

Auditor's Management Report

for the

*Township of Hillside
School District*

in the

*County of Union
New Jersey*

for the

*Fiscal Year Ended
June 30, 2023*

**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS – FINANCIAL AND COMPLIANCE**

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Official Bonds	2
P.L. 2020, c. 44	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Accounts	2-3
Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Board Secretary's Records	4
Elementary and Secondary Education Act (E.S.E.A.) as Amended by Every Student Succeeds Act (ESSA)	4
Other Special Federal and/or State Projects	4-5
T.P.A.F. Reimbursement	5
T.P.A.F. Reimbursement to the State for Federal Salary Expenditures	5
School Purchasing Program	
Contracts and Agreements Requiring Advertisement for Bids	6
Food Service Fund	7-8
Student Body Activities	8
Application for State School Aid	8
Pupil Transportation	9
Capital Assets and Facilities	9
Miscellaneous	9
Follow-Up on Prior Year's Findings	9
Recommendations	10-11
Schedule of Audited Enrollments	12-14
Schedule of Calculation of Excess Surplus	15



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INDEPENDENT AUDITOR'S REPORT

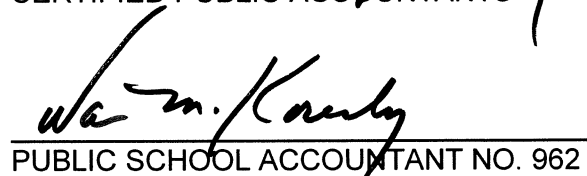
Honorable President and Members
of the Board of Trustees
Hillside Board of Education
Hillside, New Jersey 07205

We have audited, in accordance with U.S. generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Township of Hillside School District in the County of Union for the year ended June 30, 2023, and have issued our report dated April 23, 2024.

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

This report is intended solely for the information of the Township of Hillside School District, County of Union, New Jersey, the New Jersey Department of Education and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 962

April 23, 2024

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and the activities of the Township of Hillside - 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 the Insurance Schedule (Exhibit J-20) contained in the District's Annual Comprehensive Financial Report (ACFR).

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

<u>Name</u>	<u>Position</u>	<u>Amount of Bonds</u>
Dr. David Eichenholtz	Business Administrator/Board Secretary	\$300,000.00

There is a Public Employees' Blanket Position Bond covering all other employees with \$50,000 each/\$500,000 per loss.

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 fiscal year of 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 and was submitted timely.

Financial Planning, Accounting and Reporting

Examination of Claims

Our audit of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Accounts

The net salaries of all employees of the Board were deposited in the Net Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

Financial Planning, Accounting and Reporting (Continued)

Payroll Accounts (Continued)

Salary withholdings were promptly remitted to the proper agencies including health benefits premium amounts withheld due to the general fund.

Payrolls were delivered to the secretary of the board with a warrant made to his order for the full amount of each payroll.

2023-001 Finding: We noted that the Net Payroll Bank Account reconciled to a negative cash balance at June 30, 2023. In addition, quarterly Form 941s were not available for audit.

2023-001 Recommendation: That the Net Payroll Bank Account be properly funded.

Position Control Roster

The Position Control Roster was reviewed and compared to payroll records, employee benefit records and charges made to the general ledger to ensure proper and consistent financial reporting and that employee benefits are only offered to current employees.

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, the following was noted:

2023-002 Finding: We noted dental benefits and energy savings incentive program expenditures were misclassified and misbudgeted. The expenditures and budgets were reclassified for financial statement presentation purposes.

2023-002 Recommendation: The District should reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools and other available reference materials, such as the Budget Guidelines for proper classifications required to be in compliance with N.J.A.C. 6A:23A-16.2(f).

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records

2023-003 Finding: We noted several reconciling items on District bank reconciliations that are in excess of one year old.

2023-003 Recommendation: That all reconciling items on District bank reconciliations be investigated and cleared on a timely basis.

2023-004 Finding: Budget amendments were not approved by Board resolution and the total amount was in excess of the amount permitted by N.J.A.C. 6A:23A-13.3(d)6 without Commissioner approval. The excess amendments were not recognized for financial statement presentation purposes which caused several budgetary line accounts to be over-expended.

2023-004 Recommendation: That all budget amendments be approved by Board resolution, comply with N.J.A.C. 6A:23A-13.3(d)6 and purchase orders not be issued that would cause over-expenditure in the line account to be charged, prior to board approving the requested transfer of additional appropriations to cover such orders.

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 within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the projects under Title I and Title VI 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.

2023-005 Finding: Our audit noted several prior year open grant balances that have not been cleared of record as of June 30, 2023.

2023-005 Recommendation: Internal control procedures be reviewed and enhanced to ensure that grant balances are analyzed and cleared of record on a timely basis.

