

**LIVINGSTON TOWNSHIP SCHOOL DISTRICT  
LIVINGSTON, NEW JERSEY**

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

**JUNE 30, 2023**

## TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report .....	1
Scope of Audit.....	2
Administrative Practices and Procedures	
Insurance .....	2
Official Bonds.....	2
Tuition Charges.....	2
Financial Planning, Accounting and Reporting	
Examination of Claims .....	2
Payroll Account and Position Control Roster .....	3
Reserve for Encumbrances and Accounts Payable.....	3
Classification of Expenditures.....	3
• General Classifications	
• Administrative Classifications	
Board Secretary's Records .....	3
Treasurer's Records.....	3
Elementary and Secondary Education Act as amended by the Every Student Succeeds Act (ESSA) .....	4
Other Special Federal and/or State Projects.....	4
T.P.A.F. Reimbursement .....	4
T.P.A.F. Reimbursement to the State for Federal Salary Expenditures.....	4
Non-Public State Aid.....	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids.....	5
School Food Service.....	5
Student Body Activities .....	6
Application for State School Aid (ASSA).....	6
Pupil Transportation.....	6
Facilities and Capital Assets .....	6
Miscellaneous .....	6
Follow-up on Prior Year Findings.....	7
Acknowledgment.....	7
Schedule of Audited Enrollments.....	8
Excess Surplus Calculation .....	11
Audit Recommendations Summary .....	14



## INDEPENDENT AUDITORS' REPORT

Honorable President and Members  
of the Board of Education  
Livingston Township School District  
County of Essex, 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 Board of Education of the Livingston Township School District in the County of Essex as of and for the year ended June 30, 2023, and have issued our report thereon dated February 9, 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 Livingston Township Board of Education'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*

February 9, 2024  
Cranford, New Jersey

*Scott A. Clelland*

Scott A. Clelland, CPA  
Licensed Public School Accountant  
No. 1049

PKF O'CONNOR DAVIES, LLP  
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | [www.pkfod.com](http://www.pkfod.com)

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

**LIVINGSTON TOWNSHIP SCHOOL DISTRICT**  
**MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS –**  
**FINANCIAL, COMPLIANCE AND PERFORMANCE**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Manager of Accounting and Finance, the activities of the Board of Education and the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

Insurance

Fire insurance coverage was carried in the amounts as detailed on 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)

Name	Position	Amount
Dora Zeno	Interim Board Secretary/School Business Administrator	\$ 500,000
Tatiana Gilbert	Assistant Business Administrator	\$ 10,000

There is a Public Employees’ Faithful Performance Blanket Position Bond with the General Property and Casualty Co. covering all other employees with multiple coverage of \$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 (decrease) in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*, which is performed as part of the District’s annual budget process. No exceptions were noted.

**Financial Planning, Accounting and Reporting**

Examination of Claims

An examination of claims paid during the period did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

## LIVINGSTON TOWNSHIP SCHOOL DISTRICT

### MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE

#### Payroll Account and Position Control Roster

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 tested 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 benefits withholding due to the general fund.

Payrolls were delivered to the secretary of the board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

Our review of the payroll accounts did not reveal any exceptions.

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

#### 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 noted.

#### 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, we also selected a sample of 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% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

#### Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary did not identify any exceptions.

#### Treasurer's Records (optional position)

Our review of the financial and accounting records maintained by the Manager of Accounting and Finance disclosed no exceptions.

## LIVINGSTON TOWNSHIP SCHOOL DISTRICT

### MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE

#### 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, II, III and IV of the Elementary and Secondary Education Act as amended and reauthorized.

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 special projects indicated no instances of noncompliance that are required to be reported in accordance with the Uniform Guidance or State OMB 15-08.

#### 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 amount of the expenditure charged to the current year's Final Report 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 and no exceptions were noted.

#### Nonpublic State Aid

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

## LIVINGSTON TOWNSHIP SCHOOL DISTRICT

### MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE

#### 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:39-3(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 transportation contracts under *N.J.S.A. 18A:39-3* is \$20,200 for 2022-23.

The District 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, I did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, in excess of 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*. No exceptions were identified.

#### School Food Service

The District does not participate in the federal or state Child Nutrition Program.

SFA's 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 SFA's 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.

Exhibits reflecting the food service enterprise fund are included in the B-4 through B-6 section of the ACFR.

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.

# LIVINGSTON TOWNSHIP SCHOOL DISTRICT

## MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE

### **Student Body Activities**

Our audit procedures included a test of items selected from cash receipts and cash disbursements for the student activity funds for various District schools. No exceptions were noted.

### **Application for State School Aid (ASSA)**

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 without exception. The information that was included on the work papers 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 has adequate written procedures 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 Students (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 on a test check basis 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, where applicable. 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 agreements for consistency with recording NJSDA revenue, transfers of local funds from the general fund or from the capital reserve account, and awarding contracts for eligible facilities construction. No exceptions were noted.

