

**TENAFLY BOARD OF EDUCATION  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2022**

**TENAFLY BOARD OF EDUCATION  
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS  
- FINANCIAL, COMPLIANCE AND PERFORMANCE**

**TABLE OF CONTENTS**

	<u>Page No.</u>
Report of Independent Auditor	1
Scope of Audit	2
Administrative Practices and Procedures	2
Financial Planning, Accounting and Reporting	2-4
School Purchasing Programs	5
School Food Service	5-6
Student Body Activity	6
SACC (School Age Childcare) Program	6-7
Tiger Tots	7
Application for State School Aid	7
Pupil Transportation	7
Facilities and Capital Assets	7
Testing for Lead of all Drinking Water in Educational Facilities	7
Suggestions to Management	7
Schedule of Meal Count Activity – Not Applicable	8
Schedule of Net Cash Resources – Not Applicable	8
Schedule of Audited Enrollments	9-11
Calculation of Excess Surplus	12
Recommendations	13-14
Acknowledgement	14

**LV B** 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


Honorable President and Members  
of the Board of Education  
Tenafly Board of Education  
500 Tenafly Road  
Tenafly, New Jersey 07670


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 Tenafly Board of Education as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated January 31, 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,

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

  
Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
January 31, 2023

**TENAFLY 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 the 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 in Exhibit J-20 of the District's Annual Comprehensive Financial Report (the "ACFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Dr. Victor Anaya	Board Secretary/School Business Administrator	\$50,000
Sheryl Leidig	Treasurer of School Monies	360,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Selective Insurance covering all other employees with multiple coverage of \$500,000.

**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 and was submitted in a timely manner.

**Tuition Charges**

The District has entered into a five-year contract with the Alpine Board of Education to receive Alpine's high school students. The tuition charges for the 2021/2022 school year, by contract, are the State certified rates for the 2020/2021 school year. The final tuition rate was calculated as a tuition adjustment in accordance with NJAC 6A:23A-17.1. The tuition rate for all other students are determined annually by the Board, and are not subject to adjustment.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review did not reveal any discrepancies with respect to each of signature, 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 payroll taxes were deposited in the Payroll Agency Account.

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

Salary withholdings tested were promptly remitted to the proper agencies including health benefits withholding due to the General Fund.

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

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

Payroll Account (Continued)

**Finding 2022-1** – Our audit noted that a payroll agency ledger by deduction was not currently maintained by the District.

**Recommendation** – A payroll agency ledger be implemented, currently maintained and reconciled with the monthly bank reconciliation.

The District filed the required certificate (E-CERTI) of compliance with requirements for income tax compensation of certain administrators with the NJ Department of Treasury.

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

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 (except as noted below) 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.

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, a separate test was made to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3 as it relates to administrative coding classification.

**Finding 2022-2** – Our audit of the Special Revenue Fund noted that certain expenditures were not recorded to the proper function and/or object budget account code.

**Recommendation** – The District utilize the Department of Education’s Minimum Chart of Accounts and approved grant budgets for assistance with recording Special Revenue Fund budget expenditures.

Travel

The Board of Trustees has adopted a travel policy that complies with N.J.S.A. 18A:11-12.

Board Secretary's Records

The financial records, books of account and minutes were maintained by the School Business Administrator/Board Secretary.

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

The Board Secretary’s and Treasurer’s monthly financial reports were presented 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.

**TENAFLY 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 (Continued)

**Finding 2022-3** – Our audit of the Capital Projects Fund noted the following:

- Architect and engineering expenses were not allocated by project in the District's financial reports.
- There was a blanket purchase order for \$247,615 payable to the School District. An audit adjustment was made to cancel the unexpended balance of the purchase order.
- The District charged \$18,000 to the Capital Projects Fund for the long range facilities plan (LRFP). The LRFP is a General Fund budgetary expense.

**Recommendation** – The District periodically review expenditures and open purchase orders in the Capital Projects Fund to ensure that costs are properly allocated/charged to an approved project. Furthermore, purchase orders be issued for valid expenses and vendors.

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 Titles 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.

The State of New Jersey's Office of Fiscal Accountability and Compliance ("OFAC") performed an ESSA Title I audit for the period July 1, 2019 thru September 30, 2020. OFAC's examination resulted in questioned costs of \$136. Certain non-compliance matters were also cited in the report. The District reviewed and accepted the findings and approved a corrective action plan on May 23, 2022.

