

**NEPTUNE TOWNSHIP SCHOOL DISTRICT**  
**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS -**  
**FINANCIAL, COMPLIANCE AND PERFORMANCE**  
**JUNE 30, 2023**

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS-  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**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
Elementary and Secondary Education Act as amended by the Every Student Succeeds Act (ESSA).....	4
Other Special Federal and/or State Projects .....	4
TPAF Reimbursement.....	4
Non-Public State Aid .....	N/A
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids.....	5
School Food Service .....	5
Student Body Activities .....	6
Application for State School Aid .....	6
Pupil Transportation .....	6
Testing of Lead of All Drinking Water in Educational Facilities .....	6
Suggestions to Management .....	7
Follow-up on Prior Year's Findings .....	7
Acknowledgment .....	7
Schedule of Audited Enrollments .....	8
Schedule of Meal Count Activity .....	N/A
Schedule of Net Cash Resources .....	N/A
Excess Surplus Calculation.....	11
Audit Recommendations Summary .....	14



## INDEPENDENT AUDITORS' REPORT

**Honorable President and Members  
of the Board of Education  
Neptune Township Board of Education**

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 Neptune Township School District, in the County of Monmouth 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 solely for the information of the Neptune Township Board of Education's management, Board of Education 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

*Robert E. Provost*

Robert Provost, CPA  
Licensed Public School Accountant No. 2486

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.

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
AUDITORS' 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, 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>
Peter J. Leonard	School Business Administrator/Board Secretary	\$ 300,000
Sandra Lampinen	Accountant I	300,000

*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 school district.

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

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The District has an agreement with the sending districts that includes a fixed price per pupil.

**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.

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
AUDITORS' 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 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 premium amounts withheld 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.

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.

No exceptions were noted.

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, 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.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed no exceptions.

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS-  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

Elementary and Secondary Education Act (ESEA) as amended by the Every Student Succeeds Act (ESSA)

The ESEA financial exhibits are contained within the Special Revenue Section of the Annual Comprehensive Financial Report (ACFR). This section of the ACFR documents the financial position pertaining to the projects under Titles I and VI of the Elementary and Secondary School Education Act as amended and reauthorized.

The study of compliance for E.S.E.A indicated no exceptions.

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 areas of noncompliance that are required to be reported in accordance with 2 CFR 200.516(a) or State Circular 15-08.

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 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 applicable 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.

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
AUDITORS' 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: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 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.

Procedures were performed on a test basis, to indicate if 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 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*.

**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.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.

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

We also inquired of 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.

**NEPTUNE TOWNSHIP SCHOOL DISTRICT**  
**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS-**  
**FINANCIAL, COMPLIANCE AND PERFORMANCE**

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.

**Student Body Activities**

During our audit of the student activity funds maintained at the high school and middle school, we noted no exceptions.

**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 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 without exception. 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 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 2022-23 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 with no exceptions.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses or contracted services for pupil transportation were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

**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 for all drinking water in educational facilities. 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)*.



**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS-  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**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 kitchen 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 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.

**SCHEDULE OF AUDITED ENROLLMENTS**

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 14, 2022**

	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 Veri- fication	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	318	-	318	-	-	-	62	-	62	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	192	-	192	-	-	-	43	-	43	-	-	-	-	-	-	-	-
One	180	-	180	-	-	-	33	-	33	-	-	-	-	-	-	-	-
Two	179	-	179	-	-	-	34	-	34	-	-	-	-	-	-	-	-
Three	169	-	169	-	-	-	32	-	32	-	-	-	-	-	-	-	-
Four	172	-	172	-	-	-	52	-	52	-	-	-	-	-	-	-	-
Five	154	-	154	-	-	-	16	-	16	-	-	-	-	-	-	-	-
Six	152	-	152	-	-	-	152	-	152	-	-	-	-	-	-	-	-
Seven	159	-	159	-	-	-	159	-	159	-	-	-	-	-	-	-	-
Eight	179	-	179	-	-	-	179	-	179	-	-	-	-	-	-	-	-
Nine	206	1	206	1	-	-	206	1	206	1	-	-	-	-	-	-	-
Ten	229	-	229	-	-	-	229	-	229	-	-	-	-	-	-	-	-
Eleven	195	21	195	21	-	-	195	21	195	21	-	-	-	-	-	-	-
Twelve	272	15	272	15	-	-	272	15	272	15	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	2,756	37	2,756	37	-	-	1,664	37	1,664	37	-	-	-	-	-	-	-
Special Ed - Elementary	265	-	265	-	-	-	34	-	34	-	-	-	15	7	7	-	-
Special Ed - Middle School	159	-	159	-	-	-	159	-	159	-	-	-	12	10	10	-	-
Special Ed - High School	217	52	217	52	-	-	217	52	217	52	-	-	27	25	25	-	-
Subtotal	641	52	641	52	-	-	410	52	410	52	-	-	54	42	42	-	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,397	89	3,397	89	-	-	2,074	89	2,074	89	-	-	54	42	42	-	-
Percentage Error					0.00%	0.00%					0.00%	0.00%					0.00%

