

**BOARD OF EDUCATION
LAKEHURST SCHOOL DISTRICT
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023**

Prepared by

Gerard Stankiewicz, CPA, PSA

**Of the Firm
SAMUEL KLEIN AND COMPANY, LLP
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TABLE OF CONTENTS

	<u>Page</u>
Report of Independent Auditors	1
Administrative Findings – Financial Compliance and Performance	
Scope of Audit	2
Administrative Practices and Procedures:	
Insurance	2
Officials' Bonds	2
Financial Planning, Accounting and Reporting:	
Examination of Claims	2
Payroll Account	3
Tuition Charges (Revenue)	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Student Body Activities Funds	4
Board Secretary/School Business Administrator's Records	4
Treasurer's Records	4
Elementary and Secondary Education Act of 1965 (ESEA) as Amended by	
Every Student Succeeds Act (ESSA)	4
Other Special Federal and/or State Projects	4-5
T.P.A.F. Reimbursement	5
Expendable and Nonexpendable Trust Funds	5
School Purchasing Programs:	
Contracts and Agreements Requiring Advertisement for Bids	5-6
Enterprise Fund – School Food Service	6-7
Application for State School Aid	8
Pupil Transportation	8
Recommendations	9
Follow-up on Prior Year's Findings	9
Acknowledgment	9
Schedule of Meal Count Activity	10
Schedule of Audited Enrollments	11-14
Excess Surplus Calculation	15-17
Net Cash Resource Schedule	18
Audit Recommendations Summary	19

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REPORT OF INDEPENDENT AUDITORS

Honorable President and Members
of the Board of Education
Lakehurst School District
County of Ocean, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of Lakehurst School District in the County of Ocean for the year ended June 30, 2023 and have issued our report thereon dated March 7, 2024.

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 solely for the information of the Lakehurst Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey
March 7, 2024

**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 the Treasurer of School Monies, the activities of the Board of Education and the records of the various funds under the auspices of the Board of Education. This report is filed in conjunction with the District's Annual Comprehensive Financial Report ("ACFR").

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the Statistical Section (J-20) of the District's ACFR.

Officials' Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Joseph Firetto	Business Administrator	\$ 85,000.00
Elizabeth D'Aloiso	Treasurer of School Monies	\$ 200,000.00

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under audit was made as to affidavit or signed declaration, proper itemization and proper authorization by officials. The Board's voucher system is in accordance with R.S. 18:6-34, which requires a signed declaration by the vendor in place of an affidavit. In addition, all vouchers are signed by the Board Secretary. The actual signature for receipt of goods or services rendered is on the receiving copy of the purchase order set, which is attached to the purchase order and filed alphabetically. All claims approved for payment are listed by fund total in the Minutes.

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/School Business Administrator.

Compensation records were tested and for those individuals examined, it was determined that salaries paid were in accordance with the amounts authorized by the Board.

Salary withholdings were promptly remitted to the proper agencies, including required health insurance withholdings.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2023**

Financial Planning, Accounting and Reporting (Continued)

Tuition Charges (Revenue)

The Board made a proper adjustment to the billings to the sending district for the charge in per pupil costs in accordance with N.J.A.C. 6A:23-3.1 (f)3.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2023 for proper classification of orders as reserved for encumbrances and accounts payable. The reserve for encumbrances and accounts payable have been determined to be proper.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(g) as part of our test of transactions of randomly selected expenditure items. We also examined 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 classification to determine overall reliability and compliance with N.J.A.C. 6A:23A-2.4. As a result of the procedures performed, no transaction error rate was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Student Body Activities Funds

Middle School and Elementary School

Cash receipts and cash disbursements records were maintained in satisfactory condition. All receipts were promptly deposited in the bank.

A test check of bills and invoices was made as part of our regular testing to the cash disbursements records.

Board Secretary/School Business Administrator's Records

Our review of the financial and accounting records of the Board Secretary/School Business Administrator revealed that the records were maintained properly.

