

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT**

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

**JUNE 30, 2023**

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

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## Independent Auditors' Report

**Honorable President and Members  
of the Board of Education  
Hopewell Valley Regional School District  
County of Mercer, New Jersey**

We have audited, in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Hopewell Valley Regional School District, County of Mercer for the year ended June 30, 2023, and have issued our report thereon dated December 5, 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.

This report is intended for the information and use of the Hopewell Valley Regional School District's management and Board members, and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
December 5, 2023

*Scott A. Clelland*

Scott Clelland, CPA  
Licensed Public School Accountant No. 1049

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**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, and the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

Insurance

Insurance coverage was carried in the amounts as detailed on J-20, Insurance Schedule contained in the District's 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>
Robert Colavita	Business Administrator/Board Secretary	\$ 120,000
James Bartolomei	Treasurer of School Moneys	400,000

*P.L.2020,c.44*

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year on audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did include all health benefit plans offered by the district.

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

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The District made a proper adjustment to the billings to sending Districts for the increase or 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

An examination of claims paid during the period under review indicated no discrepancies with respect to signatures, certification or supporting documentation except for the following:

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2023**

Finding 2023-001:

During our testing of cash disbursements, we noted three instances where purchase orders were created subsequent to the receipt of the invoice.

Recommendation:

We suggest that the District ensure purchase orders are issued before purchase is made.

Payroll Account

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

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

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

Payrolls were delivered to the Treasurer of School Monies with a warrant made to his order for the full amount of each payroll.

No exceptions were noted during our testing of payroll.

Employee Position Control Roster

An inquiry and subsequent review of the Position Control Roster did not identify and inconsistencies between the payroll records, employee benefit records and the general ledger accounts to where wages are posted.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. No exceptions were identified.

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, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2023**

Board Secretary's Records

Our review of the Board Secretary's records did not identify any exceptions.

Treasurer's Records

Our review of the Treasurer's records did not identify any exceptions.

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 Titles I and VI of the Elementary and Secondary Education Act as amended.

The study of compliance for E.S.E.A. indicated no instances of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (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.

The study of compliance for the other special projects indicated no instances of noncompliance or questioned costs that are required to be reported in accordance with the Uniform Guidance or State Circular NJ OMB 15-08. However, the following was identified:

Finding 2023-002:

During our testing of the State Aid Cluster, we noted that several employees health benefit waivers were expired and employees were still receiving waiver payments.

Recommendation:

We suggest that the District ensure that all employees receiving waiver payments have current waiver forms on file.

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2023**

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursement forms filed with the Department of Education for District employees who are members of the Teacher's Pension and Annuity Fund. No exceptions were noted.

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

The amount of the expenditure charged to the current year's Final 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 who salaries are identified as being paid from federal grants was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Non-Public State Aid

Our review of Nonpublic State Aid completion reports disclosed no exceptions.

**School Purchasing Programs**

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with *N.J.S.A. 18A:18A-2* and *18A:18A-3(a)* are \$44,000 (the Business Administrator is a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school transportation contracts under *N.J.S.A. 18A:39-3* is \$20,200 for 2022-23.

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

Based on the results of our examination, 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 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*.

**School Food Service**

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and *N.J.S.A.*

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2023**

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 Service 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 and indirect costs. No exceptions were noted.

The Statement of Revenues, Expenses and Changes in Fund Net Position (ACFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

We inquired of management about the public health emergency procedures/practices at the SFA instituted to provide meals to all students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the SFA.

**Student Body Activities**

During our testing of the student activity funds, the following exception was noted:

**Finding 2023-003:**

During our testing of receipts and expenditures, we noted two instances where a deposit was not made timely.

**Recommendation:**

We suggest the district ensure that student activity receipts are deposited timely.



**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2023**

**Application for State School Aid**

Our audit procedures included a test of information reported in the October 14, 2022 Application for State School Aid (ASSA) for on-roll, private schools for students with disabilities, low-income, and bilingual. We also performed a review of the district procedures related to its completion. The information on the ASSA was compared to the district workpapers with minor differences. The information included as part of the workpapers was verified 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 written procedures appear to be adequate for the recording of student enrollment data.

**Pupil Transportation**

Because Transportation Aid was not tested as a major program in the 2023 fiscal year, our audit procedures did not include a test of on-roll status reported in the 2022-2023 District Report of Transported Resident Student (DRTRS). We did agree the information presented on the DRTRS by the County/NJDOE and compared to the information presented by the District without exception.

Our procedures also included a review of transportation related contracts and purchases. Based on our testing, 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.