IDEA Part B

Grant application approvals and acceptance of grant funds were made by Board resolution.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on 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 contained herein represent a true statement of 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.

Salaries and wages were not charged to the Special Revenue Fund federal grants. Thus, the Board is not required to submit a TPAF/FICA reimbursement to the State.

Non Public State Aid

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

**Finding 2022-4** – Our audit of the Non Public project completion report noted that the District financial reports were not in agreement with the project completion report. Accounts payable for Non Public programs were overstated in the District's financial reports by \$100,918.

**Recommendation** – The District review its financial reports prior to year-end close to ensure that accounts payable are properly reflected and Non Public program expenditures are accurately reported.

**TENAFLY BOARD OF EDUCATION  
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 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 currently \$20,200.

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 may be up to \$44,000. 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. The Board has designated the Business Administrator/Board Secretary as the qualified purchasing agent.

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 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.

The results of our examination indicated that no 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. 18A:18A-4 except as noted below:

**Finding 2022-5** – Our audit noted that the school district did not notify the County Superintendent's office for emergency contracts awarded by the Board for expenses incurred from Hurricane IDA.

**Recommendation** – The District adhere to the statutory requirements for awarding emergency contracts as detailed in Local Finance Notice No. 2021-15.

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 that purchases were made through the use of state contracts.

**School Food Service**

The District does not participate in the National School Nutrition Program.

**COVID -19 Emergency**

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency all Public, Charter, 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 alternated procedures to provide meals to Free and Reduced Price eligible students during the period of school closures. The Governor'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.

During 2021/22 the public health emergency was still applicable. 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) or the Summer Food Program (SFSP) option.

Therefore, SFAs 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 SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding for Free and Reduced Price meal eligible students.

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

**School Food Service (Continued)**

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 free and reduced price meal eligible students during the emergency.

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

Cash receipts and bank records were reviewed for timely deposit.

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 food service management company is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

The District contracted with Pomptonian, Inc. to manage the school food services operations. Provisions of the FSMC contract/addendum were reviewed. The Food Service management company contract did not include an operating result provision for the 2021-2022 school year. 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 at least annually.

**Student Body Activity**

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

**Finding 2022-6** – Our audit of the Student Activity Funds noted the following:

- A cash receipt and disbursement ledger was not maintained for the School's General account. In addition, monthly bank reconciliations were not provided for audit.
- Monies collected for certain middle school trips/club activities were not always deposited in a timely manner.
- Purchases were made utilizing a personal credit card of a district employee. The employee was reimbursed by the Student Activity account.

**Recommendation** – Internal controls over the student activity accounts be reviewed and implemented to ensure that policy and procedures are being adhered to.

**SACC (School Age Childcare) and Tiger Tots Programs**

Separate cash receipt and disbursement journals and billing records were maintained for the SACC program.

**Finding 2022-7** – The District did not charge direct expenses including payroll taxes, pension and health benefits to its SACC and Tiger Tots programs during the 2021-2022 school year. In addition, the District does not have a written cost allocation plan to charge indirect expenses to the programs.

**Recommendation** – Direct expenses for personnel charged to SACC and Tiger Tots be charged to the respective programs. In addition, the District prepare a written cost allocation plan to charge indirect costs to the programs.



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

**SACC (School Age Childcare) and Tiger Tots Programs (Continued)**

The financial records of the Tiger Tots program were maintained in good condition.

**Finding 2022-8** – The District’s Tiger Tots program ended the fiscal year with a deficit of \$1,736.

**Recommendation** – The District review the fees charged for the Tiger tots program to ensure that sufficient funds are available to meet the operating expenses of the program.

**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 handicapped, 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 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 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 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 the transfer of local funds from the General Fund or from the Capital Reserve Account, and awarding of contracts for eligible facilities construction.

**Finding 2022-9** – Our audit of capital assets revealed that balances per the district’s capital asset inventory report are not in agreement with the audit balances. In addition, current year additions were not always reported at the correct amount and depreciation expense on the current year additions were improperly calculated.

**Recommendation** – The capital asset report be reviewed, accurately reported and reconciled to audit balances.

**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).

**Suggestions to Management**

- Reconciling items on the Athletic account bank reconciliation be reviewed and cleared of record.
- Efforts be made to collect the prior year receivable balance of the Non Public Digital Divide grant.
- Prior year SAMSHA unexpended funds be returned to the grantor.