Acknowledgment of the Board's receipt of the Board Secretary's report was included in the minutes.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

Financial Planning, Accounting and Reporting (Continued)

Treasurer's Records

The Treasurer's records were found to be maintained properly.

Acknowledgment of the Board's receipt of the Treasurer's report was included in the minutes.

The Treasurer's report, as presented with respect to the various funds, cash balances, did not agree to the General Ledger. We verified the bank reconciliation in total as presented. We believe that it would enhance the flow of the data if separate bank reconciliations were prepared for each bank account. This matter has been discussed with the School Business Administrator/Board Secretary for consideration to implement.

It should be noted that subsequent to the yearend, the District engaged an independent accountant to verify the cash balances at a post yearend point in time.

Elementary and Secondary Education Act of 1965 (ESEA) as Amended by Every Student Succeeds Act (ESSA)

The ESEA financial exhibits are contained within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the project under Titles I, II-A, II-D, III of the ESSA as amended.

Other Special Federal and/or State Projects

The study of compliance for the Special Project Fund IDEA Program indicated that there were no areas of non-compliance.

The District's Special Projects were approved as listed on the Schedules of Federal and State Financial Assistance 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.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

Financial Planning, Accounting and Reporting (Continued)

T.P.A.F. Reimbursement

Our audit procedures included a test of the semi-monthly reimbursement forms 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 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 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement or state that no exceptions were noted.

Expendable and Nonexpendable Trust Funds

The accounts within this fund have been properly administered.

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 \$32,000 and \$20,200, respectively.

N.J.S.A.40A:113a permits an increase in the bid threshold up to \$44,000 if a Qualified Purchasing Agent ("QPA") is appointed as well as granted the authorization to negotiate and award such contracts below the bid threshold. N.J.A.C. 5:34-5 et. Seq. establishes the criteria for qualifying as a Qualified Purchasing Agent. The District employed Arlene Biesiada as the QPA.

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

Inasmuch as the system of records is not designed to 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.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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 provision of N.J.S.A. 18A:18A-4.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

The minutes indicate that no bids were advertised.

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 following purchases were made through the use of State contracts or cooperative purchases.

Playground Equipment	Flooring
Educational Services	Printers
Smartboard Installation	Fencing

Enterprise Fund

School Food Service

The financial transactions and statistical records of the school food services were maintained properly. The financial accounts, meal count record and eligibility applications were reviewed on a test-check basis. 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 did not exceed the number of valid applications on file, times the number of operating days, on a school by school basis. The free and reduced price meals policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review. The number of meals/milk for reimbursement was compared to sales and meal count records. No exceptions were noted. Cash receipts and bank records were reviewed for timely deposit.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

Enterprise Fund (Continued)

School Food Service (Continued)

The Board has a contract with a neighboring school district “*food service provider*” to operate its food service program. Vendor invoices were reviewed. Provisions of the “*food service provider*” contract were reviewed and audited.

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

All employees of the cafeteria are hired and paid by the *food service provider* except for in-house staff.

Exhibits reflecting child nutrition program operations are included in Section B (B-4, B-5 and B-6) of the ACFR.

The District is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources did not exceed three months average expenditures.

As a result of the audit it was determined that the cumulative deficit in operations of the Food Service Fund of \$37,959.00 was required to be funded and as such, a charge was made to the General Fund.

Food Distribution Program commodities were not received directly by the Board; however by the Food Service provider during the period of audit.

Application for State School Aid (ASSA)

Our audit procedures included a test of information reported in the October 15, 2022 Application for State School Aid (ASSA) 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 ASSA was compared to the district workpapers. The information that was included on the workpapers was verified. The results of our procedures are presented in the Schedule of Audited Enrollments. There is an overall difference in the low income count that is below the acceptable overall threshold.

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

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

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2023

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2022-2023 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report. The results of our procedures are presented in the Schedule of Audited Enrollments. The amount of students reported on the DRTRS by the Department of Education was in agreement with the amount claimed by the District on its summary report.

