

**BOROUGH OF WOODBINE
BOARD OF EDUCATION**

**AUDITORS MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE
June 30, 2022**

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NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

991 S. Black Horse Pike
P.O. Box 799
Williamstown, NJ 08094

(856) 629-3111
Fax (856) 728-2245
www.colavita.net

REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Borough of Woodbine School
District County of Cape May, 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 general-purpose financial statements of the Board of Education of the Borough of Woodbine School District in the County of Cape May for the year ended June 30, 2022, and have issued our report thereon dated February 16, 2023.

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

This report is issued in conjunction with the Annual Comprehensive Financial Report of the Board of Education of the Borough of Woodbine for the fiscal year ending June 30, 2022 and is intended solely for the information and use of the School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
February 16, 2023

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

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, and the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's ACFR.

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Frank Onorato	Treasurer	\$180,000

P.L.2020,c.44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A.18A:16-13.3 (Chapter 44) 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/was not completed by the chief school administrator. The school district Chapter 44 data was submitted timely.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification and 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 approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator

Salary withholdings were promptly remitted to the proper agencies.

Payrolls were delivered to the treasurer of school moneys with a warrant made to his order for the full amount of each payroll.

Financial Planning, Accounting and Reporting (Continued)

Reserve for Encumbrances, Liability for Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2022 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 proprietary and to determine that goods were received and services were rendered as of June 30, 2022. Our review did not indicate any material discrepancies with respect to classification of orders.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(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:23-2.4. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Business Administrator / Board Secretary's Records

The financial records, books of accounts maintained by the Secretary were in satisfactory condition.

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

Monthly financial certificates of the Board Secretary and Board of Education for positive line-item account status certifications (N.J.A.C. 6:2-2.13) were performed. Budgetary line-item account transfers were approved monthly to cover any anticipated deficits.

Purchase orders were charged to the appropriate line-item accounts in accordance with the State prescribed **Uniform Minimum Chart of Accounts (2R2) for New Jersey Public School.**

Treasurer's Records

The Treasurer's records were examined and were found to be in agreement with the records of the Board Secretary. All cash receipts were promptly deposited.

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

The E.S.E.A. financial exhibits are contained within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the projects under Titles I, II-A, and IV of the Elementary and Secondary Education Act as amended and reauthorized.

Our audit of the E.S.E.A. 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 study of compliance for E.S.E.A. indicated that all E.S.E.A. programs were in compliance.

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on the Schedule A and Schedule B in the ACFR.

Our audit of the federal and state funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the aforementioned special projects

The study of compliance for Special Federal and/or State Projects revealed the following area of noncompliance and/or questionable costs.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly 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. Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per 18A:18A-5.

TPAF Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Reports for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general are available on the website: <http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>.

Current statute is posted on the New Jersey Legislature (<http://www.njleg.state.nj.us/>) website.

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 for 2021-2022.

The District Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

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 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.

Based on the results of our examination, we did not note any individual payments, contracts, or agreements 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 provisions of N.J.S.A. 18A:18A-4, amended.

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 revealed purchases made through the use of State contracts for the following: Office Supplies Classroom Supplies

The review of contracts and agreements did not disclose any areas of statutory noncompliance.

Although a particular contract is exempt from the formal requirements of public advertising and competitive bidding, N.J.S.A. 18A:18A-37 requires that quotations be obtained, whenever practical, for any contract over the statutory threshold amount of \$6,600, except for contracts for professional services. All contracts and agreements, which are subject to quotations, shall be awarded on the basis of the lowest responsible quotation received, which is most advantageous to the Board of Education, price and other factors considered. Our examination indicated that the Board of Education complied with these provisions.

School Food Service

PUBLIC HEALTH 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 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 (SFAs) 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.

School Food Service (Continued)

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 of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFAs 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 school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

Non-program foods were not purchased, prepared, sold, or offered for sale.

We inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to all students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the SFA.

Finding 2022-1 (ACFR 2022-1)

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Recommendation

The Board should implement a corrective action plan to effectively reduce the net cash resources on hand through capital expenditure or otherwise.