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

**NOT APPLICABLE**

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

**NOT APPLICABLE**

**DISTRICT DOES NOT PARTICIPATE IN  
NATIONAL SCHOOL LUNCH PROGRAM**

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

	2022-2023 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on	Sample	Sample	Sample
	A.S.S.A.		Workpapers				Selected from	Register	Registers	A.S.S.A. as	from	On Roll	On Roll			
	On Roll		On Roll		Full	Shared	Full	Shared	Full	Shared	Full	Shared	Private	Work-	Verified	Errors
Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	papers			
Full Day Kindergarten	177.0		177.0					47.0		47.0						
Grade 1	175.0		175.0					44.0		44.0						
Grade 2	180.0		180.0					47.0		47.0						
Grade 3	219.0		219.0					53.0		53.0						
Grade 4	236.0		236.0					55.0		55.0						
Grade 5	247.0		247.0					62.0		62.0						
Grade 6	237.0		237.0					237.0		237.0						
Grade 7	256.0		256.0					256.0		256.0						
Grade 8	229.0		229.0					229.0		229.0						
Grade 9	267.0		267.0					267.0		267.0						
Grade 10	241.0		241.0					241.0		241.0						
Grade 11	272.0		272.0					272.0		272.0						
Grade 12	251.0		251.0					251.0		251.0						
Subtotal	2,987.0	-	2,987.0	-	-	-	-	2,061.0	-	2,061.0	-	-	-	-	-	-
Special Ed - Elementary	172.0		172.0					41.0		41.0			9.0	4.0	4.0	
Special Ed - Middle	127.0		127.0					127.0		127.0			10.0	6.0	6.0	
Special Ed - High	199.0		199.0					199.0		199.0			26.0	15.0	15.0	
Subtotal	498.0	-	498.0	-	-	-	-	367.0	-	367.0	-	-	45.0	25.0	25.0	-
Totals	3,485.0	-	3,485.0	-	-	-	-	2,428.0	-	2,428.0	-	-	45.0	25.0	25.0	-
Percentage Error	<u>0.00%</u>						<u>0.00%</u>						<u>0.00%</u>			

**TENAFLY BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
SCHEDULE OF AUDITED ENROLLMENTS  
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 Worpapers and Register	Verified to Test Score	Errors
	Full Day Kindergarten	1.0	1.0		1.0	1.0		1.0	1.0		1.0	1.0
Grade 1	4.0	4.0		2.0	2.0							
Grade 2	3.0	3.0		1.0	1.0							
Grade 3	5.0	4.0	1	3.0	3.0							
Grade 4	7.0	7.0		3.0	3.0							
Grade 5	4.0	4.0		2.0	2.0		1.0	1.0		1.0	1.0	
Grade 6	2.0	2.0		1.0	1.0							
Grade 7	10.0	10.0		4.0	4.0							
Grade 8	2.0	2.0		1.0	1.0		1.0	1.0		1.0	1.0	
Grade 9	3.0	3.0		1.0	1.0							
Grade 10	6.0	6.0		3.0	3.0							
Grade 11	6.0	6.0		3.0	3.0							
Grade 12	3.0	3.0		1.0	1.0							
Subtotal	56.0	55.0	1.0	26.0	26.0	-	3.0	3.0	-	3.0	3.0	-
Special Ed - Elementary	3.0	3.0		1.0	1.0							
Special Ed - Middle	14.0	14.0		5.0	5.0							
Special Ed - High	8.0	7.0	1	3.0	3.0							
Subtotal	25	24	1	9	9	-	-	-	-	-	-	-
Totals	81.0	79.0	2.0	35.0	35.0	-	3.0	3.0	-	3.0	3.0	-
Percentage Error		<u>2.47%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>	

	Transportation					
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
	Regular - Public	70.0	70.0		23.0	23.0
Regular - Special Ed	6.0	6.0		3.0	3.0	
Special Ed - Special Needs	71.0	71.0		23.0	23.0	
	147.0	147.0	-	49.0	49.0	-
Percentage Error		<u>0.00%</u>			<u>0.00%</u>	