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 lease/purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

RECOMMENDATIONS
JUNE 30, 2023

None.

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

None.

ACKNOWLEDGMENT

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'G Stankiewicz', written in a cursive style.

Gerard Stankiewicz
Certified Public Accountant
Public School Accountant #912

For The Firm
SAMUEL KLEIN AND COMPANY, LLP

BOARD OF EDUCATION
LAKEHURST SCHOOL DISTRICT
COUNTY OF OCEAN
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDER CLAIM
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Over (Under)-Claim</u>
National School Lunch (Regular Rate)	Paid	8,037	8,037	8,037	-	.77/.06	
	Reduced	4,577	4,577	4,577	-	3.93/.07	
	Free	21,260	21,260	21,260	-	4.33/.06	
	Total	33,874	33,874	33,874	-		
School Breakfast (Regular Rate)	Paid	2,402	2,402	2,402	-	0.50	
	Reduced	2,357	2,357	2,357	-	1.96	
	Free	12,694	12,694	12,694	-	2.26	
	Total	17,453	17,453	17,453	-		
School Breakfast (Severe Need Rate)	Paid		-	-	-		
	Reduced		-	-	-		
	Free		-	-	-		
	Total	-	-	-	-		
After School Snack	Paid		-	-	-		
	Reduced		-	-	-		
	Free		-	-	-		
	Total	-	-	-	-		

LAKEHURST BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022

	2023 - 2024 Application for State School Aid						Sample for Verification						Private Schools for Disabled					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on		Sample	Sample	Sample	Errors
	A.S.S.A.		Workpapers				Selected from		Registers		Registers		A.S.S.A as					
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Private	Verification	Verified			
Half Day Preschool - 3 Year	29		29															
Half Day Preschool - 4 Year	-		-															
Full Day Preschool - 4 Year	42		42		-		30		30									
Half Day Kindergarten	-		-		-													
Full Day Kindergarten	30		30		-		21		21									
One	32		32		-		23		23									
Two	35		35		-		25		25									
Three	24		24		-		17		17									
Four	20		20		-		14		14									
Five	29		29		-		21		21									
Six	21		21		-		15		15									
Seven	19		19		-		14		14									
Eight	17		17		-		12		12									
Nine																		
Ten																		
Eleven																		
Twelve																		
Post Graduate																		
Adult H.S. (15+CR.)																		
Adult H.S. (1-14 CR.)																		
Subtotal	298	-	298	-	-	-	192	-	192	-	-	-	-	-	-	-	-	-
Special Ed - Elementary	54		54		-		39		39									
Special Ed - Middle School	29		29		-		21		21									
Special Ed - High School																		
Subtotal	83	-	83	-	-	-	60	-	60	-	-	-	-	-	-	-	-	-
Co. Voc - Regular																		
Co. Voc. Ft. Post Sec.																		
Totals	381	-	381	-	-	-	252	-	252	-	-	-	-	-	-	-	-	-
Percentage Error					0.00%	0.00%				0.00%	0.00%							#DIV/0!

LAKEHURST BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>	<u>Reported on A.S.S.A. as LEP low Income</u>	<u>Reported on Workpapers as LEP low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten	30	30	0	16	16		18	18	0	15	15	0
One	31	31	0	16	16		14	14	0	12	12	0
Two	35	35	0	18	18		21	21	0	18	18	0
Three	24	24	0	11	11		15	15	0	13	13	0
Four	20	20	0	10	10		12	12	0	10	10	0
Five	30	30	0	16	16		17	17	0	15	15	0
Six	22	22	0	11	11		16	16	0	14	14	0
Seven	18	18	0	9	9		10	10	0	9	9	0
Eight	17	17	0	9	9		10	10	0	9	9	0
Nine												
Ten												
Eleven												
Twelve												
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>227</u>	<u>227</u>	<u>0</u>	<u>116</u>	<u>116</u>		<u>133</u>	<u>133</u>	<u>0</u>	<u>115</u>	<u>115</u>	<u>0</u>
Special Ed - Elementary	54	54	0	29	29		30	30	0	16	16	
Special Ed - Middle	32	32	0	20	20		19	19		8	8	
Special Ed - High												
Subtotal	<u>86</u>	<u>86</u>	<u>0</u>	<u>49</u>	<u>49</u>		<u>49</u>	<u>49</u>	<u>0</u>	<u>24</u>	<u>24</u>	<u>0</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>313</u>	<u>313</u>	<u>0</u>	<u>165</u>	<u>165</u>		<u>182</u>	<u>182</u>	<u>0</u>	<u>139</u>	<u>139</u>	<u>0</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

