

FAIR LAWN PUBLIC SCHOOLS
COUNTY OF BERGEN
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023

FAIR LAWN PUBLIC SCHOOLS
COUNTY OF BERGEN
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FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
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December 15, 2023

The Honorable President and Members
of the Board of Education
Fair Lawn Public Schools
County of Bergen, NJ

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 financial statements of the Board of Education of the Fair Lawn Public Schools in the County of Bergen for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 15, 2023.

As part of our audit, we 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.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the suggestions.

This report is intended for the information of the Fair Lawn Public Schools' management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Nisivoccia LLP
NISIVOCCIA LLP

Heidi A. Wohlleb

Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
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

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Danielle Mancuso	School Business Administrator/Board Secretary	\$ 475,000
Karen Palermo	Treasurer of School Monies	500,000

The District has Employee Dishonesty and Faithful Performance coverage through the Utica National Insurance Group as detailed on Exhibit J-20 of the ACFR.

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 the school district.

The District data certification was completed by the Superintendent. The District's Chapter 44 data was submitted timely.

The original data submission did not require significant revision due to errors or omissions on the part of the District.

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review indicated overall compliance with respect to signatures, certification and supporting documentation.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Payroll Account and Position Control Roster

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

All payrolls were approved by the Superintendent and were certified by the President of the Board, the Board Secretary/Business Administrators and the Chief School Administrator. Payrolls were delivered to the Treasurer of School Monies with a warrant to her order for the full amount of the payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

Classification of Expenditures – General and Administrative

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-8.2 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 included administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-16.2(f). Overall compliance was noted.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

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

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

The study of compliance for the E.S.E.A. did not indicate any area of noncompliance.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Other Special Federal and/or State Projects

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 District's Special Projects were approved as listed on Schedule A and Schedule B 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.

Finding 2023-001:

During our review of the District' Extraordinary Aid (ExAid) application we noted that the classroom and additional costs reported on the Extraordinary Aid application for 5 students were overreported. The salary utilized by the District for the personal aide for these students was in excess of either an average of all of the personal aides' salaries or the salary for the actual personal aide assigned to the students. This resulted in an excess amount claimed for the salary for a personal aide for these 5 students. Additionally, costs for certain other services provided were overstated including one on one nursing services and occupational, speech and physical therapy services while costs for certain other services provided were understated which resulted in a net overstatement of costs.

Recommendation:

It is recommended that the District utilize either an average of all of the personal aides' salaries or the salary for the actual personal aide assigned to the students as the cost reported for the salary for a personal aide. Additionally, every effort should be made to ensure that documentation is maintained on file to support the costs reported for certain other costs for additional services provided for one to one nursing services and occupational, speech and physical therapy services.

Management's Response:

Greater care will be taken in reporting the costs of personal aides' salaries and other service costs such as one to one nursing and occupational, speech and physical therapy services provided to students in the Extraordinary Aid application.

T.P.A.F. Reimbursement

Our 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 T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2023. The reimbursement form was reviewed and no exceptions were noted.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Overall compliance was noted.

Special Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

- a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. 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.
- b. Commencing in the fifth year after the year in which P.L.1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made"

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law"

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 2022-2023.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution, authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$44,000.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Special Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

The 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 Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Based upon the results of our examination, we did not note any individual payments, contracts, or agreements 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, 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.

School Food Service

The financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts and meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

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

The District utilizes a food service management company (FMSC) 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 FMSC Cost Reimbursable Fixed Price contract/addendum were reviewed and audited. All vendor discounts, rebates and credits from vendors and/or the FSMC were tracked and credited to the Food Service account and reconciled to supporting documentation at least annually. No exceptions were noted.

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 if the FSMC received a PPP loan.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

School Food Service (Cont'd)

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified on a test basis. Inventory records on food 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 nonprofit status of the School Food Service Fund. 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.

The FSMC did not apply for and receive a loan in accordance with the Payroll Protection Plan and did not use the funds to pay for costs applicable to the Food Service Programs.