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects (Continued)

2023-006 Finding: ESSER salaries were charged to a non-salary budget account and that line was overexpended as of June 30, 2023.

2023-006 Recommendation: That ESSER salaries be charged to salary budget lines and purchase orders not be issued that would cause over-expenditure in the line account to be charged.

T.P.A.F. Reimbursement

Our audit procedures included a test of the semi-monthly reimbursement filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

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

The amount of the expenditure charged to the current year's Final Report(s) 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 60 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement.

2023-07 Finding: Our audit noted the reimbursement and supporting documentation prescribed by the Division of Pensions 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 not remitted to the State prior to the end of the 90 days after the close of the fiscal year.

2023-07 Recommendation: That the District remit reimbursement and all supporting documentation to the Department of Education 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 prior to the 90 days after the close of the fiscal year.

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 therefor, except as is provided otherwise in this chapter or specifically by any other law.

The Board of Education may, by resolution, approve by the majority of the board of education and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the board of education finds that it has had negative prior experience with the bidder."

Effective July 1, 2021, the bid threshold in accordance with N.J.S.A. 18A:18A-3(a) and (c) is \$32,000.00. In accordance with N.J.S.A. 40A:11-9 (b) the bid threshold for all purchases made by the District's qualified purchasing agent is \$40,000.00. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18:39-3 is currently \$20,200.00.

The Board of Education 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 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.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies," in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provisions of N.J.S.A. 18A:18A-4.

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 made purchases through the use of state contracts.

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

Food Service Fund

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFAs were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all students during the emergency.

The school food service program was not selected as a major federal and/or state program. However, the program expenditures exceeded \$100,000 in federal and/or state support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the school food authority (SFA) had any child nutrition program reimbursement overclaims or underclaims. No exceptions were noted.

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

The District 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 or non-competitive emergency procurement contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating provision has been met. 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.

The school district maintains the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool at least annually.

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.

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

School Food Service (Continued)

***2023-008 Finding:** Net cash resources exceeded three months average expenditures.

***2023-008 Recommendation:** That the District take appropriate action to ensure that the net cash resources do not exceed three months average expenditures.

2023-009 Finding: We noted that the Cafeteria Bank Account reconciled to a negative cash balance at June 30, 2023.

2023-009 Recommendation: That the Cafeteria Bank Account be properly funded.

Student Body Activities

2023-010 Finding: Our examination of the District's student activity funds revealed funds were not always deposited daily, prenumbered receipts were not always issued or available for audit, invoices were not always available for audit and canceled checks were not always provided by the bank.

2023-010 Recommendation: That funds be deposited daily, prenumbered receipts be issued and available for audit, invoices be available for audit and cancelled checks be provided by the bank.

Application for State School Aid

Our audit procedures included a test of information reported in the October 14, 2022 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, 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 with 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.

Finding 2023-011: The number of students reported on the A.S.S.A. report did not always agree to District workpapers.

Recommendation 2023-011: The District should take measures to ensure that the reporting of students on their ASSA report agree with District workpapers.

The district maintained workpapers on the prescribed state forms or their equivalent.

The district had written procedures for the recording of student enrollment.

**Independent Auditor's Management Report of Administrative
Findings – Financial and Compliance**

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 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. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation-related purchases of goods and services.

Capital Assets and Facilities

Our procedures included a review of the SDA grant agreements for consistency with recording of SDA revenue, transfer of local funds from the general or capital reserve account and awarding of contracts for eligible facilities construction.

Miscellaneous

The school district adhered to 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. The 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 Prior Year's Audit Findings

In accordance with governmental auditing standards, our procedures included a review of all prior year recommendations. The items noted on the following page with an "*" are repeat unresolved items.

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

Recommendations

1. **Administrative Practices and Procedures**

None

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

2023-001 Recommendation: That the Net Payroll Bank Account be properly funded and quarterly Form 941s be available for audit.

2023-002 Recommendation: The District should reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools and other available reference materials, such as the Budget Guidelines for proper classifications required to be in compliance with N.J.A.C. 6A:23A-16.2(f).

2023-003 Recommendation: That all reconciling items on District bank reconciliations be investigated and cleared on a timely basis.

2023-004 Recommendation: That all budget amendments be approved by Board resolution, comply with N.J.A.C. 6A:23A-13.3(d)6 and purchase orders not be issued that would cause over-expenditure in the line account to be charged, prior to board approving the requested transfer of additional appropriations to cover such orders.

2023-005 Recommendation: Internal control procedures be reviewed and enhanced to ensure that grant balances are analyzed and cleared of record on a timely basis.

2023-006 Recommendation: That ESSER salaries be charged to salary budget lines and purchase orders not be issued that would cause over-expenditure in the line account to be charged.

