

**CEDAR GROVE PUBLIC SCHOOLS  
AUDITORS MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2023**

**CEDAR GROVE 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, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

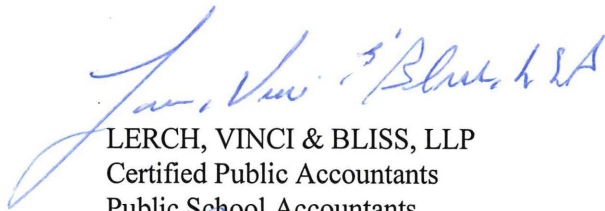
## INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and Members  
of the Board of Trustees  
Cedar Grove Public Schools  
Cedar Grove, New Jersey

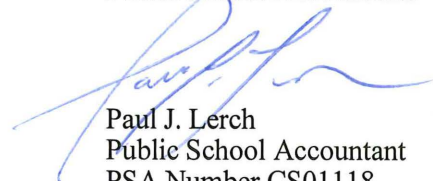
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Cedar Grove Public Schools as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated February 1, 2024.

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 1, 2024

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's Annual Comprehensive Financial Report (the "ACFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael DeVita	Board Secretary/Business Administrator	\$230,000
Lubna Muneer	Treasurer of School Monies	285,000

There is a Public Employees' Blanket Position Bond with Fidelity & Deposit Co. covering all other employees \$100,000 each person.

**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 appear to include all health benefit plans offered by the school district.

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

**Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The District was not required to make any adjustments for the prior year.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

Salary withholdings were promptly remitted by the District to the proper agencies, including benefit 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

The Board has implemented and 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 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 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. As a result of the procedures performed, no additional testing was deemed necessary to test the propriety of expenditure classifications.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

Travel Policy

The District has established a policy regulating travel. No exceptions were noted pertaining to travel expense reimbursement payments tested.

Board Secretary's Records

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

The prescribed contractual order system was followed.

The Board Secretary's and Treasurer's reports were presented monthly 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).

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

Bids received were summarized in the minutes.

Treasurer's Records

The Treasurer did perform cash reconciliations for all District accounts.

The Treasurer's bank reconciliations were in agreement with the records of the School Business Administrator/Board Secretary.

The Treasurer's cash balances were in agreement with the reconciled cash balance as determined during the audit.

Acknowledgement of the Board's receipt of the Treasurer's monthly financial reports was included in the minutes.

Unemployment Compensation Insurance

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance account. The financial transactions are reported in the General Fund.

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

The E.S.E.A./I.A.S.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 and IV of the Elementary and Secondary Education Act as amended and reauthorized.

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 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.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**T.P.A.F. Reimbursement**

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

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 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.

**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:39-3(A) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulates bidding for public school student transportation contracts under NJSA 18A:39-3 which is \$20,200 for 2022-2023.

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 School Business Administrator as the qualified purchasing agent and has approved by Board resolution a bid threshold of \$44,000.

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

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 result 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 indicate that no individual payments, contracts, or agreements which were made "for the performance of any work or the furnishing or hiring of any materials or supplies," in excess of statutory thresholds where there had been no advertising for bids in accordance with the provisions of N.J.S.A. 18A:18A-4, as 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 did reveal, however, that the district purchased items through the use of State contracts.

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**School Food Service**

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 ages 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 or state program. However, the program expenditures exceeded \$100,000 in federal support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. Exceptions were not 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. Exceptions were not 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.

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.

**Student Activity and Athletic Association Accounts**

The district has established a policy for the recording and processing of the cash receipts and cash disbursements for the student activity accounts.

All receipts tested were deposited in a timely manner with no exceptions noted.

All cash disbursements tested had proper supporting documentation.

**Summer Lego and 1:1 Initiative Chromebooks Programs**

Separate revenue and expense records were maintained for the Summer Lego and 1:1 Initiative Chromebooks programs.