Latchkey Enterprise Fund

During our review of the student activity funds, we noted no exceptions.

Student Body Activities

During our review of the student activity funds, we noted no exceptions.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2021 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low income, and bilingual. We also performed a review of the district's procedures related to its completion. The information on the ASSA Summary was compared to the district workpapers with exceptions noted in the schedules. The information that was included on the workpapers was verified with the exception of those shown in the schedules.

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 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 include 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

As part of the GASB 34 reporting format, fixed assets are recorded in accordance with GAAP, including a provision for depreciation expense.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all the requirements of NJAC 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The test results were posted on the district's website and available at the school facility.

The school district submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Follow-Up on Prior Year Findings

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings, with the exception of the following:

Finding 2021-1

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Acknowledgment

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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.

A handwritten signature in blue ink, appearing to read 'Raymond Colavita', is written over the printed name.

Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant No. 915

NET CASH RESOURCE SCHEDULE

**Net cash resources exceeded three months of expenditures
Proprietary Funds - Food Service
FYE 2022
Borough of Woodbine Board of Education**

<u>Net Cash Resources:</u>		Food Service B - 4/5	
ACFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 96,109
B-4		Due from Other Gov'ts	21,109
B-4		Accounts Receivable	20,990
B-4		Investments	
ACFR		Current Liabilities	
B-4		Less Accounts Payable	(19,897)
B-4		Less Accruals	
B-4		Less Due to Other Funds	
B-4		Less Deferred Revenue	<u>(6,758)</u>
		Net Cash Resources	<u>\$ 111,553.00</u> (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	213,614	
B-5	Less Depreciation	<u>(12,232)</u>	
	Adj. Tot. Oper. Exp.	<u>\$ 201,382.00</u>	(B)

Average Monthly Operating Expense:

B / 10 **\$ 20,138.20** (C)

Three times monthly Average:

3 X C **\$ 60,414.60** (D)

TOTAL IN BOX A	\$	111,553.00
LESS TOTAL IN BOX D	\$	<u>60,414.60</u>
NET	\$	<u>51,138.40</u>
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.		

* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

SCHEDULE OF MEAL COUNT ACTIVITY

WOODBINE SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS/MILKS SERVED AND OVER/UNDERCLAIM-FEDERAL
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>(Over)/Under Difference</u>	<u>Rate</u>	<u>(Over)/Under Claim</u>
Seamless Summer Option (SSO)							
	Breakfast Free	10,112	10,112	10,112	\$	2.4625	\$
	Breakfast Free	12,665	12,665	12,665		2.6050	
	Lunch Free	13,731	13,731	13,731		4.3175	
	Lunch Free	18,248	18,248	18,248		4.5625	
	TOTAL	<u>54,756</u>	<u>54,756</u>	<u>54,756</u>			\$
TOTAL NET OVERCLAIM							\$

SCHEDULE OF MEAL COUNT ACTIVITY

WOODBINE SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER OF MEALS/MILKS SERVED AND OVER/UNDERCLAIM-STATE
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>(Over)/Under Difference</u>	<u>Rate</u>	<u>(Over)/Under Claim</u>
Seamless Summer Option (SSO)							
	Lunch	Free	31,979	31,979	31,979	0	0.105 \$ 0.00
		TOTAL	<u>31,979</u>	<u>31,979</u>	<u>31,979</u>	<u>0</u>	\$ <u>0.00</u>
TOTAL NET OVERCLAIM							\$ <u>0.00</u>

