

**BOARD OF EDUCATION
CITY OF BURLINGTON
COUNTY OF BURLINGTON**

**AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

INVERSO & STEWART, LLC
Marlton, New Jersey

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

	<u>Page No.</u>
Auditors' Management Report on Administrative Findings- Financial, Compliance and Performance	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Official Bonds	2
P.L. 2020, c,44	2
Tuition Charges	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account and Position Control Roster	2-3
Reserve for Encumbrances and Accounts Payable	3
Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards	3
Travel	3
Classification of Expenditures	3
Board Secretary/Business Administrator's Records	3
Treasurer's Records	3
Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act (ESSA)	3
Other Special Federal and/or State Projects	4
T.P.A.F. Reimbursement	4
Nonpublic State Aid	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids	4
School Food Service	4-5
Latchkey Program	5
Student Body Activities	6
Application for State School Aid	6
Pupil Transportation	6
Facilities and Capital Assets	6
Testing for Lead of all Drinking Water in Educational Facilities	6
Follow-up on Prior Year Findings	6
Acknowledgment	7
Schedule of Meal Count Activity	8
Net Cash Resource Schedule	9
Schedule of Audited Enrollment	10-12
Excess Surplus Calculation	13-14
Encumbrances	15
Audit Recommendations Summary	16

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: rinverso@inversocpa.com

**-Member of-
American Institute of CPAs
New Jersey Society of CPAs**

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

The Honorable President and
Members of the Board of Education
Burlington City School District
County of Burlington, New Jersey

I have audited, in accordance with generally accepted audit standards and *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Burlington City School District, in the County of Burlington for the year ended June 30, 2023, and have issued my report thereon dated December 18, 2023.

As part of my audit, I performed procedures required by the 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 intended for the information of the Burlington City Board of Education and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

December 18, 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

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

Officials Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Ingrid Walsh	Board Secretary/School Business Administrator	\$ 275,000
Kenneth R. McMillan	Treasurer of School Moneys	300,000

There is a Public Employees’ Faithful Performance Blanket Position Bond with the Burlington County Joint Insurance Group covering all other employees with multiple coverage of \$500,000.

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 included all health benefit plans offered by the school district.

The school district data certification was completed by the chief school administrator. The school district Chapter 44 data was submitted timely.

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll Account

The net salaries of all employees of the District 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/Business Administrator.

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund.

Employee Position Control Roster

No exceptions were noted during my examination of the Employee Position Control Roster

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. My review did not indicate any material discrepancies to the classification of orders.

Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards

No exceptions were noted during my examination of obligations of federal grant awards and requests for reimbursement of expenditures against those federal grant awards made during the period under audit.

Travel

No exceptions were noted in my study of compliance for travel expenses.

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 my test of transactions of randomly selected expenditure items. I also reviewed the coding of all expenditures included in my compliance and single audit testing procedures. In addition to randomly selecting a test sample, my sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. My review did not indicate any material discrepancies with respect to classification of expenditures.

Board Secretary/Business Administrator's Record

The financial and accounting records of the Board Secretary/Business Administrator's office were reviewed and were maintained in satisfactory condition.

Treasurer's Records

The financial and accounting records of the Treasurer were maintained in satisfactory condition.

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

The E.S.E.A./ESSA 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 Title I, Title II, and Title III of the Elementary and Secondary Education Act, as amended and reauthorized.

No exceptions were noted in my study of compliance for the E.S.E.A./ESSA projects.

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

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

My 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 projects indicated no areas of noncompliance and/or questionable costs.

T.P.A.F. Reimbursement

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

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

The 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 be-half of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Nonpublic State Aid

The study of compliance for nonpublic state aid indicated no areas of noncompliance and/or questionable costs.

School Purchasing Programs

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 \$20,200 for 2022-23.

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 a violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Based on the results of my examination, I 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 of bids in accordance with the provision of N.J.S.A.18A:18A-4.

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

School Food Service

The financial transactions and statistical records of the school food service fund were reviewed. No exceptions were noted.

The financial accounts, meal count records were reviewed on a test-check basis. No exceptions were noted.

School Food Service (Continued)

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

The district school utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17- 34, and 19-1 through 19-4.1. Provisions of the FSMC Cost Reimbursable Fixed Price contract/addendum were reviewed and audited. No exceptions were noted.

Expenditures should be 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. No exceptions were noted.

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. No exceptions were noted.

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements. No exceptions were noted.

Net cash resources did not exceed three months average expenditures.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education/board of trustees. No exceptions were noted.

