purchasing Program**

There are none.

**IV. Food Service Fund**

It is recommended that the District review the operations of its Food Service Enterprise Fund to ensure that the net cash resources do not exceed the three-month average expenses.

**V. Student Activity Fund and Athletic Account**

There are none.

**VI. Application for State School Aid**

There are none.

**VIII. Pupil Transportation**

There are none.

**IX. Facilities and Capital Assets**

There are none.

**X Miscellaneous**

There are none.

**XI. Status of Prior Year Audit Findings/Recommendations**

There were none.

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

**ACKNOWLEDGEMENT**

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.

Respectfully submitted,

LERCH, VINCI & BLISS, LLP



Paul J. Lerch  
Public School Accountant  
Certified Public Accountant