SCHEDULE OF AUDITED ENROLLMENTS

**WOODBINE PUBLIC SCHOOL DISTRICT
APPLICATION OR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021**

	2022-2023 APPLICATION FOR STATE SCHOOL AID						SAMPLE FOR VERIFICATION						PRIVATE SCHOOLS FOR DISABLED				
	Reported On A.S.S.A. On Roll		Reported On Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported On A.S.S.A. as				
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Private Schools	Sample for Verification	Sample Verified	Sample Errors	
Full Day 3 Year Olds	18		18				10		10								
Full Day 4 Year Olds	33		33				19		19								
Full Day Kindergarten	18		18				10		10								
One	15		15				9		9								
Two	11		11				6		6								
Three	18		17		1		10		10								
Four	17		17				10		10								
Five	15		15				9		9								
Six	11		11				6		6								
Seven	12		11		1		7		7								
Eight	14		13		1		8		8								
Subtotal	182	0	179	0	3	0	104	0	104	0	0	0	0	0	0	0	0
Special Ed - Elementary	35		35				20		20								
Special Ed - Middle	21		21				12		12				1				
Special Ed - High																	
Subtotal	56	0	56	0	0	0	32	0	32	0	0	0	1	0	0	0	0
Totals	238	0	235	0	3	0	136	0	136	0	0	0	1	0	0	0	0
Percentage Error					1.26%	0.00%				0.00%	0.00%						0.00%

SCHEDULE OF AUDITED ENROLLMENTS

**WOODBINE PUBLIC SCHOOL DISTRICT
APPLICATION OR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported On A.S.S.A. as Low Income	Reported On Workpapers as Low Income	Errors	Sample Selected From Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected From Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Kindergarten	15	15		9	9							
One	11	11		7	7		4	4		1	1	
Two	11	11		7	7							
Three	12	12		7	7		2	2		1	1	
Four	14	14		9	9		1	1				
Five	12	12		7	7		1	1				
Six	9	9		6	6		1	1				
Seven	9	9		6	5	1	1	1				
Eight	9	9		6	6		1	1				
Nine												
Ten												
Eleven												
Twelve												
Subtotal	102	102	0	64	63	1	10	10	0	2	2	
Special Ed - Elementary	30	30		19	19		5	5		2	2	
Special Ed - Middle	19	19		12	12		1	1				
Special Ed - High												
Subtotal	49	49	0	31	31	0	6	6	0	2	2	0
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	151	151	0	95	94	1	16	16	0	4	4	0
Percentage Error		<u>0.00%</u>			<u>1.05%</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		Reported	Re-Calculated
Reg. - Public Schools	46	46		35	35				
Reg. - Special Ed.	14	14		11	11				
Transported - Non-Public	11	11		8	8				
Aid in Lieu - Non-Public	1	1							
Special Needs - Public	13	13		10	10				
Totals	85	85	0	64	64	0			
Percentage Error		<u>0.00%</u>			<u>0.00%</u>				
							Avg. Mileage - Regular Including Grade PK students	12.2	
							Avg. Mileage - Regular Excluding Grade PK students	12.2	
							Avg. Mileage - Special Ed with Special Needs	13.7	

SCHEDULE OF AUDITED ENROLLMENTS

WOODBINE PUBLIC SCHOOL DISTRICT
APPLICATION OR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Report On A.S.S.A. NOT Low Income</u>	<u>Report 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>
Full Day Kindergarten						
One						
Two						
Three						
Four						
Five						
Six						
Seven						
Eight						
Subtotal	0	0	0	0	0	0
Special Ed - Elementary						
Special Ed - Middle						
Special Ed - High						
Subtotal	0	0	0	0	0	0
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	0	0	0	0	0	0
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

BOROUGH OF WOODBINE SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION

SECTION 1

A. 4% Calculation of Excess Surplus

2021-22 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ <u>5,692,127</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	_____	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	_____	(B1b)
Transfer from General Fund to SRF for PreK-Regular	_____	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	<u>51,524</u>	(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	<u>1,014,322</u>	(B2a)
Assets Acquired Under Capital Leases	_____	(B2b)
 Adjusted 2021-22 General Fund Expenditures [(B)+(B1s)-(B2s)]	 <u>4,729,329</u>	 (B3)
 4% of Adjusted 2021-22 General Fund Expenditures [(B3) times .04]	 <u>189,173</u>	 (B4)
Enter Greater of (B4) or \$250,000	<u>250,000</u>	(B5)
Increased by: Allowable Adjustment*	<u>471,308</u>	(K)
 Maximum Unassigned/Undesignated-Unreserved Fund Balance[(B5)+(K)]	 <u>\$ 721,308</u>	 (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-22 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>1,535,866</u>	(C)
Decreased by:		
Year-end Encumbrances	<u>26,096</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	_____	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	<u>264,081</u>	(C3)
Other Restricted Fund Balances****	<u>253,277</u>	(C4)
Assigned Fund balance Unreserved - Designated for Subsequent Year's Expenditures	_____	(C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 <u>\$ 992,412</u>	 (U1)