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 price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications / or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.

USDA Food Distribution Program (food and/or commodities) were received 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 G of the ACFR.

Latchkey Program

The financial records for the Latchkey Program were maintained in satisfactory condition.

Student Body Activities

The financial records for the Student Activity Fund were maintained in satisfactory condition. However, the following was noted:

Finding No. 2023-001 (ACFR Finding No. 2023-001):

Supporting documentation was not maintained for all High School Athletics Fund expenditures.

Recommendation:

That supporting documentation is maintained for all High School Athletics Fund expenditures.

Application for State School Aid

My audit procedures included a test of information reported in the October 15, 2022 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and bilingual. I 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 no exceptions noted. The information that was included on the workpapers was verified without exception. The results of my 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

My procedures included a test of on roll status reported in the 2022-2023 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 my procedures are presented in the Schedule of Audited Enrollments.

My procedures also included a review of transportation related contracts and purchases. Based on my review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in my review of transportation related purchases of goods and services.

Facilities and Capital Assets

Not applicable.

Testing for Lead of all Drinking Water in Educational Facilities

The School District adhered to all the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

Follow-up on Prior Year Findings

In accordance with government auditing standards, my procedures included a review of all prior year findings. There were no prior year findings.

Office of Fiscal Accountability and Compliance (OFAC) Findings

There were no Office of Fiscal Accountability and Compliance (OFAC) audit reports issued during the fiscal year ended June 30, 2023.

Acknowledgment

I received the complete cooperation of all the officials of the Burlington City School District, and I greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants

A handwritten signature in black ink, appearing to read "R. Inverso", written in a cursive style.

Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

December 18, 2023

School Food Service

SCHEDULE OF MEAL COUNT ACTIVITY

CITY OF BURLINGTON SCHOOL DISTRICT

FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<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 (High/Rate)	Paid	76,008	76,008	76,008	-	0.79	\$ -
	Reduced	18,878	18,878	18,878	-	3.95	\$ -
	Free	100,233	100,233	100,233	-	4.35	\$ -
	TOTAL	<u>195,119</u>	<u>195,119</u>	<u>195,119</u>			<u>\$ -</u>
National School Lunch	HHFKA - PB Lunch Only	195,119	195,119	195,119	-	0.08	\$ -
	TOTAL	<u>195,119</u>	<u>195,119</u>	<u>195,119</u>			<u>\$ -</u>
School Breakfast (Severe Needs Rate)	Paid	34,202	34,202	34,202	-	0.5	\$ -
	Reduced	8,196	8,196	8,196	-	2.37	\$ -
	Free	45,944	45,944	45,944	-	2.67	\$ -
	TOTAL	<u>88,342</u>	<u>88,342</u>	<u>88,342</u>			<u>\$ -</u>
After School Snacks	Paid				-	0.09	\$ -
	Reduced				-	0.54	\$ -
	Free	20,166	20,166	20,166	-	1.08	\$ -
	TOTAL	<u>20,166</u>	<u>20,166</u>	<u>20,166</u>			<u>\$ -</u>
Total Net Overclaim							<u>\$ -</u>

**CITY OF BURLINGTON SCHOOL DISTRICT
NET CASH RESOURCE SCHEDULE**

**Net cash resources did not exceed three months of expenditures
Proprietary Funds - Food Service
For the fiscal year ended June 30, 2023**

<u>Net Cash Resources:</u>	Food Service B - 4/5	
ACFR * Current Assets		
B-4 Cash & Cash Equivalents	\$ 275,395	
B-4 Intergovernmental Accounts Receivable	41,033	
B-4 Other Accounts Receivable	-	
B-4 Interfund Accounts Receivable	6,198	
ACFR Current Liabilities		
B-4 Less: Accounts Payable	(106,931)	
B-4 Less: Compensated Absences Payable	-	
B-4 Less: Interfund Accounts Payable	(161,086)	
B-4 Less: Unearned revenue	(5,191)	
Net Cash Resources	\$ 49,418	(A)
 <u>Net Adjustment To Total Operating Expense:</u>		
B-5 Total Operating Expense	1,536,141	
B-5 Less: Depreciation	(13,863)	
Adjusted Total Operating Expense	\$ 1,522,278	(B)
 <u>Average Monthly Operating Expense:</u>		
B / 10	\$ 152,228	(C)
 <u>Three times monthly Average:</u>		
3 X C	\$ 456,683	(D)