**SCHEDULE OF AUDITED ENROLLMENTS**

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 14, 2022**

	<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	131	131	-	26	26	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	108	108	-	12	12	-	5	5	-	2	2	-
One	91	91	-	15	15	-	8	8	-	3	3	-
Two	97	97	-	18	18	-	12	12	-	9	9	-
Three	93	93	-	19	19	-	11	11	-	9	9	-
Four	105	105	-	30	30	-	14	14	-	15	15	-
Five	94	94	-	18	18	-	6	6	-	3	3	-
Six	77	77	-	17	17	-	8	8	-	3	3	-
Seven	81	81	-	16	16	-	1	1	-	1	1	-
Eight	100	100	-	22	22	-	9	9	-	3	3	-
Nine	91	91	-	18	18	-	4	4	-	1	1	-
Ten	107	107	-	13	13	-	8	8	-	1	1	-
Eleven	83	83	-	11	11	-	3	3	-	1	1	-
Twelve	94	94	-	17	17	-	12	12	-	4	4	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,352	1,352	-	252	252	-	101	101	-	55	55	-
Special Ed - Elementary	173	173	-	12	12	-	5	5	-	4	4	-
Special Ed - Middle	106	106	-	8	8	-	8	8	-	3	3	-
Special Ed - High	141	141	-	7	7	-	4	4	-	2	2	-
Subtotal	420	420	-	27	27	-	17	17	-	9	9	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	1,771	1,771	-	279	279	-	118	118	-	64	64	-
Percentage Error			0.00%			0.00%			0.00%			0.00%

**Transportation**

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors	Reported	Recalculated
	Reg. - Public Schools, col. 1	787	787	-			-	4.0
Reg -SpEd, col. 4	165	165	-			-	4.1	4.1
Transported - Non-Public, col. 2, 3	253	253	-			-	3.8	3.8
Special Ed Spec, col. 6	174	174	-			-		
Totals	1,379	1,379	-	-	-	-		
Percentage Error			0.00%			0.00%		
Reg Avg. (Mileage) = Regular Including Grade PK students (Part A)							4.0	4.0
Reg Avg. (Mileage) = Regular Excluding Grade PK students (Part B)							4.1	4.1
Spec Avg. = Special Ed with Special Needs							3.8	3.8

NEPTUNE TOWNSHIP SCHOOL DISTRICT

**SCHEDULE OF AUDITED ENROLLMENTS**

**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	3	3	-	1	1	-
One	2	2	-	-	-	-
Two	1	1	-	4	4	-
Three	8	8	-	5	5	-
Four	9	9	-	11	11	-
Five	1	1	-	1	1	-
Six	2	2	-	1	1	-
Seven	5	5	-	3	3	-
Eight	3	3	-	1	1	-
Nine	5	5	-	3	3	-
Ten	8	8	-	3	3	-
Eleven	10	10	-	3	3	-
Twelve	22	22	-	14	14	-
Post-Graduate	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-
Adult H.S. (1-14 CR.)	-	-	-	-	-	-
Subtotal	<u>79</u>	<u>79</u>	<u>-</u>	<u>50</u>	<u>50</u>	<u>-</u>
Special Ed - Elementary	3	3	-	3	3	-
Special Ed - Middle	2	2	-	2	2	-
Special Ed - High	8	8	-	4	4	-
Subtotal	<u>13</u>	<u>13</u>	<u>-</u>	<u>9</u>	<u>9</u>	<u>-</u>
Co. Voc. - Regular	-	-	-	-	-	-
Co. Voc. Ft. Post Sec.	-	-	-	-	-	-
Totals	<u>92</u>	<u>92</u>	<u>-</u>	<u>59</u>	<u>59</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**NEPTUNE TOWNSHIP SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2023**

