

**BOARD OF EDUCATION  
TOWNSHIP OF MAPLE SHADE  
COUNTY OF BURLINGTON**

**AUDITORS MANAGEMENT REPORT  
ON ADMINISTRATIVE FINDINGS  
- FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

***INVERSO & STEWART, LLC***  
**Marlton, New Jersey**

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

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# ***INVERSO & STEWART, LLC***

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

The Honorable President and  
Members of the Board of Education  
Maple Shade School District  
Maple Shade, New Jersey

I have audited, in accordance with generally accepted audit 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 Maple Shade School District, in the County of Burlington for the year ended June 30, 2023, and have issued my report thereon dated November 30, 2023.

As part of my audit, I 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 of the Maple Shade Board of Education and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

Marlton, New Jersey  
November 30, 2023

**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**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.

**Administrative Practices and Procedures**

**Insurance**

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

**Officials Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael Blake	Board Secretary/School Business Administrator	\$ 110,000.00
Thomas E. Egan, Jr.	Treasurer of School Monies	300,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond with Utica Mutual Insurance Company covering all other employees with multiple coverage of \$500,000.

**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 included all health benefit plans offered by the school 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 proper increases/decreases were made by the Board to be in compliance with N.J.A.C. 6A:23-3.1(f)3.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under audit did not indicate any material noncompliance with respect to signatures, certifications or supporting documentation.

**Payroll Account**

The net salaries of all employees of the District 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, the Board Secretary/Business Administrator, and the Chief School Administrator.

**Payroll Account (Continued)**

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

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

The Payroll Account records were maintained in satisfactory condition.

**Employee Position Control Roster**

No exceptions were noted during my examination of the Employee 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. My review did not indicate any material discrepancies to the classification of orders.

**Obligations of Federal Grant Awards and Requests for Reimbursement of Expenditures against those Federal Grant Awards**

No exceptions were noted during my examination of obligations of federal grant awards and requests for reimbursement of expenditures against those federal grant awards made during the period under audit.

**Travel**

No exceptions were noted in my study of compliance for travel expenses.

**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 my test of transactions of randomly selected expenditure items. I also reviewed the coding of all expenditures included in my compliance and single audit testing procedures. In addition to randomly selecting a test sample, my sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. My review did not indicate any material discrepancies with respect to classification of expenditures.

**Board Secretary/School Business Administrator's Record**

The financial and accounting records of the Board Secretary/School Business Administrator's office were maintained in satisfactory condition.

**Treasurer's Records**

The financial and accounting records of the Treasurer were maintained in satisfactory condition.

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

The E.S.E.A./ESSA 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, Title II, Title III, and Title IV of the Elementary and Secondary Education Act, as amended by the No Child Left Behind Act.

The study of compliance for E.S.E.A./ESSA did not indicate any exceptions.

**Other Special Federal and/or State Projects**

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the ACFR.

My 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 special projects indicated no areas of noncompliance and/or questionable costs.

**T.P.A.F. Reimbursement**

My 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 Reports for all federal awards for the school district to reimburse the state for the TPAF/FICA payments made by the State on be-half 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**

The study of compliance for nonpublic state aid indicated no areas of noncompliance and/or questionable costs.

**School Purchasing Programs**

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

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 a violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Based on the results of my 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 the statutory thresholds where there had been no advertising of bids in accordance with the provision of N.J.S.A.18A:18A-4

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

**School Food Service**

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, I 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.

### **School Food Service (Continued)**

I 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 Assets (ACFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

Net cash resources did not exceed three months average expenditures.

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

### **Student Body Activities**

The financial records for the Student Activity Fund were maintained in satisfactory condition.

### **Application for State School Aid**

My audit procedures included a test of information reported in the October 15, 2022 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and bilingual. I 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 no exceptions noted. The results of my 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**

My 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 my procedures are presented in the Schedule of Audited Enrollments.