Time sheets and labor costs provided to the District by the Food Service contractor were reviewed on a test basis without exception. Payroll records were maintained on all School Food Service employees authorized by the Board of Education. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records on a test basis. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner. No exceptions were noted.

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 policy was reviewed for uniform administration throughout the school district. 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.

U.S.D.A. Food Distribution Program commodities (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

Non-program foods were purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the ACFR Schedule B-5 does separate program and non-program revenue and purchased services (including fixed price contract) and non-program cost of goods sold.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled "Proprietary Funds", Section G of the ACFR.

Finding 2023-002:

The District has net excess cash resources in the Food Service Fund at June 30, 2023 of \$2,648,379. As the District has plans in place to resolve the excess, no formal recommendation is judged to be warranted.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Student Activities records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on the procedures, we have no comments.

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 disabled, low income and bilingual education students. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers with a few exceptions. The information that was included on the workpapers was verified on a test basis without exception. The results of our procedures are presented in the Schedule of Audited Enrollments. The District maintained workpapers on the prescribed State forms or their equivalent. The District's written procedures for the recording of student enrollment data appear to be adequate.

Pupil Transportation

Our audit procedures included a test of on-roll status reported on 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 our procedures are presented in the Schedule of Audited Enrollments.

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

Facilities and Capital Assets

There were no active SDA grants.

Testing for Lead of All Drinking Water in Educational Facilities

The District did submit the annual Statement of Assurance to the NJ Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Management Suggestions

Surety Bond Coverage

We suggest that the surety bond coverage for the Business Administrator be increased to the level of the Treasurer of School Monies.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Management Suggestions (Cont'd)

COVID-19 Federal Funding

It is likely that the District will undergo some review of its COVID-19 federal funding if only at a desk review level by state and/or federal agencies. We strongly suggest that the District ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the District ensures that these funds are accounted for in the state account numbers designated by the NJ Department of Education and that any applicable Board policies are current with respect to federal grant requirements.

Reconciling Food Service Management Contractor's Operating Statement with District Records

It is suggested that the District reconcile the revenue and expenses per the Food Service Management Contractor's Operating Statement with the District's records on a monthly basis.

Status of Prior Year Findings/Recommendations

There were no prior year recommendations.

FAIR LAWN PUBLIC SCHOOLS
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Program</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/Under Claim</u>
Lunch:						
Seamless Summer Option	517,478	359,590	359,590	-0-	\$ 4.56	\$ -0-
Total	<u>517,478</u>	<u>359,590</u>	<u>359,590</u>			<u>-0-</u>
National School Lunch:						
Free	46,993	14,337	14,337	-0-	4.33	-0-
Reduced	17,103	5,424	5,424	-0-	3.93	-0-
Paid	219,328	68,203	68,203	-0-	0.77	-0-
Total	<u>236,431</u>	<u>73,627</u>	<u>73,627</u>			<u>-0-</u>
HHFKA	283,424	87,964	87,964	-0-	0.08	-0-
Breakfast:						
Seamless Summer Option	515,848	359,480	359,480	-0-	2.61	-0-
Total	<u>515,848</u>	<u>359,480</u>	<u>359,480</u>			<u>-0-</u>
School Breakfast						
Free	2,583	750	750	-0-	2.26	-0-
Reduced	910	271	271	-0-	1.96	-0-
Paid	3,643	1,215	1,215	-0-	0.50	-0-
Total	<u>4,553</u>	<u>1,486</u>	<u>1,486</u>			<u>-0-</u>
Total Net Under/(Over)claim						<u>\$ -0-</u>

FAIR LAWN PUBLIC SCHOOLS
SCHEDULE OF NET CASH RESOURCES
FOOD SERVICE FUND
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Net Cash Resources:

ACFR	*	Current Assets		
B-4		Cash & Cash Equiv.	\$	4,018,010
B-4		Due from Other Gov'ts		37,587
		Student A/R		29,793
ACFR		Current Liabilities		
B-4		Less Accounts Payable		(103,488)
B-4		Less Unearned Revenue		(84,701)
				<u>(84,701)</u>
		Net Cash Resources	\$	<u>3,897,201</u> (A)