**Facilities and Capital Assets**

Our procedures included a review of the New Jersey Schools Development Authority ("NJSDA") grant agreement for consistency with recording NJSDA revenue, transfer of local funds from the General Fund or from the capital reserve account and awarding of contracts for eligible facilities construction. No current year NJSDA activity was noted.

**Miscellaneous**

**Testing for Lead of All Drinking Water in Educational Facilities**

The District adhered to all the requirements of *N.J.A.C. 26-1.2* and *12.4* related to the testing for lead of all drinking water in educational facilities. The District submitted the annual Statement of Assurance to the Department of Education, pursuant to *N.J.A.C. 6A:26-12.4(g)*.

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2023**

**Other Suggestions to Management**

For the year ended June 30, 2023, the food service net cash resources exceeded three times the average food service monthly operating expenses. We suggest the District develop a plan for the excess funds to be utilized in the subsequent year's allowable expenses that will further support the operation and enhance the child nutrition program, such as improving the nutritional quality of the food or purchasing equipment for the cafeteria as outlined in 7 CFR 210.14(a).

**Follow-up on Prior Year's Findings**

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

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

**Acknowledgment**

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

**SCHEDULE OF AUDITED ENROLLMENTS**

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 14, 2022**

	2023-24 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	54		54					6		6						
Full Day Preschool								8		8						
Half Day Kindergarten																
Full Day Kindergarten	237		237					67		67						
One	211		211					51		51						
Two	206		206					57		57						
Three	198		198					60		60						
Four	217		217					56		56						
Five	201		201					57		57						
Six	200		200					200		200						
Seven	198		200		(2)			198		200		(2)				
Eight	237		237					237		237						
Nine	234		234					228		234						
Ten	209		209					208		209						
Eleven	210	2	210	2				210	2	210	2					
Twelve	205	6	206	5	(1)	1		205	6	206	5	(1)	1			
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	2,817	8	2,820	7	(3)	1	1,848	8	1,858	7	(3)	1	-	-	-	-
Special Ed - Elementary	260		260					77		77			6	4	4	
Special Ed - Middle School	143		143					143		143			6	5	5	
Special Ed - High School	205	8	205	8				205	8	205	8		14	14	14	
Subtotal	608	8	608	8	-	-	425	8	425	8	-	-	26	23	23	-
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	3,425	16	3,428	15	(3)	1	2,273	16	2,283	15	(3)	1	26	23	23	-
Percentage Error					-0.09%	6.25%					-0.13%	6.25%				0.00%

**SCHEDULE OF AUDITED ENROLLMENTS**

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 14, 2022**

**Note:** Detailed testing over DRTRS was not performed for the fiscal year ending June 30, 2023 as Transportation Aid was not tested as a major program in the current year for Single Audit purposes.

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	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 Test Score and Register	Sample Errors
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten	12	12		9	9		2	2		2	2	
One	5	5		5	5							
Two	2	2		1	1							
Three	5	5		4	4							
Four	2	2		2	2		1	1		1	1	
Five	8	8		6	6		1	1		1	1	
Six	6	6		5	5							
Seven	3	3		5	5		2	2		2	2	
Eight	10	10		7	7							
Nine	7	9	(2)	4	4		1	1		1	1	
Ten	6	6		6	5	1						
Eleven	9	9		4	4		1	1		1	1	
Twelve	6	6		4	4							
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>81.0</u>	<u>83.0</u>	<u>(2)</u>	<u>62</u>	<u>61</u>	<u>1</u>	<u>8.0</u>	<u>8.0</u>	<u>-</u>	<u>8</u>	<u>8</u>	<u>-</u>
Special Ed - Elementary	12	12		9	9							
Special Ed - Middle	7	7		6	6							
Special Ed - High	<u>22</u>	<u>23</u>	<u>(1)</u>	<u>6</u>	<u>6</u>							
Subtotal	<u>41</u>	<u>42</u>	<u>(1)</u>	<u>21</u>	<u>21</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>122.0</u>	<u>125.0</u>	<u>(3)</u>	<u>83</u>	<u>82</u>	<u>1</u>	<u>8</u>	<u>8</u>	<u>-</u>	<u>8.0</u>	<u>8.0</u>	<u>-</u>
Percentage Error			<u>-2.46%</u>			<u>1.20%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>						Reported	Recalculated
	Reported on DRTRS by District	Reported on DRTRS by DOE/county	Errors	Tested	Verified	Errors		
Reg. - Public Schools	1,700.0	1,700.0					4.7	4.7
Reg -SpEd	13.0	13.0					4.7	4.7
Transported - ALL	294.0	294.0					6.3	6.3
Transported - Non-Public								
Special Ed Spec	<u>191.0</u>	<u>191.0</u>						
Totals	<u>2,198.0</u>	<u>2,198.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		
Percentage Error			<u>0.00%</u>			<u>0.00%</u>		