TOTAL IN BOX A	\$ 49,418	
LESS TOTAL IN BOX D	(456,683)	
NET	\$ (407,265)	
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 AUDITED ENROLLMENTS

**Burlington City School District
Application for State School Aid Summary
Enrollment as of October 15, 2022**

	2023-2024 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Pre K3	71		71		-		11	11	11		-					
Full Day Pre K 4	81		81		-		12	12	12		-					
Full Day K	132		132		-		21	21	21		-					
One	103		103		-		15	15	15		-					
Two	96		96		-		14	14	14		-					
Three	101		101		-		16	16	16		-					
Four	87		87		-		13	13	13		-					
Five	75		75		-		12	12	12		-					
Six	81		81		-		13	13	13		-					
Seven	92		92		-		14	14	14		-					
Eight	99		99		-		15	15	15		-					
Nine	113		113		-		17	17	17		-					
Ten	114		114		-		17	17	17		-					
Eleven	118		118		-		18	18	18		-					
Twelve	91		91		-		14	14	14		-					
Subtotal	1,454	-	1,454	-	-	-	222	222	222	-	-	-	-	-	-	-
SpEd Elementary	147		147		-		22	22	22		-		7	7	7	-
SpEd Middle School	93		93		-		15	15	15		-		9	9	9	-
SpEd High School	129		129		-		20	20	20		-		10	10	10	-
Subtotal	369	-	369	-	-	-	57	57	57	-	-	-	26	26	26	-
Totals	1,823	-	1,823	-	-	-	279	279	279	-	-	-	26	26	26	-
Percentage Error					0.00%	-					0.00%	-				0.00%

SCHEDULE OF AUDITED ENROLLMENTS

**Burlington City School District
Application for State School Aid Summary
Enrollment as of October 15, 2022**

	2023-2024 Application for State School Aid			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on ASSA 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 K	69	69	-	20	20	-	3	3	-	3	3	-
One	73	73	-	21	21	-	3	3	-	3	3	-
Two	65	65	-	19	19	-	6	6	-	5	5	-
Three	73	73	-	21	21	-	4	4	-	4	4	-
Four	58	58	-	16	16	-	3	3	-	2	2	-
Five	46	46	-	13	13	-	-	-	-	-	-	-
Six	50	50	-	14	14	-	2	2	-	1	1	-
Seven	52	52	-	15	15	-	3	3	-	3	3	-
Eight	56	56	-	16	16	-	3	3	-	2	2	-
Nine	26	26	-	7	7	-	1	1	-	1	1	-
Ten	29	29	-	8	8	-	3	3	-	2	2	-
Eleven	21	21	-	5	5	-	2	2	-	2	2	-
Twelve	13	13	-	4	4	-	-	-	-	-	-	-
Subtotal	631	631	-	179	179	-	33	33	-	28	28	-
SpEd Elementary	98	98	-	28	28	-	4	4	-	4	4	-
SpEd Middle School	61	61	-	18	18	-	3	3	-	3	3	-
SpEd High School	28	28	-	7	7	-	-	-	-	-	-	-
Subtotal	187	187	-	53	53	-	7	7	-	7	7	-
Totals	818	818	-	232	232	-	40	40	-	35	35	-
Percentage Error						0.00%			0.00%			0.00%

Transportation

	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors	Reported	Recalculated
	Reg. Public School , col. 1	79	79	-	54	54	-	
Reg. Special Education, col. 4	38	38	-	26	26	-	Avg. Mileage - Regular Including Grade PK students	5.0
AIL Transported-Non-Public, col. 3	-	-	-	-	-	-	Avg. Mileage - Regular Excluding Grade PK students	5.0
Special Needs, Col. 6	33	33	-	22	22	-	Avg. Mileage - Special Ed. with Special Needs	9.4
	150	150	-	102	102	-		
Percentage Error			0.00%			0.00%		

SCHEDULE OF AUDITED ENROLLMENTS

**Burlington City School District
Application for State School Aid Summary
Enrollment as of October 15, 2022**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Full Day K	1	1	-	1	1	-
One	4	4	-	3	3	-
Two	3	3	-	3	3	-
Three	1	1	-	1	1	-
Four	2	2	-	2	2	-
Five	1	1	-	1	1	-
Six	2	2	-	2	2	-
Seven	2	2	-	2	2	-
Eight	6	6	-	5	5	-
Nine	2	2	-	2	2	-
Ten	-	-	-	-	-	-
Eleven	2	2	-	2	2	-
Twelve	-	-	-	-	-	-
Subtotal	<u>26</u>	<u>26</u>	<u>-</u>	<u>23</u>	<u>23</u>	<u>-</u>
SpEd Elementary	3	3	-	3	3	-
SpEd Middle School	2	2	-	2	2	-
SpEd High School	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Subtotal	<u>6</u>	<u>6</u>	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
Totals	<u><u>32</u></u>	<u><u>32</u></u>	<u><u>-</u></u>	<u><u>28</u></u>	<u><u>28</u></u>	<u><u>-</u></u>
Percentage Error			<u><u>0.00%</u></u>			<u><u>0.00%</u></u>