LAKEHURST BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 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 Kindegarten						
Full Day Kindergarten	1	1		1	1	
One	2	2		2	2	
Two	1	1		1	1	
Three				6	6	
Four				1	1	
Five	1	1		2	2	
Six						
Seven				1	1	
Eight						
Nine						
Ten						
Eleven						
Twelve						
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>5</u>	<u>5</u>		<u>14</u>	<u>14</u>	
Special Ed - Elementary	1	1		1	1	
Special Ed - Middle	1	1		1	1	
Special Ed - High						
Subtotal	<u>2</u>	<u>2</u>		<u>2</u>	<u>2</u>	
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>7</u>	<u>7</u>		<u>16</u>	<u>16</u>	
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

LAKEHURST BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY (CONTINUED)
ENROLLMENT FOR OCTOBER 15, 2022

	<u>Sample for Verification</u>			
	<u>Reported on D.R.T.R.S.</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Register</u>	<u>Sample Errors</u>
Students - Grade PK*	59	59	59	
Public School Students excl. Voc. Students				
Vocational School Students				
Transported Charter School Students				
ALL Charter School Students				
Transported Non-Public and Other School Students				
ALL Non-Public and Other School Students	2	2	2	
Special Education Public School Students	6	6	6	
Subtotal	<u>67</u>	<u>67</u>	<u>67</u>	
With Special Transportation Needs:				
Public School Students	25	25	25	
Charter School Students				
Private School for Students with Disabilities				
Out-of-district Public School Students				
Out-of-district Charter School Students				
Subtotal	<u>25</u>	<u>25</u>	<u>25</u>	
Courtesy Students - Elementary				
Courtesy Students - Secondary				
Totals	<u><u>92</u></u>	<u><u>92</u></u>	<u><u>92</u></u>	<u><u>0</u></u>
Percentage Error				<u><u>0.00%</u></u>

*Includes Public, Charter and Early Childhood Community Provider (ECCP)

	<u>Reported</u>	<u>Recalculated</u>
Avg. Home to School (Mileage) = Regular Including Grade PK students	5.2	5.2
Avg. Home to School (Mileage) = Regular Excluding Grade PK students	15.1	15.1
Avg. Home to School (Mileage) = Special Ed with Special Needs	7.0	7.0
Avg. Home to School (Mileage) = Courtesy students		

BOARD OF EDUCATION
LAKEHURST BOARD OF EDUCATION
COUNTY OF OCEAN
FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

EXCESS SURPLUS CALCULATION
REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2022-23 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>10,818,524.32</u> (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 PerK-Regular	\$ <u>96,266.00</u> (B1c)	
Transfer from General Fund to SRF for PerK-Inclusion	\$ _____ (B1d)	
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>1,615,519.33</u> (B2a)	
Assets Acquired Under Capital Leases	\$ _____ (B2b)	
Adjusted 2022-23 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ <u>9,299,270.99</u> (B3)	
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	\$ <u>185,985.42</u> (B4)	
Enter Greater of (B4) or \$250,000	\$ <u>250,000.00</u> (B5)	
Increased by: Allowable Adjustment*	\$ <u>193,086.00</u> (K)	
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]		\$ <u>443,086.00</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2023 (Per CAFR Budgetary Comparison Schedule-C1)	\$ <u>751,575.39</u> (C)	
Decreased by:		
Year-end Encumbrances	\$ <u>82,406.40</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ <u>85,109.00</u> (C2)	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>34,457.10</u> (C3)	
Other Restricted Fund Balances ****	\$ <u>77,329.85</u> (C4)	
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>29,187.04</u> (C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]		\$ <u>443,086.00</u> (U1)

