

**BOARD OF EDUCATION OF THE
TOWNSHIP OF EWING SCHOOL DISTRICT
COUNTY OF MERCER**

**AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

TOWNSHIP OF EWING SCHOOL DISTRICT
Auditor's Management Report on Administrative
Findings - Financial, Compliance and Performance

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**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

The Honorable President and
Members of the Board of Education
Township of Ewing School District
County of Mercer
Ewing, New Jersey 08618

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 Board of Education of the Township of Ewing School District, in the County of Mercer, State of New Jersey, as of and for the fiscal year ended June 30, 2023, which were separately issued in the Annual Comprehensive Financial Report dated March 11, 2024.

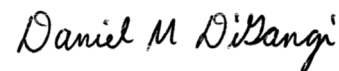
As part of our audit, we also performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is issued in conjunction with the Annual Comprehensive Financial Report of the Board of Education of the Township of Ewing School District, for the fiscal year ended June 30, 2023, and is intended for the information 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,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 002376

Voorhees, New Jersey
March 11, 2024

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**SCOPE OF AUDIT**

The audit covered the financial transactions of the Board Secretary / School Business Administrator and the Accountant, 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 School District's Annual Comprehensive Financial Report (ACFR).

Official Bonds (N.J.S.A. 18A: 17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Dennis J. Nettleton	Board Secretary / School Business Administrator	\$ 350,000.00

Additionally, the School District is covered by employee dishonesty coverage in the amount of \$500,000.00 with a \$500.00 deductible.

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 under 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. 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 less than estimated costs. The School District made a proper adjustment to the billings to sending districts for the decrease in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING**Examination of Claims**

Sampled claims paid during the fiscal year under audit did not indicate any reportable noncompliance with respect to signatures, certification, or supporting documentation.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)

Payroll Account

The net salaries of sampled employees of the School District were deposited in the net payroll account. Employees' payroll deductions and the employer's share of fringe benefits were deposited in the payroll agency account.

Sampled payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary / School Business Administrator.

Sampled salary withholdings were promptly remitted to the proper agencies, including health benefit premium withholdings due to the general fund.

Sampled payrolls were delivered to the Board Secretary who then deposited with warrants in separate bank accounts for net payroll and withholdings.

Employee Position Control Roster

A sample of the Employee Position Control Roster indicated that it was in satisfactory condition and was approved by the county office submission with the 2022-2023 budget review checklist.

Encumbrances and Accounts Payable

A sample of outstanding issued purchase orders was made as of June 30 for proper classification of orders as encumbrances and accounts payable. Our sample did not indicate any reportable noncompliance with respect to classification of orders.

Travel

Our procedures performed on travel expenditures during the fiscal year under audit did not indicate any reportable noncompliance.

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 randomly sampled expenditure transactions. We also tested the coding of all expenditures included in our compliance and single audit sampling procedures. In addition, a sample was selected that specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. Our samples did not indicate any reportable noncompliance with respect to classification of expenditures.

Board Secretary's Records

Our audit of the financial and accounting records maintained by the Board Secretary indicated that they were in satisfactory condition.

Accountant's Records

Our audit of the financial and accounting records maintained by the Accountant indicated that they were in satisfactory condition.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)

Pupil Transportation

Our audit procedures included a sample of on-roll status reported in the 2022-23 District Report of Transported Resident Students (DRTRS). The information that was reported 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.

We performed procedures over transportation related contracts and purchases. It appears the School District complied with proper bidding procedures and award of contracts.

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, III and IV of the Every Student Succeeds Act.

The audit of compliance for E.S.E.A. did not indicate any reportable noncompliance.

Other Special Federal and / or State Projects

The School District's other 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 sample 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 other special projects.

The audit of compliance for other special projects did not indicate any reportable noncompliance.

TPAF Reimbursement

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

TPAF Reimbursement to the State for Federal Salary Expenditures

The School District did not charge any TPAF employee's salaries to federal grants. Therefore, there was no amount reported to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the School District.

SCHOOL PURCHASING PROGRAMS

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and the school contracts in general, are available on the following website:

<https://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>

Current statute is posted on the New Jersey Legislature website at:

<http://www.njleg.state.nj.us/>

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000.00 (with a Qualified Purchasing Agent) and \$32,000.00 (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 \$20,200.00 for 2022-23.

The School District's 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.

Based on the results of our audit, 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 provision of N.J.S.A. 18A:18A-4.