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

### **Facilities and Capital Assets**

Our procedures included a review of the SDA grant agreement for consistency with recording SDA revenue and awarding of contracts for eligible facilities construction.

### **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.

### **Follow-up on Prior Years' Findings**

In accordance with government auditing standards, my procedures included a review of all prior year recommendations. There were no prior year findings.

**Office of Fiscal Accountability and Compliance (OFAC) Findings**

There were no Office of Fiscal Accountability and Compliance (OFAC) audit reports issued during the fiscal year ended June 30, 2023.

**Acknowledgment**

I received the complete cooperation of all the officials of the Maple Shade School District, and I greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

***INVERSO & STEWART, LLC***  
Certified Public Accountants



Robert P. Inverso  
Certified Public Accountant  
Public School Accountant No. CS001095

November 30, 2023



**SCHEDULE OF AUDITED ENROLLMENTS**

**Maple Shade Township School District  
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 ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on ASSA 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 PreK-3yr	24		24					24		24						
Half Day PreK-4yr	124		124		-			124		124		-				
Full Day K	189		189		-			189		189		-				
One	173		173		-			173		173		-				
Two	164		164		-			164		164		-				
Three	158		158		-			158		158		-				
Four	136		136		-			136		136		-				
Five	134		134		-			134		134		-				
Six	130		130		-			130		130		-				
Seven	133		133		-			133		133		-				
Eight	141		141		-			141		141		-				
Nine	153		153		-			153		153		-				
Ten	126		126		-			126		126		-				
Eleven	100		100		-			100		100		-				
Twelve	103		103		-			103		103		-				
Subtotal	<u>1,988</u>	<u>-</u>	<u>1,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,988</u>	<u>-</u>	<u>1,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
SpEd Elementary	202		202		-		202		202				1	1	1	-
SpEd Middle School	109		109		-		109		109				4	4	4	-
SpEd High School	109		109		-		109		109				7	7	7	-
Subtotal	<u>420</u>	<u>-</u>	<u>420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>420</u>	<u>-</u>	<u>420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>-</u>
Totals	<u>2,408</u>	<u>-</u>	<u>2,408</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,408</u>	<u>-</u>	<u>2,408</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>-</u>
Percentage Error					<u>0.00%</u>	<u>-</u>						<u>0.00%</u>	<u>-</u>			<u>0.00%</u>

**SCHEDULE OF AUDITED ENROLLMENTS**

**Maple Shade Township School District  
Application for State School Aid Summary  
Enrollment as of October 15, 2022**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on ASSA 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 K	71	71	-	17	17	-	12	12	-	8	8	-
One	77	77	-	19	19	-	18	18	-	12	12	-
Two	74	74	-	18	18	-	17	17	-	12	12	-
Three	66	66	-	16	16	-	10	10	-	7	7	-
Four	74	74	-	18	18	-	11	11	-	7	7	-
Five	62	62	-	15	15	-	6	6	-	4	4	-
Six	61	61	-	15	15	-	9	9	-	6	6	-
Seven	71	71	-	17	17	-	8	8	-	5	5	-
Eight	58	58	-	14	14	-	3	3	-	2	2	-
Nine	74	74	-	18	18	-	7	7	-	5	5	-
Ten	50	50	-	12	12	-	4	4	-	3	3	-
Eleven	36	36	-	9	9	-	3	3	-	2	2	-
Twelve	40	40	-	10	10	-	2	2	-	1	1	-
Subtotal	814	814	-	196	196	-	110	110	-	75	75	-
SpEd Elementary	109	109	-	26	26	-	4	4	-	2	2	-
SpEd Middle School	63	63	-	15	15	-	-	-	-	-	-	-
SpEd High School	68	68	-	16	16	-	1	1	-	1	1	-
Subtotal	240	240	-	58	58	-	5	5	-	3	3	-
Totals	1,054	1,054	-	253	253	-	115	115	-	78	78	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