**Application for State School Aid**

Our 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, related services, low-income and bilingual. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers without exception. The information that was included on the workpapers was verified with no exceptions. 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 written procedures appear to be adequate for the recording of student enrollment data.



**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Pupil Transportation**

Our audit 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 information on the DRTRS was compared to District records with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation-related contracts and purchases. Based on our review, the District did comply with proper bidding procedures and award of transportation contracts.

**Facilities and Capital Assets**

Capital asset records were updated for the additions and disposals of capital assets made throughout the year. The District had no active State School Development Authority (SDA) grant projects during the year.

**Miscellaneous**

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

**Follow-up on Prior Year Findings**

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

**Suggestion to Management**

- The costs for the 2018/19 Referendum projects which are currently accounted for as construction in progress be transferred to building improvements and depreciated accordingly.
- The unspent project balances in the Capital Projects Fund be reviewed and appropriate action be taken to clear completed project balances of record.
- The District should approve a resolution or memorandum to acknowledge that the District exceeds 130% of the statewide average for legal costs, the specific internal controls procedures implemented for the reduction of costs and to provide reasons why such procedures may not result in a reduction of costs.
- Old reconciling items on the District's bank reconciliations be reviewed and cleared of record.
- Summer Academy program has been inactive for past three years. Consider ending program and closing fund.
- Consideration be given to review the operations of its Food Service Enterprise Fund to ensure that the net cash resources do not exceed the three months average expenses.

**CEDAR GROVE PUBLIC SCHOOLS  
FOOD SERVICE FUND  
SCHEDULE OF MILK COUNTY ACTIVITY AND (OVER)/UNDERCLAIM  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOT APPLICABLE**

**FOOD SERVICE FUND  
SCHEDULE OF NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

		Food Service	
<b><u>Net Cash Resources:</u></b>			
CAFR	*	Current Assets	
B-4		Cash	\$ 392,466
B-4		Intergovernmental Receivables	6,490
B-4		Accounts Receivable	
B-4		Due from Other Funds	
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(83,336)
B-4		Less Due to Other Funds	(1,607)
B-4		Less Unearned Revenue	
		Net Cash Resources	\$ 314,013 (A)
<b><u>Net Adj. Total Operating Expense:</u></b>			
B-5		Total Operating Expenses	\$ 592,981
B-5		Less Depreciation	(2,065)
		Adj. Tot. Oper. Exp.	\$ 590,916 (B)
<b><u>Average Monthly Operating Expense:</u></b>			
		B / 10	\$ 59,092 (C)
<b><u>Three times monthly Average Operating Expense:</u></b>			
		3 X C	\$ 177,275 (D)

TOTAL IN BOX A	\$	314,013
LESS TOTAL IN BOX D	\$	(177,275)
NET	\$	136,738
Net Cash Resources Did Exceed Three Months Expenditures.		