Resolutions were adopted authorizing the awarding 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 audited. The financial accounts, meal count records, and eligibility applications were tested on a sample basis. No exceptions were noted.

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

Expenditures should be separately recorded as food, labor, and other costs. Vendor invoices were sampled and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

Net cash resources did not exceed three months average expenditures.

Sampled time sheets were tested and labor costs verified. Payroll records were maintained on all sampled school food service employees authorized by the School District. 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.

Sampled applications for free and reduced price meals were tested for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications and / 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 inspected 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 audit.

SCHOOL FOOD SERVICE (CONT'D)

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 position (ACFR exhibit 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.

STUDENT BODY ACTIVITIES

Our audit of the financial and accounting records for student activities indicated that they were in satisfactory condition.

APPLICATION FOR STATE SCHOOL AID

Our audit procedures included a sample of information reported in the October 14, 2022 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low-income, and bilingual. We also performed an inspection of the School District procedures related to its completion. The information on the A.S.S.A. was compared to the School District workpapers without exception. 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 School District maintained workpapers on the prescribed State forms or their equivalent.

The School District has adequate written procedures for the recording of student enrollment data.

FACILITIES AND CAPITAL ASSETS

Our audit of the financial and accounting records for facilities and capital assets indicated that they were in satisfactory condition.

MISCELLANEOUS

Continuing Disclosure Agreements

The School District complied with its most recent continuing disclosure agreements made in relation to prior year bond issuances.

Testing for Lead of All Drinking Water in Education Facilities

The School District complied with all the requirements of N.J.A.C. 6A:26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

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'S FINDINGS

In accordance with Government Auditing Standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings.

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

ACKNOWLEDGMENT

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

Respectfully submitted,

Bowman & Company LLP

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Certified Public Accountants
& Consultants

Daniel M DiGangi

Daniel M. DiGangi
Public School Accountant No. CS 002376

TOWNSHIP OF EWING SCHOOL DISTRICT
 Schedule of Meal Count Activity
 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>Estimated (Over) / Under Claim</u>
National School Lunch (High Rate)	Paid	115,330	833	833	-	\$ 0.79	-
	Reduced	42,701	523	523	-	3.95	-
	Free	<u>162,059</u>	<u>1,985</u>	<u>1,985</u>	<u>-</u>	4.35	<u>-</u>
	Total	<u>320,090</u>	<u>3,341</u>	<u>3,341</u>	<u>-</u>		<u>-</u>
National School Lunch	HHFKA - PB Lunch Only	<u>320,090</u>	<u>3,341</u>	<u>3,341</u>	<u>-</u>	0.08	<u>-</u>
School Breakfast (Severe Need Rate)	Paid	14,756	6,423	6,423	-	0.50	-
	Reduced	9,218	2,425	2,425	-	2.37	-
	Free	<u>34,726</u>	<u>9,239</u>	<u>9,239</u>	<u>-</u>	2.67	<u>-</u>
	Total	<u>58,700</u>	<u>18,087</u>	<u>18,087</u>	<u>-</u>		<u>-</u>
Total Net Underclaim / (Overclaim)							<u><u>-</u></u>

TOWNSHIP OF EWING SCHOOL DISTRICT
 Schedule of Net Cash Resources
 Net Cash Resources Did Not Exceed Three Months of Expenditures
 Proprietary Funds - Food Service Fund
 For the Fiscal Year Ended June 30, 2023

<u>Net Cash Resources:</u>	<u>Food Service</u> <u>B - 4/5</u>	
CAFR	Current Assets	
B-4	Cash & Cash Equivalents	\$ 1,815,227.53
B-4	Due from Other Governments	80,211.50
B-4	Due from Other Funds	193,452.14
B-4	Other Accounts Receivable	-
CAFR	Current Liabilities	
B-4	Less Accounts Payable	-
B-4	Less Accruals	(13,359.01)
B-4	Less Due to Other Funds	(2,050,333.41)
B-4	Less Unearned Revenue	(34,861.67)
	Net Cash Resources	<u><u>\$ (9,662.92)</u></u> (A)
 <u>Net Adjusted Total Operating Expense:</u>		
B-5	Total Operating Expenditures	\$ 2,276,493.48
B-5	Less Depreciation	(6,610.18)
	Adjusted Total Operating Expense	<u><u>\$ 2,269,883.30</u></u> (B)
 <u>Average Monthly Operating Expense:</u>		
	B / 10	<u><u>\$ 226,988.33</u></u> (C)
 <u>Three Times Monthly Average:</u>		
	3 X C	<u><u>\$ 680,964.99</u></u> (D)

TOTAL IN BOX A	\$ (9,662.92)
LESS TOTAL IN BOX D	\$ 680,964.99
NET	<u><u>\$ (690,627.91)</u></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.	

