

**SUMMIT PUBLIC SCHOOLS
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2022**

**SUMMIT PUBLIC SCHOOLS
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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 VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Trustees
City of Summit Public Schools
Summit, 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 Summit Public Schools as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated February 8, 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.

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

Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
February 8, 2023

**SUMMIT PUBLIC SCHOOLS
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 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

Fire insurance coverage was carried in the amounts as reported on Exhibit J-20 as contained in the district's Annual Comprehensive Financial Report (the "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>
Mr. Derek J. Jess	Board Secretary/Assistant Superintendent for Business	\$150,000
Tammie Baldwin	Treasurer of School Monies	\$375,000

There is Employees' Dishonesty with Faithful Performance coverage with Selective Insurance Company of America covering all other employees.

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 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 reveal any material 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 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 withholding 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.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Financial Planning, Accounting and Reporting (Continued)

Employee Position Control Roster

The District maintained an employee position control roster.

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 reserves 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 District had an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

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. 6A:23-A-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.

Board Secretary's Records

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

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

The prescribed contractual order system was followed.

Bids received were summarized in the minutes.

Finding – 2022-1 – Our audit of the governmental and enterprise funds general ledger revealed the following:

- Beginning balances were not in agreement with prior year audit balances.
- Prior year receivables were recorded as current year revenues.
- Certain General Fund state aid revenues were incorrectly posted to another fund.

Recommendation – Greater care be given when recording the opening balances in the general ledger to ensure that they are in agreement with the prior year audit and receipt postings be recorded in the proper fund and category.

Finding – 2022-2 – Our audit indicated the original budget included in the District's revenue and appropriation reports for the Special Revenue Fund were not in agreement with the adopted budget.

Recommendation – The original budget included in the District's revenue and appropriation reports for the Special Revenue Fund be in agreement with the adopted budget.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Financial Planning, Accounting and Reporting (Continued)

Treasurer's Records

The Treasurer did perform cash reconciliations for all the accounts as required (N.J.S.A. 18A:17-36).

All cash receipts were promptly deposited.

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

Unemployment Compensation Insurance

The Board has adopted the direct reimbursement method with respect to Unemployment Compensation Insurance. Financial transactions of this fund are reported in the General Fund in accordance with GASB Statement 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. financial exhibits are contained within the Special Revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, II, III and IV of the Elementary and Secondary Education Act as amended and reauthorized.

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.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed Exhibits 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 Fund 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 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.

TPAF 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 subsequent to the end of the 60 day grant liquidations period, but prior to the 90 days required by N.J.S.A. 18A:66-90. Accordingly, the expenditure was made in accordance with State law (90 days) and properly reported as obligated and not expended and as an unliquidated balance in the current year's Final Report for all federal awards.

Non-Public State Aid

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

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000 (with a qualifying purchasing agent) and \$32,000 (without a qualifying purchasing agent), respectively. On May 16, 2011 the Board appointed the Business Administrator/Board Secretary as the District's qualified purchasing agent. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$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 Board 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 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. 18:A18-4.

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.

School Food Service

In accordance with the Governor's Declaration of Emergency pertaining to COVID-19, 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 continues through June 30, 2022. Food Service Agencies operated under this federal waiver.

As a result, School Food Service Authorities (SFA's) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO). SFA's 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 age 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 financial transactions and statistical records of the school food services were reviewed. The financial accounts and meal count records were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

School Food Service (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 contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees no loss. All vendor discounts rebates and credits from vendors and/or FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified.

Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food 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.

The SFA recorded and maintained separate supporting documentation for additional costs applicable to the implementation of the COVID-19 meal service under SSO program requirements.

The FSMC did apply for and receive a loan in accordance with the Payroll Protection Plan (PPP) and did use the funds to pay for costs applicable to the food service program. The PPP loan has not yet been forgiven and the FSMC intends to apply refunds and/or credits to the SFA should the loan ultimately be forgiven.

Net cash resources did not exceed three months average expenditures.

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

Applications for free and reduced priced meals were reviewed for completeness and accuracy as part of the audit of the ASSA. The number of meals claimed as served was compared to the number of meals served per tally sheets. The required verification procedures for free and reduced price applications were completed and available for review.

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

The Statement of Revenues, Expenses and Changes in Fund Net Assets (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, Section B of the CAFR.

Summer Flash Program

The records for the Summer Flash Program were in good condition.

Student Activity Funds

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

Cash receipts and disbursements records for all schools were maintained in satisfactory condition.

**SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Student Activity Funds (Continued)

Finding – 2022-3 – Our audit of the Student Activity accounts revealed the following:

- Receipts collected were not always deposited in a timely manner at certain schools.
- Certain disbursements from the Brayton School did not always utilized withdrawal authorization forms. Additionally, disbursements were made for reimbursements to teachers and for items that are not related to student activities.