Net Adj. Total Operating Expense:

B-5		Tot. Operating Exp.	\$	4,212,335	(1)
B-5		Less Depreciation		(49,598)	
				<u>(49,598)</u>	
		Adj. Tot. Oper. Exp.	\$	<u>4,162,737</u>	(B)

Average Monthly Operating Expense:

		B / 10	\$	<u>416,274</u>	(C)
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Three times monthly Average:

		3 X C	\$	<u>1,248,822</u>	(D)
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TOTAL IN BOX A	\$	3,897,201	(A)
LESS TOTAL IN BOX D		<u>(1,248,822)</u>	(D)
NET	\$	<u>2,648,379</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.

FAIR LAWN PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2022

	2023-2024 Application for State School Aid						Sample for Verification					
	Reported on A.S.S.A. On Roll		Reported on Workpapers		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Kindergarten	344		344				344		344			
Grade One	368		368				368		368			
Grade Two	354		354				354		354			
Grade Three	371		372		(1)		372		372			
Grade Four	379		379				379		379			
Grade Five	379		379				379		379			
Grade Six	360		360				360		360			
Grade Seven	387		387				387		387			
Grade Eight	367		367				367		367			
Grade Nine	331		330		1		330		330			
Grade Ten	333	2	333	2			333	2	333	2		
Grade Eleven	316	2	316	2			316	2	316	2		
Grade Twelve	321	1	321	1			321	1	321	1		
Subtotal	4,610	5	4,610	5			4,610	5	4,610	5		
Special Education:												
Elementary School	338		337		1		10		10			
Middle School	214		214				5		5			
High School	320	5	321	6	(1)		10		10			
Subtotal	872	5	872	6	(1)		25		25			
Totals	5,482	10	5,482	11	-0-	(1)	4,635	5	4,635	5	-0-	-0-
Percentage Error					0.00%	-10.00%					0.00%	0.00%

FAIR LAWN PUBLIC SCHOOLS
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022

	Private Schools for Disabled			
	Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors
Special Education:				
Elementary School	9	1	1	
Middle School	10	2	2	
High School	26	2	2	
Totals	45	5	5	-0-
Percentage Error				0.00%

FAIR LAWN PUBLIC SCHOOLS
 SCHEDULE OF AUDITED ENROLLMENTS
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2022

	Resident Low Income		Errors	Sample Selected from Workpapers	Sample for Verification	
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income			Verified to Application and Register	Sample Errors
Full Day Kindergarten						
Grade One	34	34		1	1	
Grade Two	45	46	(1)	1	1	
Grade Three	54	54		2	2	
Grade Four	56	56		2	2	
Grade Five	53	53		1	1	
Grade Six	66	67	(1)	2	2	
Grade Seven	41	41		1	1	
Grade Eight	50	50		2	2	
Grade Nine	57	57		2	2	
Grade Ten	56	56		2	2	
Grade Eleven	53	53		1	1	
Grade Twelve	45	45		1	1	
Subtotal	54	54		2	2	
	664	666	(2)	20	20	
Special Education:						
Elementary School	54	52	2	2	2	
Middle School	38	36	2	1	1	
High School	58	57	1	2	2	
Subtotal	150	145	5	5	5	
Totals	814	811	3	25	25	-0-
Percentage Error			0.37%			0.00%

FAIR LAWN PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2022

	Resident LEP Low Income				Resident LEP Not Low Income			
	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers as LEP Not Low Income	Sample Selected from Workpapers	Verified to Test Scores and Register
Full Day Kindergarten	11	11	1	1	28	28	2	2
Grade One	7	8	(1)	2	30	30	2	2
Grade Two	21	21		2	21	21	1	1
Grade Three	13	13		1	14	14	1	1
Grade Four	10	10		1	16	15	1	1
Grade Five	12	13	(1)	1	3	3	1	1
Grade Six	4	4		1	6	6	1	1
Grade Seven	5	5		1	2	2		
Grade Eight	6	6		1	3	3	1	1
Grade Nine	8	8		1	1	1		
Grade Ten	5	4	1	1	3	3	1	1
Grade Eleven					4	4	1	1
Grade Twelve					1	1		
Subtotal	104	105	(1)	10	132	131	1	12
Special Ed - Elementary	1	1		1	7	7	2	2
Special Ed - High School	1	1			1	1		
Subtotal	2	2		1	8	8	2	2
Totals	106	107	(1)	11	140	139	1	14
Percentage Error			-0.94%				0.71%	
								0.00%