TOWNSHIP OF EWING SCHOOL DISTRICT
 Application for State School Aid Summary
 Schedule of Audited Enrollments
 Enrollment as of October 14, 2022

	2023-2024 Application for State School Aid						Sample for Verification						Private Schools for the 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 Private Schools	Sample for Veri- cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool	7		7														
Full Day Preschool	24		24														
Half Day Kindergarten																	
Full Day Kindergarten	231		231					77		77							
One	232		232					42		42							
Two	201		201					86		86							
Three	210		210					60		60							
Four	202		202					71		71							
Five	208		208					84		84							
Six	192		192					192		192							
Seven	200		200					200		200							
Eight	226		226					226		226							
Nine	243		243					243		243							
Ten	215		215					215		215							
Eleven	202	6	202	6				202		202							
Twelve	186	13	186	13				186		186							
Post-Graduate																	
Adult H.S. (15+CR.)																	
Adult H.S. (1-14CR.)																	
Subtotal	2,779	19	2,779	19	-	-	1,884	-	1,884	-	-	-	-	-	-	-	-
Special Education-Elementary	251		251				21		21				3	3	3		
Special Education-Middle School	173		173				15		15				11	10	10		
Special Education-High School	233	13	233	13			20		20				21	17	17		
Subtotal	657	13	657	13	-	-	56	-	56	-	-	-	35	30	30		-
Co. Voc. - Regular																	
Co. Voc. Ft. Post Sec.																	
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,436	32	3,436	32	-	-	1,940	-	1,940	-	-	-	35	30	30		-
Percentage Error					-	-											

TOWNSHIP OF EWING SCHOOL DISTRICT
 Application for State School Aid Summary
 Schedule of Audited Enrollments
 Enrollment as of October 14, 2022

	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 Application, Test Score and Register	Sample Errors
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten												
One	117	117		11	11		19	19		10	10	
Two	101	101		9	9		16	16		9	9	
Three	98	98		6	6		19	19		8	8	
Four	88	88		7	7		9	9		8	8	
Five	105	105		10	10		16	16		8	8	
Six	96	96		7	7		8	8		6	6	
Seven	111	111		28	28		5	5		6	6	
Eight	84	84		21	21		6	6		6	6	
Nine	113	113		26	26		6	6		5	5	
Ten	115	115		28	28		11	11		7	7	
Eleven	92	92		23	23		5	5		5	5	
Twelve	71	71		17	17		1	1				
Post-Graduate	78	78		19	19		9	9		9	9	
Adult H.S. (15+CR.)												
Adult H.S. (1-14CR.)												
Subtotal	1,268.5	1,268.5	-	212	212	-	130	130	-	87	87	-
Special Education-Elementary	158	158		7	7		8	8		1	1	
Special Education-Middle School	110	110		26	26		14	14				
Special Education-High School	141	141		32	32		3	3				
Special Education- Alt Voc High							25	25				
Subtotal	408.5	408.5	-	65	65	-	50	50	-	1	1	-
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Subtotal	-	-	-	-	-	-						
Train Sch/Secure Care	1	1	-	-	-	-						
Totals	1,678	1,678	-	277	277	-	180	180	-	88	88	-
Percentage Error			-			-			-			-

	Transportation						Reg. Avg. (Mileage) = Regular Including Grade PK students (Part A)	Reg. Avg. (Mileage) = Regular Excluding Grade PK students (Part B)	Spec. Avg. (Mileage) = Special Ed. with Special Needs	Reported	Re-Calculated
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors					
Reg. - Public Schools, Col. 1	1,258	1,258		189	189				3.9	3.9	
Reg. - SpEd, Col. 4	2	2							3.9	3.9	
Transported - Non-Public, Col. 2	124	124		19	19				4.1	4.1	
Special Needs, Col. 6	283	283		44	44						
Totals	1,667	1,667	-	252	252	-					
Percentage Error			-			-					

TOWNSHIP OF EWING SCHOOL DISTRICT
 Application for State School Aid Summary
 Schedule of Audited Enrollments
 Enrollment as of October 14, 2022