Recommendation – All receipts and withdrawals from the student activity accounts be made in accordance with Board policy.

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 with immaterial exceptions noted. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

The district maintained workpapers on the prescribed state forms of 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 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. 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.

Miscellaneous

The District has submitted the annual Statement of Assurance to the Department of Education for testing of lead on all drinking water in educational facilities.

Follow-Up on Prior Year Findings

A review was performed on all prior year findings and corrective action was taken on all.

Suggestions to Management

- A capital asset report be conducted through an independent appraisal company to monitor the District's capital asset inventory.

**SUMMIT PUBLIC SCHOOLS
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

SCHEDULE OF MEAL COUNT ACTIVITY

FEDERAL

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over) Under Claim</u>	
National School Lunch (Regular/SSO Rate)	Free (Sept-December)	124,070	61,315	61,315	-	\$ 4.3175	\$ -	
	Free (January-June)	<u>162,275</u>	<u>54,395</u>	<u>54,395</u>	<u>-</u>	\$ 4.5625	<u>\$ -</u>	
		<u>286,345</u>	<u>115,710</u>	<u>115,710</u>	<u>-</u>		<u>-</u>	
School Breakfast Regular Rate	Free (Sept-December)	<u>2,954</u>	<u>1,518</u>	<u>1,518</u>	<u>-</u>	\$ 2.4625	<u>-</u>	
	Free (January-June)	<u>9,452</u>	<u>2,991</u>	<u>2,991</u>	<u>-</u>	\$ 2.6050	<u>-</u>	
Severe Needs Rate	Free (Sept-December)	<u>10,934</u>	<u>4,967</u>	<u>4,967</u>	<u>-</u>	\$ 2.4625	<u>-</u>	
	Free (January-June)	<u>18,231</u>	<u>6,041</u>	<u>6,041</u>	<u>-</u>	\$ 2.6050	<u>-</u>	
	Total	<u>41,571</u>	<u>15,517</u>	<u>15,517</u>	<u>-</u>		<u>-</u>	
Total Net Under-Claim - Federal								<u><u>-</u></u>

STATE

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over) Under Claim</u>
State Reimbursement - National School Lunch (Regular/SSO Rate)	Free	<u>286,345</u>	<u>115,710</u>	<u>115,710</u>	<u>-</u>	\$ 1.050	<u>\$ -</u>
		<u>286,345</u>	<u>115,710</u>	<u>115,710</u>	<u>-</u>		<u>\$ -</u>

SUMMIT PUBLIC SCHOOLS
NET CASH RESOURCE SCHEDULE
Proprietary Funds - Food Service
For the Fiscal Year Ended June 30, 2022

Current Assets		
Cash & Cash Equiv.	\$	235,546
Due from Other Gov'ts		62,478
Other Accounts Receivable		6,665
Current Liabilities		
Less Accounts Payable		(53,939)
Less Unearned Revenue		(72,486)
		(126,425)
Net Cash Resources	\$	178,264
		(A)

Net Adj. Total Operating Expense:

Tot. Operating Exp.	\$	1,840,735
Less Depreciation		(47,001)
		(47,001)
Adj. Tot. Oper. Exp.	\$	1,793,734
		(B)

Average Monthly Operating Expense:

B / 10	\$	179,373
		179,373
		(C)

Three times monthly Average:

3 X C	\$	538,120
		538,120
		(D)

TOTAL IN BOX A		178,264
LESS TOTAL IN BOX D		538,120
NET	\$	(359,856)