BURLINGTON CITY SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 1 - Regular Districts

A. 2% Calculation of Excess Surplus

2022-23 Total General Fund Expenditures per the ACFR, Ex C-1	\$ <u>46,721,570</u>	(A)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____	(A1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____	(A1a)
Transfer from General Fund to SRF for Preschool - Regular	\$ _____	(A1a)
Transfer from General Fund to SRF for Preschool - Inclusion	\$ <u>205,650</u>	(A1a)
Adjusted 2022-23 General Fund & Other State Expenditures [(A)+A1a)-(Aib)]		\$ <u>46,927,220</u> (A2)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>(8,793,613)</u>	(A3)
Assets Acquired Under Capital Leases	\$ _____	(A8)
Adjusted 2022-2023 General Fund Expenditures [(B)+(B1s)+(B2s)]		\$ <u>38,133,607</u> (A9)
2% of Adjusted 2022-2023 General Fund Expenditures [(B3) times .02]	\$ <u>762,672</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>762,672</u>	(B5)
Increased by: Allowable Adjustment	\$ <u>460,815</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$ <u><u>1,223,487</u></u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-23 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>13,409,262</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>474,248</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ <u>3,493,326</u>	(C3)
Other Restricted Fund Balances	\$ <u>4,000,853</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>1,020,555</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u><u>4,420,280</u></u> (U1)

BURLINGTON CITY SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

SECTION 3 - All Districts

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 3,196,793 (E)

Recapitulation of Excess Surplus as of June 30, 2023

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures \$ 3,493,326 (C3)

Reserved Excess Surplus [(E)] \$ 3,196,793 (E)

Total [(C3) + (E)] \$ 6,690,119 (D)

Detail of Allowable Adjustments

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ <u>460,815</u>	(J1)
Additional Nonpublic School Transportation Aid	\$ _____	(J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____	(J3)
Family Crisis Transportation Aid	\$ _____	(J4)
Supplemental Stabilization Aid	\$ _____	(J5)
Maintenance of Equity Aid	\$ _____	(J5)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)] \$ 460,815 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$ _____
Capital outlay for a district with a capital outlay cap waiver	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ <u>2,784,988</u>
Maintenance reserve	\$ <u>300,000</u>
Tuition Reserve	\$ _____
Emergency reserve	\$ <u>413,738</u>
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$ _____
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ _____
Impact Aid General Fund Reserve (Sections 8007 and 8008)	\$ _____
Reserve for Unemployment Fund	\$ <u>502,127</u>
Other Restricted Fund Balance not noted above	\$ _____

Total Other Restricted Fund Balance \$ 4,000,853 (C4)

BURLINGTON CITY SCHOOL DISTRICT
Encumbrances
For the Fiscal Year Ended June 30, 2023

Encumbrances per the June 30, 2023 Board Secretary Report				\$ 474,248
Description	Total by Category	Amount Properly Encumbered	Encumbrances Cancelled Through Audit Adjustments	
Regular Programs - Undistributed Instruction - General Supplies	\$ 8,299	\$ 8,299	\$ -	
Instruction - Tuition to Private School for Disabled Within State	9,860	9,860	-	
General Administration - Architectural/Engineering Services	2,086	2,086	-	
Required Maintenance - Cleaning, Repair & Maint. Services	13,681	13,681	-	
Custodial Services - Cleaning, Repair & Maint. Services	3,918	3,918	-	
Custodial Services - General Supplies	44	44	-	
Facilities Acquisition and Construction Services				
Architectural /Engineering Services	8,025	8,025	-	
Infrastructure	136,665	136,665	-	
Construction Services	291,670	291,670	-	
	474,248	474,248	-	
 Total Encumbrances Cancelled During the Audit			-	
 Fund Balance Reserved for Encumbrances in the ACFR				\$ 474,248

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2023

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

That supporting documentation is maintained for all High School Athletics Fund expenditures.

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

There were no prior year finding/recommendations.