**CEDAR GROVE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2022  
SCHEDULE OF AUDITED ENROLLMENTS**

	2023-2024 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 Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample from Work- papers	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 yrs																	
Full Day Preschool 3 yrs																	
Full Day Preschool 4 yrs	10.0		10.0		-	-	3		3	-	-	-	-	-	-	-	-
Half Day Kindergarten					-	-	32		32	-	-	-	-	-	-	-	-
Full Day Kindergarten	107.0		107.0		-	-	35		35	-	-	-	-	-	-	-	-
Grade 1	118.0		118.0		-	-	34		34	-	-	-	-	-	-	-	-
Grade 2	113.0		113.0		-	-	37		37	-	-	-	-	-	-	-	-
Grade 3	124.0		124.0		-	-	32		32	-	-	-	-	-	-	-	-
Grade 4	105.0		105.0		-	-	25		25	-	-	-	-	-	-	-	-
Grade 5	82.0		82.0		-	-	31		31	-	-	-	-	-	-	-	-
Grade 6	103.0		103.0		-	-	22		22	-	-	-	-	-	-	-	-
Grade 7	74.0		74.0		-	-	32		32	-	-	-	-	-	-	-	-
Grade 8	106.0		106.0		-	-	28		28	-	-	-	-	-	-	-	-
Grade 9	94.0		94.0		-	-	29		29	-	-	-	-	-	-	-	-
Grade 10	95.0		95.0		-	-	31		31	-	-	-	-	-	-	-	-
Grade 11	102.0		102.0		-	-	29		29	-	-	-	-	-	-	-	-
Grade 12	96.0		96.0		-	-				-	-	-	-	-	-	-	-
Adult School	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,329.0	-	1,329.0	-	-	-	400.0	-	400.0	-	-	-	-	-	-	-	-
Special Ed - Elementary	99		99		-	-	30		30	-	-	-	3	1	1	-	-
Special Ed - Middle	56		56		-	-	17		17	-	-	-	8	3	3	-	-
Special Ed - High	73	4.0	73	4.0	-	-	22		22	-	-	-	14	4	4	-	-
Subtotal	228.0	4.0	228.0	4.0	-	-	69.0	-	69.0	-	-	-	25.0	8.0	8.0	-	-
Totals	1,557.0	4.0	1,557.0	4.0	-	-	469.0	-	469.0	-	-	-	25.0	8.0	8.0	-	-
Percentage Error					0.00%	N/A				0.00%	N/A				0.00%		

**CEDAR GROVE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2022  
SCHEDULE OF AUDITED ENROLLMENTS**

	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 and Register	Verified to Test Score	Errors
	Half Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool 4 yrs	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	3.0	3.0	-	1	1	-	-	-	-	-	-	-
Grade 1	3.0	3.0	-	1	1	-	1	1	-	1	1	-
Grade 2	4.0	4.0	-	1	1	-	-	-	-	-	-	-
Grade 3	15.0	15.0	-	5	5	-	1	1	-	1	1	-
Grade 4	5.0	5.0	-	1	1	-	-	-	-	-	-	-
Grade 5	8.0	8.0	-	2	2	-	-	-	-	-	-	-
Grade 6	7.0	7.0	-	2	2	-	-	-	-	-	-	-
Grade 7	4.0	4.0	-	1	1	-	-	-	-	-	-	-
Grade 8	1.0	1.0	-	1	1	-	-	-	-	-	-	-
Grade 9	6.0	6.0	-	1	1	-	-	-	-	-	-	-
Grade 10	2.0	2.0	-	1	1	-	-	-	-	-	-	-
Grade 11	3.0	3.0	-	1	1	-	-	-	-	-	-	-
Grade 12	8.0	8.0	-	2	2	-	1	1	-	-	-	-
Subtotal	69.0	69.0	-	20.0	20.0	-	3.0	3.0	-	2.0	2.0	-
Special Ed - Elementary	10	10	-	3	3	-	3	3	-	2.0	2.0	-
Special Ed - Middle	6	6	-	2	2	-	-	-	-	-	-	-
Special Ed - High	5	5	-	2	2	-	-	-	-	-	-	-
Subtotal	21	21	-	7	7	-	3	3	-	2	2	-
Sent Priv Sch Disabled			-									
Sent to RDS			-									
Sent To CSSD			-									
Totals	90.0	90.0	-	27.0	27.0	-	6.0	6.0	-	4.0	4.0	-
Percentage Error		0.00%			0.00%			0.00%			0.00%	

	Transportation					
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	120.0	120.0	-	18.0	18.0	-
Transported - Non - Public	-	-	-	-	-	-
AIL - Non - Public	146.0	146.0	-	26.0	26.0	-
Special Ed. - Public	29.0	29.0	-	6.0	6.0	-
Special Needs - Public	24.0	24.0	-	18.0	18.0	-
	319.0	319.0	-	68.0	68.0	-
Percentage Error		0.00%			0.00%	