SECTION 3

Section 1 Restricted Fund Balance- Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$ <u>271,104</u>	(E)
--	-------------------	-----

Recapitulation of Excess Surplus as of June 30, 2022

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures**	264,081	(C3)
Reserved Excess Surplus ***[(E)]	<u>271,104</u>	(E)
 Total Excess Surplus [(C3) + (E)]	 <u>\$ 535,185</u>	 (D)

BOROUGH OF WOODBINE SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION

Footnotes:

- * Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:
 - (H) Federal Impact Aid. The passage of P.L. 2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve-General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);
 - (I) Sale & Lease-Back (Refer to the Audit Program Section II, Chapter 10);
 - (J1) Extraordinary Aid;
 - (J2) Additional Nonpublic School Transportation Aid;
 - (J3) Recognized current year School Bus Advertising Revenue; and
 - (J4) Family Crisis Transportation Aid.
 - (J5) Maintenance of Equity Aid and State Military Impact Aid received July 2022

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ _____	(H)
Sale & Lease-Back	_____	(I)
Extraordinary Aid	107,880	(J1)
Additional Nonpublic School Transportation Aid	290	(J2)
Current Year School Bus Advertising Revenue Recognized	_____	(J3)
Family Crisis Transportation Aid	_____	(J4)
Maintenance of Equity Aid and State Military Impact Aid received July 2022	363,138	(J5)
Total Adjustments [(H) + (I) + (J1) + (J2) + (J3) + (J4) + (J5)]	\$ 471,308	(K)

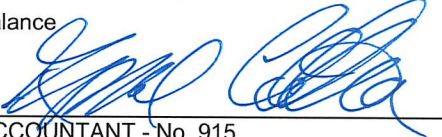
** This amount represents the June 30, 2022 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line **90031**.

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

**** Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Administration and Finance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:		
Approved unspent separate proposal	\$ _____	
Sale/lease-back reserve	_____	
Capital reserve	_____	
Maintenance reserve	253,277	
Emergency Reserve	_____	
Tuition reserve	_____	
School Bus Advertising 50% Fuel Offset Reserve - Current Year	_____	
School Bus Advertising 50% Fuel Offset Reserve - Prior Year	_____	
Impact Aid General Fund Reserve (Sections 8007 and 8008)	_____	
Impact Aid General Fund Reserve (Sections 8002 and 8003)	_____	
Other state/government mandated reserve	_____	
Reserve for Unemployment Fund	_____	
[Other Restricted Fund Balance not noted above] ****	_____	
Total Other Restricted Fund Balance	\$ 253,277	(C4)



SIGNATURE OF PUBLIC SCHOOL ACCOUNTANT - No. 915

AUDIT RECOMMENDATIONS SUMMARY

For the Fiscal Year Ended June 30, 2022

Borough of Woodbine Board of Education

Recommendations:

1. Administrative Practices and Procedures - None
2. Financial Planning, Accounting and Reporting - None
3. School Purchasing Programs - None
4. School Food Service

Finding 2022-1 (ACFR Finding 2022-1)

Recommendation

The Board should implement a corrective action plan to effectively reduce the net cash resources on hand through capital expenditure or otherwise.

5. Latchkey Enterprise Fund - None
6. Student Body Activities - None
7. Charter School Enrollment System(CHE) (Applicable to audits of charter schools)
None
8. Application for State School Aid - None
9. Pupil Transportation – None
10. Facilities and Capital Assets - None
11. Miscellaneous - None
12. Status of Prior Year Audit Findings/Recommendations

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings, with the exception of the following:

Finding 2021-1

Recommendation

The Board should implement a corrective action plan to effectively reduce the net cash resources on hand through capital expenditure or otherwise.