FAIR LAWN PUBLIC SCHOOLS
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	81	81		3	3	
Regular - Special Education	41	41		1	1	
Transported - Non Public	154	154		4	4	
AIL Non- Public	408	408		12	12	
Special Needs - Public	151	151		4	4	
Special Needs - Private	37	37		1	1	
Totals	872	872	-0-	25	25	-0-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>
				<u>Reported</u>	<u>Recalculated</u>	
Average Mileage - Regular Including Grade PK Students				6.7	6.7	
Average Mileage - Regular Excluding Grade PK Students				6.7	6.7	
Average Mileage - Special Education with Special Needs				3.9	3.9	

FAIR LAWN PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2023

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2022-2023 Total General Fund Expenditures per the ACFR, Ex. C-1	<u>\$ 137,517,936</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u> (B1a)
Transfer from General Fund to SRF for PreK-Regular	<u>\$ -0-</u> (B1b)
Transfer from General Fund to SRF for PreK-Inclusion	<u>\$ -0-</u> (B1c)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 24,609,903</u> (B2a)
Assets Acquired Under Leases and Financed Purchases	<u>\$ -0-</u> (B2b)
Adjusted 2022-2023 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 112,908,033</u> (B3)
2% of Adjusted 2022-2023 General Fund Expenditures [(B5) times .02]	<u>\$ 2,258,161</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 2,258,161</u> (B5)
Increased by: Allowable Adjustment	<u>\$ 2,454,781</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u>\$ 4,712,942</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2023 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 52,096,839</u> (C)
Decreased by:	
Year End Encumbrances	<u>\$ 3,228,241</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 1,975,930</u> (C3)
Other Restricted/Reserved Fund Balances	<u>\$ 33,524,138</u> (C4)
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 13,368,530</u> (U1)

FAIR LAWN PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 8,655,588 (E)

Recapitulation of Excess Surplus as of June 30, 2023

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ 1,975,930 (C3)

Restricted Excess Surplus [(E)] \$ 8,655,588 (E)

Total [(C3)+(E)] \$ 10,631,518 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale and Lease Back \$ -0- (I)

Extraordinary Aid \$ 2,298,323 (J1)

Additional Nonpublic School Transportation Aid \$ 156,458 (J2)

Current Year School Bus Advertising Revenue Recognized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Supplemental Stabilization Aid received May 2023 \$ -0- (J5)

Total Adjustments ((H)+(I)+(J1)+(J2)+(J3)+(J4)) \$ 2,454,781 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal \$ -0-

Sale/lease-back reserve \$ -0-

Capital reserve \$ 26,600,130

Maintenance reserve \$ 5,418,182

Emergency reserve \$ 607,028

Tuition reserve \$ -0-

Unemployment Compensation \$ 898,798

Other state/governmental mandated reserve \$ -0-

Other Restricted Fund Balance not noted above \$ -0-

Total Other Restricted Fund Balance \$ 33,524,138 (C4)

FAIR LAWN PUBLIC SCHOOLS
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2023

It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

Finding 2023-001:

The District utilize either an average of all of the personal aides' salaries or the salary for the actual personal aide assigned to the students as the cost reported for the salary for a personal aide. Additionally, every effort should be made to ensure that documentation is maintained on file to support the costs reported for certain other costs for additional services provided for one to one nursing services and occupational, speech and physical therapy services.

3. School Purchasing Program

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Status of Prior Year's Finding/Recommendation

None