**CEDAR GROVE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2022  
SCHEDULE OF AUDITED ENROLLMENTS**

	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
Half Day Preschool 3 yrs						
Full Day Preschool 3 yrs						
Half Day Preschool 4 yrs						
Full Day Preschool 4 yrs						
Half Day Kindergarten						
Full Day Kindergarten	5.0	5.0		1.0	1.0	
Grade 1	5.0	5.0		1.0	1.0	
Grade 2	7.0	7.0		2.0	2.0	
Grade 3	1.0	1.0				
Grade 4	1.0	1.0				
Grade 5						
Grade 6						
Grade 7	1.0	1.0		1.0	1.0	
Grade 8						
Grade 9						
Grade 10	1.0	1.0		1.0	1.0	
Grade 11						
Grade 12	1.0	1.0	-	1.0	1.0	-
Adult School						
Subtotal	22.0	22.0	-	7.0	7.0	-
Special Ed - Elementary			-			-
Special Ed - Middle	-	-	-	-	-	-
Special Ed - High	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	22.0	22.0	-	7.0	7.0	-
Percentage Error			0.00%			0.00%

**CEDAR GROVE PUBLIC SCHOOLS  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SECTION 1A**

2022-2023 Total General Fund Expenditures per the ACFR	\$ 40,889,166
Decreased by:	
On-Behalf TPAF Pension & Social Security	7,081,036
Non-Budget Lease	118,804
Adjusted 2022-2023 General Fund Expenditures	\$ 33,689,326
2% of Adjusted 2022-2023 General Fund Expenditures	\$ 673,787
Increased by: Allowable Adjustment	391,081
Maximum Unassigned Fund Balance	\$ 1,064,868

**SECTION 2**

Total General Fund - Fund Balance at June 30, 2023	\$ 8,449,346
Decreased by:	
Year End Encumbrances	548,533
Legally Restricted- Excess Surplus - Designated for Subsequent Year's Expenditures	801,882
Other Restricted Fund balances	4,576,870
Assigned Fund Balance- Unreserved-Designated for Subsequent Year's Expenditures	271,072
Total Unassigned Fund Balance	\$ 2,250,989

**SECTION 3**

<b>Fund Balance - Excess Surplus</b>	<b>\$ 1,186,121</b>
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*Recapitulation of Excess Surplus as of June 30, 2023*

Excess Surplus- Designated for Subsequent Year's Expenditures	\$ 801,882
Excess Surplus	1,186,121
Total Excess Surplus	\$ 1,988,003

**Detail of Allowable Adjustments**

Additional Nonpublic School Transportation Aid	\$ 45,552
Extraordinary Aid	345,529
	\$ 391,081

**Detail of Other Restricted Fund Balance**

Capital Reserve	\$ 3,257,353
Maintenance Reserve	1,083,674
Unemployment Reserve	235,843
Total Other Restricted Fund Balance	\$ 4,576,870

**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**RECOMMENDATIONS**

**I. Administrative Practices and Procedures**

There are none.

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

There are none.

**III. School Purchasing Programs**

There are none.

**IV. School Food Services**

There are none.

**V. Student Activity and Athletic Association Accounts**

There are none.

**VI. Application of State School Aid**

There are none.

**VII. Pupil Transportation**

There are none.

**VIII Facilities and Capital Assets**

There are none.

**IX. Miscellaneous**

There are none.

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

A review was performed on all prior year's recommendations. Corrective action was taken on the prior year recommendations.

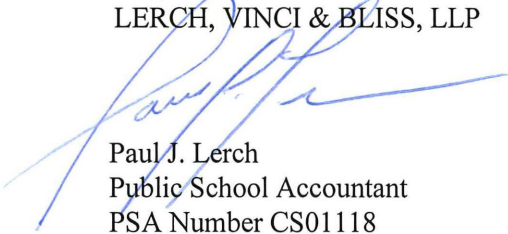


**CEDAR GROVE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**ACKNOWLEDGMENT**

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  
PSA Number CS01118