### **Miscellaneous**

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

The school 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.

## LIVINGSTON TOWNSHIP SCHOOL DISTRICT

### MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE

The school district submitted the annual Statement of Assurance to the Department of Education, pursuant to *N.J.A.C. 6A:26-12.4(g)*.

#### Other Suggestions to Management

During the year, we noted that certain reconciliations and monthly close outs were not being performed or reviewed timely. This was the result of turnover in certain positions whose responsibilities impact the monthly close and reconciliation processes. To address the issues, the District contracted with outside consultants who assisted in updating the internal records and performing the necessary reconciliations in order to close out the financial records for the year ended June 30, 2023. Since appropriate corrective action was taken by the Board, we did not include a recommendation.

#### **Follow-up on Prior Year Findings**

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations, including findings. There were no prior year findings.

There were no audit reports issued by the Office of Fiscal Accountability and Compliance (OFAC) 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.

**LIVINGSTON TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 14, 2022**

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

	Application for State School Aid (10/14/22 data)						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 Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools				
Half Day Preschool	14	-	14	-	-	-	14	-	14	-	-	-					
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-					
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-					
Full Day Kindergarten	350	-	350	-	-	-	350	-	350	-	-	-					
One	431	-	431	-	-	-	431	-	431	-	-	-					
Two	379	-	379	-	-	-	379	-	379	-	-	-					
Three	402	-	402	-	-	-	402	-	402	-	-	-					
Four	411	-	411	-	-	-	411	-	411	-	-	-					
Five	420	-	420	-	-	-	420	-	420	-	-	-					
Six	406	-	406	-	-	-	406	-	406	-	-	-					
Seven	422	-	422	-	-	-	422	-	422	-	-	-					
Eight	435	-	435	-	-	-	435	-	435	-	-	-					
Nine	442	-	442	-	-	-	442	-	442	-	-	-					
Ten	429	-	429	-	-	-	429	-	429	-	-	-					
Eleven	419	-	419	-	-	-	419	-	419	-	-	-					
Twelve	417	-	417	-	-	-	417	-	417	-	-	-					
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-					
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-					
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-					
Subtotal	5,377	-	5,377	-	-	-	5,377	-	5,377	-	-	-					
Special Education Elementary	365	-	365	-	-	-	365	-	365	-	-	-	13	11	11	-	
Special Education Middle School	218	-	218	-	-	-	218	-	218	-	-	-	15	13	13	-	
Special Education High School	359	1	359	1	-	-	359	-	359	-	-	-	20	17	17	-	
Subtotal	942	1	942	1	-	-	942	-	942	-	-	-	48	41	41	-	
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
County Vocational - First Post Secondary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	6,319	1	6,319	1	-	-	6,319	-	6,319	-	-	-	48	41	41	-	
Percentage Error					0.0%	0.0%							0.0%	0.0%			0.0%

**LIVINGSTON TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY (continued)**  
**ENROLLMENT AS OF OCTOBER 14, 2022**

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	2	2	-	1	1	-	-	-	-	-	-	-
One	6	6	-	5	5	-	1	1	-	1	1	-
Two	8	8	-	5	5	-	1	1	-	1	1	-
Three	8	8	-	6	6	-	2	2	-	2	2	-
Four	5	5	-	3	3	-	1	1	-	1	1	-
Five	8	8	-	6	6	-	-	-	-	-	-	-
Six	5	5	-	3	3	-	-	-	-	-	-	-
Seven	7	7	-	4	4	-	-	-	-	-	-	-
Eight	7	7	-	5	5	-	1	1	-	1	1	-
Nine	6	6	-	5	5	-	1	1	-	1	1	-
Ten	6	6	-	3	3	-	-	-	-	-	-	-
Eleven	7	7	-	5	5	-	-	-	-	-	-	-
Twelve	8	8	-	5	5	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	83	83	-	56	56	-	7	7	-	7	7	-
Special Education Elementary School	15	15	-	11	11	-	1	-	-	1	1	-
Special Education Middle School	14	14	-	9	9	-	-	-	-	-	-	-
Special Education High School	15	15	-	9	9	-	-	-	-	-	-	-
Subtotal	44	44	-	29	29	-	1	-	-	1	1	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - First Post Secondary	-	-	-	-	-	-	-	-	-	-	-	-
Total	127	127	-	85	85	-	8	7	-	8	8	-
Percentage Error			0.0%			0.0%			0.0%			0.0%

	Transportation						Average mileage - regular including Grade PK students	Reported	Recalculated
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors			
Regular - Public	1,183	1,183	-	187	187	-			
Transported Non-Public	165	165	-	26	26	-			
AIL - Non Public	216	216	-	34	34	-			
Special Education-Public	45	45	-	7	7	-			
Special Education Needs	160	160	-	25	25	-			
Totals	1,768	1,768	-	279	279	-			
Percentage Error			0.0%			0.0%			
Average mileage - regular excluding Grade PK students							3.5	3.5	
Average mileage - special education with special needs							6.5	6.5	