2023-007 Recommendation: That the District remit reimbursement and all supporting documentation to the Department of Education 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 prior to the 90 days after the close of the fiscal year.

3. **School Purchasing Program**

None

4. **School Food Service**

***2023-008 Recommendation:** That the District take appropriate action to ensure that the net cash resources do not exceed three months average expenditures.

2023-009 Recommendation: That the Cafeteria Bank Account be properly funded.

Independent Auditor's Management Report of Administrative Findings – Financial and Compliance

Recommendations (Continued)

5. **Student Body Activities**

2023-010 Recommendation: That funds be deposited daily, prenumbered receipts be issued and available for audit, invoices be available for audit and cancelled checks be provided by the bank.

6. **Application for State School Aid**

Recommendation 2023-011: The District should take measures to ensure that the reporting of students on their ASSA report agree with District workpapers.

7. **Pupil Transportation**

None

8. **Capital Assets and Facilities**

None

9. **Miscellaneous**

None

10. **Status of Prior Year's Findings/Recommendations**

Items notated above with an “*” are repeated/unresolved findings.

HILLSIDE BOARD OF EDUCATION
 SCHEDULE OF AUDITED ENROLLMENTS
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 14, 2022

	2023-2024 Application for State School Aid (10/15/2022 data)										Sample for Verification					Private School for Disabled				
	Reported as on Roll		Reported on Workpapers on Roll		Errors		Sample Selected from Workpapers		Verified per Registers on Roll		Errors per Registers on Roll		Reported on Private Schools		Sample for Verification		Sample Verified		Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool - 3 Yr	74	-	72	-	2	-	7	-	7	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4 Yr	133	-	135	-	(2)	-	13	-	13	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	184	-	184	-	-	-	18	-	18	-	-	-	-	-	-	-	-	-	-	-
One	169	-	169	-	-	-	17	-	17	-	-	-	-	-	-	-	-	-	-	-
Two	182	-	182	-	-	-	18	-	18	-	-	-	-	-	-	-	-	-	-	-
Three	154	-	154	-	-	-	15	-	15	-	-	-	-	-	-	-	-	-	-	-
Four	174	-	174	-	-	-	17	-	17	-	-	-	-	-	-	-	-	-	-	-
Five	180	-	180	-	-	-	18	-	18	-	-	-	-	-	-	-	-	-	-	-
Six	158	-	158	-	-	-	16	-	16	-	-	-	-	-	-	-	-	-	-	-
Seven	186	-	183	-	3	-	18	-	18	-	-	-	-	-	-	-	-	-	-	-
Eight	217	-	217	-	-	-	21	-	21	-	-	-	-	-	-	-	-	-	-	-
Nine	225	-	225	-	-	-	22	-	22	-	-	-	-	-	-	-	-	-	-	-
Ten	191	1	191	1	-	-	19	-	19	-	-	-	-	-	-	-	-	-	-	-
Eleven	190	8	190	8	-	-	19	4	19	4	-	-	-	-	-	-	-	-	-	-
Twelve	185	5	185	5	-	-	18	1	18	1	-	-	-	-	-	-	-	-	-	-
Subtotal	2,602	14	2,599	14	3	0	256	5	256	5	0	0	0	0	0	0	0	0	0	0
Sp. Ed - Elementary	202	-	196	-	6	-	19	-	19	-	-	-	-	3	2	2	-	-	-	-
Sp. Ed - Middle School	97	-	97	-	-	-	10	-	10	-	-	-	-	4	4	4	-	-	-	-
Sp. Ed - High School	111	5	111	5	-	-	11	5	11	5	-	-	-	24	14	14	-	-	-	-
Subtotal	410	5	404	5	6	0	40	5	40	5	0	0	0	31.0	20	20	0	0	0	0
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,012	19	3,003	19	9	0	296	10	296	10	0	0	0	31.0	20	20	0	0	0	0
Percentage Error					<u>0.30%</u>	<u>0.00%</u>					<u>0.00%</u>	<u>0.00%</u>								<u>0.00%</u>

**HILLSIDE BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 14, 2022**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on Application as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Preschool - 3 Yr	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4 Yr	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	116	108	8	16	16	-	20	15	-	15	15	-
One	109	108	1	16	16	-	15	15	-	11	11	-
Two	132	131	1	19	19	-	33	33	-	25	25	-
Three	119	113	6	17	17	-	20	20	-	15	15	-
Four	129	125	4	19	19	-	19	18	1	14	14	-
Five	135	132	3	20	20	-	16	16	-	12	12	-
Six	113	108	5	16	16	-	8	8	-	6	6	-
Seven	128	124	4	18	18	-	12	12	-	9	9	-
Eight	152	143	9	21	21	-	21	20	1	15	16	(1)
Nine	141	141	-	21	21	-	17	17	-	13	13	-
Ten	120	116	4	17	17	-	8	8	-	6	6	-
Eleven	130	123	7	18	18	-	9	9	-	7	7	-
Twelve	129.0	126.0	3	19	19	-	4	4	-	3	3	-
Subtotal	1,653.0	1,598.0	55	237	237	0	202	200	0	151	152	(1)