**BOARD OF EDUCATION
LAKEHURST BOARD OF EDUCATION
COUNTY OF OCEAN
FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U1)-(M)] IF NEGATIVE ENTER -0- \$ 0.00 (E)

Recapitulation of Excess Surplus as of June 30, 2023

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>34,457.10</u> (C3)
Reserved Excess Surplus***[(E)]	\$ <u>0.00</u> (E)
 Total Excess Surplus [(C3) + (E)]	 \$ <u>34,457.10</u> (D)

Footnotes:

* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

- (H) Federal Impact Aid. The passage of P.L. 2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year ending June 30, 2016 the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);
- (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);
- (J1) Extraordinary Aid;
- (J2) Additional Nonpublic School Transportation Aid;
- (J3) Recognized current year School Bus Advertising Revenue; and
- (J4) Family Crisis Transportation Aid.

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ <u>161,241.00</u> (H)
Sale & Lease-back	\$ <u> </u> (I)
Extraordinary Aid	\$ <u>29,349.00</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>2,496.00</u> (J2)
Current Year School Bus Advertising Revenue Recognized	\$ <u> </u> (J3)
Family Crisis Transportation Aid	\$ <u> </u> (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>193,086.00</u> (K)

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

*** Amount 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 an other 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.

***** Increase in Assigned Fund Balance - Unreserved - Designated for Subsequent Year's expenditures July 1, 2019 to August 1, 2019 resulting from decrease in state aid after adoption of 2019-20 district budget. Refer to Commissioner's Broadcast and to page I-4.2 of this Audit Program.

BOARD OF EDUCATION
LAKEHURST BOARD OF EDUCATION
COUNTY OF OCEAN
FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ 77,329.85
Maintenance reserve	\$ _____
Unemployment reserve	\$ _____
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)	\$ _____
Other state/government mandated reserve	\$ _____
[Other Reserved Fund Balance not noted above]****	\$ _____
 Total Other Restricted Fund Balance	 \$ 77,329.85 (C4)



GERARD STANKIEWICZ, CPA, PSA #912

Date: March 7, 2024

LAKEHURST SCHOOL DISTRICT
COUNTY OF OCEAN, NEW JERSEY

NET CASH RESOURCE SCHEDULE

Net Cash Resources Did Exceed Three Months of Expenditures
Proprietary Funds - Food Service
FYE 2023

<u>Net Cash Resources:</u>		Food Service B - 4/5	
ACFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ (13,140)
B-4		Due from Other Gov'ts	635
B-4		Accounts Receivable	12,505
B-4		Investments	
ACFR		Current Liabilities	
B-4		Less Accounts Payable	
B-4		Less Accruals	-
B-4		Less Due to Other Funds	
B-4		Less Deferred Revenue	-
		Net Cash Resources	\$ - (A)
 <u>Net Adj. Total Operating Expense:</u>			
B-5		Total Operating Expense	216,884
B-5		Less Depreciation	
		Adj. Total Operating Expense	\$ 216,884 (B)
 <u>Average Monthly Operating Expense:</u>			
		B / 10	\$ 21,688 (C)
 <u>Three Times Monthly Average:</u>			
		3 X C	\$ 65,065 (D)

TOTAL IN BOX A	\$	-	
LESS TOTAL IN BOX D	\$	65,065	
NET	\$	<u>(65,065)</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.

SOURCE - USDA resource management comprehensive review form

BOARD OF EDUCATION
LAKEHURST SCHOOL DISTRICT

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2023

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None.

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

There were no prior year audit findings/recommendations.