**LIVINGSTON TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**

**ENROLLMENT AS OF OCTOBER 14, 2022**

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

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-
Full Day Preschool	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	50	50	-	30	30	-
One	26	26	-	17	17	-
Two	14	14	-	10	10	-
Three	14	14	-	10	10	-
Four	4	4	-	3	3	-
Five	2	2	-	1	1	-
Six	4	4	-	2	2	-
Seven	7	7	-	4	4	-
Eight	6	6	-	4	4	-
Nine	8	8	-	4	4	-
Ten	4	4	-	3	3	-
Eleven	2	2	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-
Subtotal	141	141	-	88	88	-
Special Education Elementary School	4	4	-	2	2	-
Special Education Middle School	-	-	-	-	-	-
Special Education High School	-	-	-	-	-	-
Subtotal	4	4	-	2	2	-
County Vocational - Regular	-	-	-	-	-	-
County Vocational - First Post Secondary	-	-	-	-	-	-
Total	145	145	-	90	90	-
Percentage Error			0.0%			0.0%

**LIVINGSTON TOWNSHIP SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**June 30, 2023**

**SECTION 1 - Regular District**

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

2022-23 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ <u>156,955,399</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	\$ <u>-</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ <u>-</u> (B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ <u>-</u> (B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ <u>-</u> (B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	\$ <u>30,105,959</u> (B2a)
Assets Acquired Under Capital Leases	\$ <u>2,045,000</u> (B2b)
Adjusted 2022-23 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ <u>124,804,440</u> (B3)
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	\$ <u>2,496,089</u> (B4)
Enter Greater of (B4) or \$250,000	\$ <u>2,496,089</u> (B5)
Increased by: Allowable Adjustment*	\$ <u>1,352,847</u> (K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5) + (K)]	\$ <u>3,848,936</u> (M)

**SECTION 2**

Total General Fund - Fund Balances at 6-30-23 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>22,824,296</u> (C)
Decreased by:	
Year-end Encumbrances - Assigned	\$ <u>672,811</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ <u>-</u> (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>2,899,578</u> (C3)
Other Restricted Fund Balances****	\$ <u>11,530,981</u> (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	\$ <u>1,989,474</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u>5,731,452</u> (U1)

**LIVINGSTON TOWNSHIP SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**June 30, 2023**

**SECTION 3**

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	<u>\$ 1,882,516</u> (E)
--	-------------------------

**Recapitulation of Excess Surplus as of June 30, 2023**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	<u>\$ 2,899,578</u> (C3)
Reserved Excess Surplus *** [(E)]	<u>\$ 1,882,516</u> (E)
 Total [(C3)+(E)]	 <u>\$ 4,782,094</u> (D)

**Detail of Allowable Adjustments**

Impact Aid	<u>\$ -</u> (H)
Sales & Lease-back	<u>\$ -</u> (I)
Extraordinary Aid	<u>\$ 1,285,231</u> (J1)
Additional Nonpublic School Transportation Aid	<u>\$ 67,616</u> (J2)
Current Year School Bus Advertising Revenue Recognized	<u>\$ -</u> (J3)
Family Crisis Transportation Aid	<u>\$ -</u> (J4)
Supplemental Stabilization Aid received in April 2023 & Maintenance of Equity Aid Received July 2023	<u>\$ -</u> (J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	<u>\$ 1,352,847</u> (K)

\*\* This amount represents the June 30, 2022 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

\*\*\* Amount must agree to the June 30, 2023 ACFR and the sum of the two lines must agree to Audit Summary Worksheet 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 any 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.

LIVINGSTON TOWNSHIP SCHOOL DISTRICT

EXCESS SURPLUS CALCULATION

June 30, 2023

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ -
Sale/lease-back reserve	\$ -
Capital reserve	\$ 9,987,624
Maintenance reserve	\$ -
Emergency reserve	\$ 1,000,000
Tuition reserve	\$ -
School Bus Advertising 50% Fuel Offset Reserve-current year	\$ -
School Bus Advertising 50% Fuel Offset Reserve-prior year	\$ -
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ -
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$ -
Unemployment Compensation	\$ 543,357
 [Other Restricted Fund Balance not noted above]****	 \$ -
 Total Other Restricted Fund Balance	 \$ 11,530,981 (C4)

Livingston Township School District

Audit Recommendations Summary

June 30, 2023

We suggest the following:

**Administrative Practices and Procedures**

None

**Financial Planning, Accounting and Reporting**

None

**School Purchasing Programs**

None

**School Food Service**

None

**Student Body Activities**

None

**Application for State School Aid**

None

**Pupil Transportation**

None

**Facilities and Capital Assets**

None

**Miscellaneous**

None

**Status of Prior Year Findings**

There were no prior year findings.