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

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Worpapers	Verified to Application and Register	Errors
Full Day Kindergarten	16.0	16.0		5.0	5.0	
Grade 1	11.0	11.0		3.0	3.0	
Grade 2	12.0	12.0		4.0	4.0	
Grade 3	7.0	7.0		2.0	2.0	
Grade 4	11.0	11.0		3.0	3.0	
Grade 5	9.0	9.0		3.0	3.0	
Grade 6	14.0	14.0		4.0	4.0	
Grade 7	14.0	14.0		4.0	4.0	
Grade 8	9.0	9.0		3.0	3.0	
Grade 9	10.0	10.0		3.0	3.0	
Grade 10	8.0	8.0		3.0	3.0	
Grade 11	9.0	9.0		3.0	3.0	
Grade 12	5.0	5.0		2.0	2.0	
Subtotal	135.0	135.0	-	42.0	42.0	-
Special Ed - Elementary	4.0	3.0	1.0	2.0	2.0	
Special Ed - Middle	2.0	2.0		2.0	2.0	
Special Ed - High	4.0	5.0	(1.0)	3.0	3.0	
Subtotal	10.0	10.0	-	7.0	7.0	-
Totals	145.0	145.0	-	49.0	49.0	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

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

2021-2022 Total General Fund Budgetary Expenditures		\$ 90,466,986
Increased by:		
Transfer from Capital Reserve to Capital Projects Fund	\$ 2,161,045	
Transfer to Special Revenue Fund - Athletics	<u>81,400</u>	
		<u>2,242,445</u>
		92,709,431
Decreased by:		
On-Behalf TPAF Pension & Social Security		<u>17,224,867</u>
Adjusted 2021-2022 General Fund Expenditures		<u>\$ 75,484,564</u>
4% of Adjusted 2021-2022 General Fund Expenditures		\$ 3,019,383
Increased by:		
Allowable Adjustments		
Extraordinary Aid	1,550,646	
Non Public Transportation	<u>51,330</u>	
		<u>1,601,976</u>
Maximum Unassigned Fund Balance		<u>\$ 4,621,359</u>
Total General Fund - Fund Balance at June 30, 2022 (Per CAFR Budgetary Comparison Schedule C-1)		\$ 10,656,694
Decreased by:		
Encumbrances	\$ 347,897	
Other Restricted Fund Balances		
Capital Reserve	3,146,183	
Maintenance Reserve	608,850	
Emergency Reserve	304,900	
Unemployment Compensation	393,371	
Assigned - Designated for Subsequent Year's Budget	<u>2,747,770</u>	
		<u>7,548,971</u>
Total Unassigned Fund Balance		<u>\$ 3,107,723</u>
<b>Fund Balance - Excess Surplus</b>		<u>\$ -</u>

**TENAFLY BOARD OF EDUCATION  
RECOMMENDATIONS**

**I. Administrative Practices and Procedures**

There are none.

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

It is recommended that:

- \* 1. A payroll agency ledger be implemented, currently maintained and reconciled with the monthly bank reconciliation.
- 2. The District utilize the Department of Education's Minimum Chart of Accounts and approved grant budgets for assistance with recording Special Revenue Fund budget expenditures.
- 3. The District periodically review expenditures and open purchase orders in the Capital Projects Fund to ensure that costs are properly allocated/charged to an approved project. Furthermore purchase orders be issued for valid expenses and vendors.
- 4. The District review its financial reports prior to year-end close to ensure that accounts payable are properly reflected and Non Public program expenditures are accurately reported.

**III. School Purchasing Program**

- 5. It is recommended that the District adhere to the statutory requirements for awarding emergency contracts as detailed in Local Finance Notice No. 2021-15.

**IV. School Food Services**

There are none.

**V. Student Body Activities**

- 6. It is recommended that internal controls over the student activity accounts be reviewed and implemented to ensure that policy and procedures are being adhered to.

**VI. SACC / Tiger Tots Programs**

It is recommended that:

- 7. Direct expenses for personnel charged to SACC and Tiger Tots be charged to the respective programs. In addition, the District prepare a written cost allocation plan to charge indirect costs to the programs.
- 8. The District review the fees being charged for the Tiger tots program to ensure that sufficient funds are available to meet the operating expenses of the program.

**VII. Application for State School Aid**

There are none.

**VIII. Pupil Transportation**

There are none.

**TENAFLY BOARD OF EDUCATION  
RECOMMENDATIONS**

**IX. Facilities and Capital Assets**

- \* 9. It is recommended that the capital asset report be reviewed, accurately reported and reconciled to audit balances.

**X. Miscellaneous**

There are none.

**X. Status of Prior Years' Audit Findings/Recommendations**

A review was performed on all prior years' recommendations. Corrective action was taken on the prior year recommendations, except those denoted with an asterisk (\*).

**ACKNOWLEDGEMENT**

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