Sp. Ed - Elementary	125	129	(4)	19	19	-	6	8	(2)	6	5	1
Sp. Ed - Middle School	69	77	(8)	11	11	-	3	3	-	2	2	-
Sp. Ed - High School	83.0	72.0	11	11	11	-	2	2	-	2	2	-
Subtotal	277.0	278.0	(1)	41	41	0	11.0	13	-	10.0	9	1.0
Totals	1,930.0	1,876.0	54.0	278	278	0	213.0	213	0.0	161.0	161	0.0
Percentage Error			2.80%						0.00%			0.00%

Transportation

	Reported on DRTS by DOE/county	Reported on DRTS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	189	189	-	90	90	-
Reg -SpEd, col. 4	25	25	-	12	12	-
Transported - Non-Public, col. 3	0	0	-	0	0	-
Special Ed Spec, col. 6	92	92	-	48	48	-
Totals	306	306	-	150	150	-
Percentage Error			0.00%			0.00%

Reg Avg. (Mileage) = Regular Including Grade PK students (Part A) 6.10 Recalculated 6.10
 Reg Avg. (Mileage) = Regular Excluding Grade PK students (Part B) 6.10 6.10
 Spec Avg. = Special Ed with Special Needs 5.50 5.50

HILLSIDE BOARD OF EDUCATION
 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.A. as LEP NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Preschool - 3 Yr	-	-	-	-	-	-
Full Day Preschool - 4 Yr	-	-	-	-	-	-
Full Day Kindergarten	11	11	-	7	7	-
One	15	15	-	10	10	-
Two	8	8	-	5	5	-
Three	1	1	-	1	1	-
Four	7	7	-	5	5	-
Five	4	4	-	3	3	-
Six	6	6	-	4	4	-
Seven	7	7	-	5	5	-
Eight	9	9	-	6	6	-
Nine	13	13	-	9	9	-
Ten	12	12	-	8	8	-
Eleven	9	9	-	6	6	-
Twelve	5	5	-	3	3	-
Subtotal	107	107	0	72	72	0
Special Ed - Elementary	6	4	2	3	4	(1)
Special Ed - Middle	4	3	1	2	3	(1)
Special Ed - High	1	1	-	1	1	-
Subtotal	11	8	3	6	8	(2)
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	118.0	115	3.0	78.0	80	(2)
Percentage Error			2.54%			2.56%

HILLSIDE SCHOOL DISTRICT
SCHEDULE OF CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2022 - 2023 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ 79,203,866.05	
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund		
Transfer from General Fund to SRF for Preschool (Inclusion)	\$ 340,200.00	
Transfer from Capital Reserve to Capital Projects Fund		
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ 13,800,877.30	
Adjusted 2022 - 2023 General Fund Expenditures		\$ <u>65,743,188.75</u>
2% of Adjusted 2022 - 2023 General Fund Expenditures		\$ 1,314,863.78
Greater of Line Above or \$250,000.00		\$ 1,314,863.78
Increased by: Allowable Adjustment		\$ 741,938.00
Maximum Unreserved/Undesignated Fund Balance		\$ <u>2,056,801.78</u>

SECTION 2

Total General Fund - Fund Balances @ 6-30-2023	\$ 11,832,607.33	
Decreased by:		
Year-End Encumbrances	\$ 1,778,907.81	
Other Restricted Fund Balances	\$ 5,693,042.82	
Assigned Fund Balance - Unreserved-Designated for Subsequent Year's Expenditures	\$ 1,795,454.93	
Total Unassigned Fund Balance		\$ <u>2,565,201.77</u>

SECTION 3

Restricted Fund Balance-Excess Surplus	\$ <u>508,400.00</u>
<u>Total General Fund - Fund Balances @ 6-30-2023</u>	
Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ <u>-0-</u>
Restricted Excess Surplus	\$ <u>508,400.00</u>
Total Excess Surplus	\$ <u>508,400.00</u>

Detail of Allowable Adjustments

Extraordinary Aid	\$ 741,938.00
	\$ <u>741,938.00</u>

Detail of Other Restricted Fund Balance:

Capital Reserve	\$ 5,500,193.74
Reserve for Unemployment Fund	<u>192,849.08</u>
	\$ <u>5,693,042.82</u>