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

**SCHEDULE OF AUDITED ENROLLMENTS**

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 14, 2022**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	7	7		4	4	
One	2	2		2	2	
Two	1	1		1	1	
Three	1	1		1	1	
Four	1	1		1	1	
Five	1	1		1	1	
Six	1	1		1	1	
Seven						
Eight	1	1		1	1	
Nine	1	1		1	1	
Ten	1	1		1	1	
Eleven						
Twelve						
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>17</u>	<u>17</u>	<u>-</u>	<u>14</u>	<u>14</u>	<u>-</u>
Special Ed - Elementary	1	1		1	1	
Special Ed - Middle						
Special Ed - High						
Subtotal	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>18</u>	<u>18</u>	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2023**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2022-23 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ 109,354,258	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____	- (B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____	- (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	\$ 19,520,641	(B2a)
Assets Acquired Under Capital Leases	\$ _____	- (B2b)
Adjusted 2022-23 General Fund Expenditures [(B)-(B1s)-(B2s)]	\$ 89,833,617	(B3)
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	\$ 1,796,672	(B4)
Enter Greater of (B4) or \$250,000	\$ 1,796,672	(B5)
Increased by: Allowable Adjustment*	\$ 630,496	(K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5) + (K)]	\$ 2,427,168	(M)

This adjustment line (line (K) as detailed below) is to be utilized for Federal Impact Aid, Sale, Lease-back, Extraordinary Aid, Additional Nonpublic School Transportation Aid, Recognized current year School Bus Advertising Revenue, if applicable. Extraordinary Aid and Additional Nonpublic School Transportation Aid and Supplemental Stabilization Aid received April 2023 & Maintenance of Equity Aid received July 2023 for 2022-23 received after June 30 is limited to the amount of revenue recognized in the audit year that was not appropriated.

**Detail of Allowable Adjustments**

Impact Aid	\$ _____	- (H)
Sale & Lease-back	\$ _____	- (I)
Extraordinary Aid	\$ 538,768	(J1)
Additional Nonpublic School Transportation Aid	\$ 91,728	(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)]	\$ 630,496	(K)

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2023**

**SECTION 2**

Total General Fund - Fund Balances at June 30, 2023	\$ 15,938,899	(C)
Decreased by:		
Year-end Encumbrances	\$ 621,125	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ -	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ -	(C3)
Other Restricted Fund Balances****	\$ 8,142,711	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ 4,747,895	(C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 \$ 2,427,168	(U1)

**Detail of Other Restricted Fund Balance**

**Statutory restrictions:**

Approved unspent separate proposal	\$ -	
Sale/lease-back reserve	\$ -	
Capital reserve	\$ 8,050,784	
Maintenance reserve	\$ 91,927	
Emergency reserve	\$ -	
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 General Fund Reserve (Sections 8007 and 8008)	\$ -	
Reserve for Unemployment Fund	\$ -	
Other state/government mandated reserve	\$ -	
[Other Restricted Fund Balance not noted above]****	\$ -	
 Total Other Restricted Fund Balance	 \$ 8,142,711	(C4)

**SECTION 3**

Restricted Fund Balance - Excess Surplus ***		
[(U1)-(M)] IF NEGATIVE ENTER -0-	\$ -	(E)
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ -	(C3)
Reserved Excess Surplus *** [(E)]	\$ -	(E)
 Total [(C3)+(E)]	 \$ -	(D)

Line

\*\* This amount represents the June 30, 2022 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 Division of Administration and Finance prior to September 30.

**HOPEWELL VALLEY REGIONAL SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**JUNE 30, 2023**

**Audit Recommendations Summary**

**1. Administrative Practices and Procedures**

None

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

Finding 2023-001

We suggest that purchase orders are issued before purchases are made.

Finding 2023-002

We suggest that the District ensure that all employees receiving waiver payments have current waiver forms on file.

**3. School Purchasing Programs**

None

**4. School Food Service**

None

**5. Student Body Activities –**

Finding 2023-003

We suggest the District ensure that student activity receipts are deposited timely.

**6. Application for State School Aid**

None

**7. Pupil Transportation**

None

**8. Facilities and Capital Assets**

None

**9. Miscellaneous**

None

**10. Status of Prior Year Audit Findings/Recommendations – Prior year findings were corrected.**