Transportation								
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors	Reported	Recalculated
Reg. Public School , col. 1	377	377	-	103	103	-		
Reg. Special Education, col. 4	97	97	-	41	41	-	Avg. Mileage - Regular Including Grade PK students	4.3
Transported-Non-Public, col. 3	72	72	-	30	30	-	Avg. Mileage - Regular Excluding Grade PK students	4.4
Special Needs, Col. 6	68	68	-	23	23	-	Avg. Mileage - Special Ed. with Special Needs	4.6
	614	614	-	197	197	-		
Percentage Error			0.00%			0.00%		

**SCHEDULE OF AUDITED ENROLLMENTS**

**Maple Shade Township School District  
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 ASSA 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>
Full Day K	12	12	-	9	9	-
One	12	12	-	9	9	-
Two	6	6	-	5	5	-
Three	9	9	-	7	7	-
Four	1	1	-	1	1	-
Five	9	9	-	7	7	-
Six	6	6	-	5	5	-
Seven	4	4	-	3	3	-
Eight	6	6	-	5	5	-
Nine	4	4	-	3	3	-
Ten	3	3	-	2	2	-
Eleven	1	1	-	1	1	-
Twelve	1	1	-	1	1	-
Subtotal	<u>74</u>	<u>74</u>	<u>-</u>	<u>56</u>	<u>56</u>	<u>-</u>
SpEd Elementary	1	1	-	1	1	-
SpEd Middle School	0	0	-	-	-	-
SpEd High School	<u>0</u>	<u>0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Totals	<u><u>75</u></u>	<u><u>75</u></u>	<u><u>-</u></u>	<u><u>57</u></u>	<u><u>57</u></u>	<u><u>-</u></u>
Percentage Error			<u><u>0.00%</u></u>			<u><u>0.00%</u></u>

**MAPLE SHADE SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**SECTION 1 - Regular Districts**

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

2022-23 Total General Fund Expenditures per the ACFR, Ex C-1	\$ <u>54,954,660</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 PreK-Regular	\$ <u>68,550</u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ _____	(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>(10,114,545)</u>	(B2a)
Assets Acquired Under Capital Leases	\$ <u>(308,353)</u>	(B2b)
Adjusted 2022-23 General Fund Expenditures [(B)+(B1s)+(B2s)]	\$ <u>44,600,312</u>	(B3)
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	\$ <u>892,006</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>892,006</u>	(B5)
Increased by: Allowable Adjustment	\$ <u>243,051</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]		\$ <u><u>1,135,057</u></u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6-30-23 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>9,381,185</u>	(C)
Decreased by:		
Year-end Encumbrances	\$ <u>2,718,730</u>	(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	\$ <u>4,579,580</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>478,148</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u><u>1,604,727</u></u> (U1)

**MAPLE SHADE SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**SECTION 3 - All Districts**

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE ENTER -0- \$ 469,670 (E)

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

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	\$ _____	(C3)
Reserved Excess Surplus [(E)]	\$ <u>469,670</u>	(E)
Total [(C3) + (E)]	\$ <u>469,670</u>	(D)

**Detail of Allowable Adjustments**

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ _____	(I)
Extraordinary Aid	\$ <u>220,587</u>	(J1)
Additional Nonpublic School Transportation Aid	\$ <u>22,464</u>	(J2)
Current Year School Bus Advertising Revenue	\$ _____	(J3)
Family Crisis Transportation Aid	\$ _____	(J4)
Supplemental Stabilization Aid &	\$ _____	(J5)
Maintenance of Equity Aid	\$ _____	(J5)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	\$ <u>243,051</u>	(K)

**Detail of Other Restricted Fund Balance**

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ <u>2,642,776</u>
Maintenance reserve	\$ <u>1,680,481</u>
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 Capital Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserves	\$ _____
Reserve for Unemployment Fund	\$ <u>256,323</u>
Other Restricted Fund Balance not noted above	\$ _____
Total Other Restricted Fund Balance	\$ <u>4,579,580</u> (C4)

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 recommendations.