	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 Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten						
One	11	11		6	6	
Two	8	8		5	5	
Three	3	3		2	2	
Four	6	6		3	3	
Five	6	6		4	4	
Six				3	3	
Seven	1	1				
Eight	6	6		1	1	
Nine	4	4		6	6	
Ten	4	4		4	4	
Eleven	5	5		5	5	
Twelve	7	7		7	7	
Post-Graduate	2	2		1	1	
Adult H.S. (15+CR.)						
Adult H.S. (1-14CR.)						
Subtotal	70	70	-	47	47	-
Special Education-Elementary	1	1				
Special Education-Middle School						
Special Education-High School	4	4				
Subtotal	5	5	-			-
Co. Voc. - Regular	4	4				
Co. Voc. Ft. Post Sec.						
Subtotal	4	4	-	-	-	-
Totals	79	79	-	47	47	-
Percentage Error			-			-

TOWNSHIP OF EWING SCHOOL DISTRICT
Application for State School Aid Summary
Schedule of Audited Enrollments
Enrollment as of October 14, 2022

<u>Military Connected Students</u>			
<u>Reported on A.S.S.A. as Military Connected Students</u>	<u>Sample for Verification</u>	<u>Sample Verified</u>	<u>Sample Errors</u>
-	-	-	-

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT / N/A TO CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT

SECTION 1

2% Calculation of Excess Surplus

2022-23 Total General Fund Expenditures Reported on ACFR Exhibit C-1	\$ 97,800,205.74 (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	5,713,996.36 (B1b)
Transfer from General Fund to SRF for PreK-Regular	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	(B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	15,908,274.71 (B2a)
Assets Acquired Under Capital Leases	327,794.79 (B2b)
Adjusted 2022-23 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ 87,278,132.60 (B3)
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	\$ 1,745,562.65 (B4)
Enter Greater of (B4) or \$250,000	1,745,562.65 (B5)
Increased by: Allowable Adjustment *	272,952.00 (K)
Maximum Unassigned Fund Balance [(B5) + (K)]	\$ 2,018,514.65 (M)

SECTION 2

Total General Fund - Fund Balances at June 30, 2023 (Per ACFR Budgetary Comparison Schedule, Ex. C-1)	\$ 14,361,308.92 (C)
Decreased by:	
Year-End Encumbrances	339,786.63 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	968,566.00 (C3)
Other Restricted Fund Balances ****	8,351,903.66 (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	1,559,499.00 (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ 3,141,553.63 (U1)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$ 1,123,038.98 (E)
---	---------------------

Recapitulation of Excess Surplus as of June 30, 2023

Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ 968,566.00 (C3)
Restricted - Excess Surplus *** [(E)]	1,123,038.98 (E)
Total Excess Surplus [(C3)+(E)]	\$ 2,091,604.98 (D)

EXCESS SURPLUS CALCULATION (CONT'D)

REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT

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 and 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) Supplemental Stabilization Aid received April 2023 & Maintenance of Equity Aid received July 2023

Detail of Allowable Adjustments

Federal Impact Aid	_____	(H)
Sale & Lease-back	_____	(I)
Extraordinary Aid	<u>\$ 205,356.00</u>	(J1)
Additional Nonpublic School Transportation Aid	<u>67,596.00</u>	(J2)
Current Year School Bus Advertising Revenue Recognized	_____	(J3)
Family Crisis Transportation Aid	_____	(J4)
Supplemental Stabilization Aid received April 2023 & Maintenance of Equity Aid received July 2023	_____	(J5)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	 <u><u>\$ 272,952.00</u></u>	 (K)

** This amount represents the June 30, 2023 Excess Surplus (C3 above) and must be included in the Audit Summary Line 90031.

*** Amounts must agree to the June 30, 2023 ACFR and must agree to Audit Summary Line 90030.

**** Amount for Other Restricted 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 Office of School Finance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:		
Approved unspent separate proposal	_____	
Sale/lease-back reserve	_____	
Capital reserve	<u>\$ 5,121,119.31</u>	
Maintenance reserve	<u>2,202,373.85</u>	
Emergency reserve	<u>1,024,464.53</u>	
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 8002 and 8003)	_____	
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	_____	
Other state/government mandated reserves	_____	
Restricted for Unemployment	<u>3,945.97</u>	
[Other Restricted Fund Balance not noted above]****	_____	
 Total Other Restricted Fund Balance	 <u><u>\$ 8,351,903.66</u></u>	 (C4)

TOWNSHIP OF EWING SCHOOL DISTRICT
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

None

6. Application for State School Aid

None

7. Facilities and Capital Assets

None

8. Miscellaneous

None

9. 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.