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

**SUMMIT BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 15, 2021**

	2022-2023 Application for State School Aid						Sample for Verification				Private Schools for Disabled					
	Reported on Original A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Register 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	Schools			
Half Day Pre K (3yrs)	3.0		3.0		-	-	1.0	1.0			-	-	-	-	-	-
Full Day Pre K (3yrs)					-	-					-	-	-	-	-	-
Half Day Pre K (4yrs)	24.0		24.0		-	-	8.0	8.0			-	-	-	-	-	-
Full Day Pre K (4yrs)					-	-					-	-	-	-	-	-
Half Day Kindergarten					-	-					-	-	-	-	-	-
Full Day Kindergarten	213.0		213.0		-	-	88.0	88.0			-	-	-	-	-	-
Grade 1	283.0		283.0		-	-	62.0	62.0			-	-	-	-	-	-
Grade 2	289.0		290.0		(1.0)	-	67.0	63.0			4.0	-	-	-	-	-
Grade 3	257.0		257.0		-	-	40.0	41.0			(1.0)	-	-	-	-	-
Grade 4	251.0		251.0		-	-	55.0	55.0			-	-	-	-	-	-
Grade 5	256.0		256.0		-	-	58.0	58.0			-	-	-	-	-	-
Grade 6	309.0		308.0		1.0	-	308.0	308.0			-	-	-	-	-	-
Grade 7	272.0		272.0		-	-	273.0	273.0			-	-	-	-	-	-
Grade 8	278.0		278.0		-	-	278.0	278.0			-	-	-	-	-	-
Grade 9	263.0		262.0		1.0	-	262.0	262.0			-	-	-	-	-	-
Grade 10	247.0		246.0		1.0	-	246.0	246.0			-	-	-	-	-	-
Grade 11	246.0	5.0	246.0	5.0	-	-	246.0	246.0	-	-	-	-	-	-	-	-
Grade 12	253.0	3.0	253.0	3.0	-	-	253.0	253.0	-	-	-	-	-	-	-	-
Subtotal	3,444.0	8.0	3,442.0	8.0	2.0	-	2,245.0	- 2,242.0	-	3.0	-					
Sp Ed- Elementary	189.0		190.0		(1.0)	-	28.0	28.0			-	-	1.0	1.0	1.0	-
Sp Ed - Middle School	97.0		97.0		-	-	15.0	15.0			-	-	1.0	1.0	1.0	-
Sp Ed - High School	123.0	16.0	125.0	16.0	(2.0)	-	18.0	18.0			-	-	13.0	5.0	5.0	-
Subtotal	409.0	16.0	412.0	16.0	(3.0)	-	61.0	- 61.0	-	-	-	-	15.0	7.0	7.0	-
Totals	3,853.0	24.0	3,854.0	24.0	(1.0)	-	2,306.0	- 2,303.0	-	3.0	-	-	15.0	7.0	7.0	-
Percentage Error					-0.03%	0.00%				0.13%	0.00%				0.00%	

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

	Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A	Reported on Workpapers	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A	Reported on Workpapers	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Pre K (3yrs)												
Full Day Pre K (3yrs)												
Half Day Pre K (4yrs)												
Full Day Pre K (4yrs)												
Half Day Kindergarten												
Full Day Kindergarten	11.0	11.0	-	2.0	2.0	-	5.0	5.0	-	1.0	1.0	-
Grade 1	20.0	20.0	-	3.0	3.0	-	10.0	10.0	-	1.0	1.0	-
Grade 2	28.0	28.0	-	4.0	4.0	-	17.0	12.0	5.0	1.0	1.0	-
Grade 3	17.0	17.0	-	2.0	2.0	-	5.0	5.0	-	1.0	1.0	-
Grade 4	24.0	24.0	-	3.0	3.0	-	4.0	4.0	-	1.0	1.0	-
Grade 5	22.0	22.0	-	3.0	3.0	-	3.0	3.0	-	1.0	1.0	-
Grade 6	28.0	28.0	-	4.0	4.0	-	4.0	3.0	1.0	1.0	1.0	-
Grade 7	33.0	33.0	-	5.0	5.0	-	8.0	5.0	3.0	1.0	1.0	-
Grade 8	33.0	33.0	-	5.0	5.0	-	8.0	4.0	4.0	1.0	1.0	-
Grade 9	29.0	29.0	-	4.0	4.0	-	5.0	4.0	1.0	1.0	1.0	-
Grade 10	29.0	29.0	-	4.0	4.0	-	5.0	5.0	-	1.0	1.0	-
Grade 11	24.0	24.0	-	3.0	3.0	-	4.0	3.0	1.0	1.0	1.0	-
Grade 12	24.0	24.0	-	3.0	3.0	-	2.0	2.0	-	1.0	1.0	-
Subtotal	322.0	322.0	-	45.0	45.0	-	80.0	65.0	15.0	13.0	13.0	-
Sp Ed - Elementary	47.0	47.0	-	7.0	7.0	-	3.0	3.0	-	1.0	1.0	-
Sp Ed - Middle School	31.0	31.0	-	4.0	4.0	-	3.0	3.0	-	1.0	1.0	-
Sp Ed - High School	35.5	35.5	-	4.5	4.5	-	-	-	-	-	-	-
Subtotal	113.5	113.5	-	15.5	15.5	-	6.0	6.0	-	2.0	2.0	-
Totals	435.5	435.5	-	60.5	60.5	-	86.0	71.0	15.0	15.0	15.0	-

Percentage Error 0.00% 0.00% -17.44% 0.00%

	Transportation			Tested	Verified	Errors
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors			
Reg. - Public Schools	46.0	46.0	-	23.0	23.0	-
Reg Special Ed. - Public	20.5	20.5	-	10.0	10.0	-
Transported - Non - Public			-			-
Special Ed w. Special Needs	32.5	32.5	-	17.0	17.0	-
	99.0	99.0	-	50.0	50.0	-

Percentage Error 0.00% 0.00%

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

12

	Resident LEP Not Low Income			Sample for Verification		
	Reported on A.S.S.A	Reported on Workpapers	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Pre K (3yrs)	-	-	-	-	-	-
Full Day Pre K (3yrs)	-	-	-	-	-	-
Half Day Pre K (4yrs)	-	-	-	-	-	-
Full Day Pre K (4yrs)	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	8.0	5.0	3.0	1.0	1.0	-
Grade 1	11.0	11.0	-	2.0	2.0	-
Grade 2	4.0	9.0	(5.0)	2.0	2.0	-
Grade 3	7.0	7.0	-	1.0	1.0	-
Grade 4	5.0	5.0	-	1.0	1.0	-
Grade 5	1.0	1.0	-	1.0	1.0	-
Grade 6	3.0	4.0	(1.0)	1.0	1.0	-
Grade 7	3.0	6.0	(3.0)	1.0	1.0	-
Grade 8	1.0	5.0	(4.0)	1.0	1.0	-
Grade 9	2.0	1.0	1.0	1.0	1.0	-
Grade 10	3.0	3.0	-	1.0	1.0	-
Grade 11	6.0	7.0	(1.0)	2.0	2.0	-
Grade 12	3.5	3.0	0.5	1.0	1.0	-
Subtotal	57.5	67.0	(9.5)	16.0	16.0	-
Sp Ed - Elementary	2.0	-	2.0	-	-	-
Sp Ed - Middle School	1.0	1.0	-	1.0	1.0	-
Sp Ed - High School	-	-	-	-	-	-
Subtotal	3.0	1.0	2.0	1.0	1.0	-
Totals	60.5	68.0	(7.5)	17.0	17.0	-
			<u>12.40%</u>			<u>0.00%</u>

**SUMMIT PUBLIC SCHOOLS
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

SECTION 1A - Four Percent (4%) - Calculation of Excess surplus (2021-2022 expenditures of \$100 million or less)

2021-2022 Total General Fund Expenditures per the CAFR	\$ 92,141,314
Decreased by:	
Assets Acquired Under Capital & Other Financing Agreements	1,015,111
Non-Budget Insurance Proceeds	400,744
On-Behalf TPAF Pension & Social Security	18,745,402
Adjusted 2021-2022 General Fund Expenditures	\$ 71,980,057
4% of Adjusted 2021-2022 General Fund Expenditures	2,879,202
Increased by: Allowable Adjustment- Extraordinary Aid, Non Public Transportation	497,793
Maximum Unassigned Fund Balance	\$ 3,376,995

SECTION 2

Total General Fund - Fund Balance at June 30, 2022	\$ 13,154,832
Decreased by:	
Year End Encumbrances	147,801
Legally Restricted- Excess Surplus- Designated for Subsequent Year's Expenditures	1,200,000
Other Restricted Fund Balances	6,605,294
Assigned Fund Balance-Unreserved-Designated for Subsequent Year's Expenditures	1,300,000
Total Unassigned Fund Balance	\$ 3,901,737

SECTION 3

Reserved Fund Balance - Excess Surplus	\$ 524,742
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Recapitulation of Excess Surplus as of June 30, 2022

Reserve Excess Surplus- Designated for Subsequent Year's Expenditures	\$ 1,200,000
Reserve Excess Surplus	524,742
Total Excess Surplus	\$ 1,724,742

Detail of Restricted Fund Balances

Capital Reserve	\$ 5,046,253
Emergency Reserve	151
Maintenance Reserve	1,049,983
Unemployment Reserve	508,907
	\$ 6,605,294

SUMMIT PUBLIC SCHOOLS

RECOMMENDATIONS

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Greater care be given when recording the opening balances in the general ledger to ensure that they are in agreement with the prior year audit and receipt postings be recorded in the proper fund and category.
2. The original budget included in the District's revenue and appropriation reports for the Special Revenue Fund be in agreement with the adopted budget.

III. School Purchasing Program

There are none.

IV. Food Service Fund

There are none.

V. Flash Program

There are none.

VI. Student Body Activities

3. It is recommended that all receipts and withdrawals from the student activity accounts be made in accordance with Board policy.

VII. 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

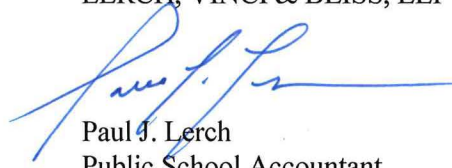
In accordance with government auditing standards, our procedures included a review of the prior year recommendation; corrective action has been taken.

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