**SECTION 1 - Regular District**

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

2022-23 Total General Fund Expenditures Reported on Exhibit C-1	<u>\$95,000,904</u> (A)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	\$ _____ - (A1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____ - (A1a)
Transfer from General Fund to SRF for PreK-Regular	\$ _____ - (A1a)
Transfer from General Fund to SRF for PreK-Inclusion	<u>\$ 346,425</u> (A1a)
Less: Expenditures Allocated to Restricted Federal Sources as Reported on Exhibit D-2	<u>\$ 1,799,918</u> (A1b)
2022-23 Adjusted General Fund & Other State Expenditures [(A)+(A1a)-(A1b)]	<u>\$93,547,411</u> (A2)
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>\$17,279,945</u> (A3)
Assets Acquired Under Capital Leases:	\$ _____ -
General Fund 10 Assets Acquired Under Capital Leases Reported on Exhibit C-1a	<u>\$ _____ -</u> (A4)
Add:	
General Fund and State Resources Portion of Fund 15 Assets Acquired Under Capital Leases:	\$ _____ -
Assets Acquired Under Capital Leases in Fund 15 Reported on Exhibit C-1a	<u>\$ _____ -</u> (A5)
Combined General Fund Contribution and State Resources Percent of Fund 15 Resources Reported on Exhibit D-2	<u>95.80%</u> (A6)
General Fund and State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5) * (A6)]	<u>\$ _____ -</u> (A7)
Total Assets Acquired Under Capital Leases [(A4) + (A7)]	<u>\$ _____ -</u> (A8)
2022-23 General Fund Expenditures [(A2)-(A3)-(A8)]	<u>\$76,267,466</u> (A9)
2 percent of Adjusted 2022-23 General Fund Expenditures [(A9) times .02]	<u>\$ 1,525,349</u> (A10)
Enter Greater of (A10) or \$250,000	<u>\$ 1,525,349</u> (A11)
Increased by: Allowable Adjustment*	<u>\$ 4,049,485</u> (K)
Maximum Unassigned Fund Balance [(A11) + (K)]	<u>\$ 5,574,834</u> (M)

**NEPTUNE TOWNSHIP SCHOOL DISTRICT**

**EXCESS SURPLUS CALCULATION**

**JUNE 30, 2023**

**SECTION 2**

Total General Fund – Fund Balances at June 30, 2023 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>19,613,013</u> (C)
Decreased by:	
Assigned Year-end Encumbrances	\$ <u>223,758</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____ - (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>6,252,897</u> (C3)
Other Restricted Fund Balances****	\$ <u>4,317,257</u> (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	\$ <u>2,846,039</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u>5,973,062</u> (U)

**SECTION 3**

Restricted Fund Balance - Excess Surplus *** [(U)-(M)] IF NEGATIVE ENTER -0-	\$ <u>398,228</u> (E)
---	-----------------------

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

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>6,252,897</u> (C3)
Restricted Excess Surplus *** [(E)]	\$ <u>398,228</u> (E)
Total [(C3)+(E)]	\$ <u>6,651,125</u> (D)

**Detail of Allowable Adjustments**

Impact Aid	\$ _____ - (H)
Sales & Lease-back	\$ _____ - (I)
Extraordinary Aid	\$ <u>369,758</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>42,432</u> (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	\$ <u>3,637,295</u> (J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	\$ <u>4,049,485</u> (K)

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

\*\*\* The amount entered must agree with the June 30, 2023 ACFR and Audit Summary Worksheet Line 90030.

\*\*\*\* Amount for Other Restricted Fund Balance 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 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.

NEPTUNE 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 (N-1)	\$ 2,095,189
Maintenance Reserve (N-2)	\$ 895,000
Tuition Reserve (N-3)	\$ -
Emergency Reserve (N-4)	\$ -
School Bus Advertising 50% Fuel Offset Reserve - Current Year (N-5)	\$ -
School Bus Advertising 50% Fuel Offset Reserve - Prior Year (N-6)	\$ -
Impact Aid General Fund Reserve (Sections 8002 and 8003) (N-7)	\$ -
Impact Aid Capital Fund Reserve (Sections 8007 and 8008) (N-8)	\$ -
Other state/government mandated reserve	\$ -
Reserve for Unemployment Fund (N9)	\$ 1,327,068
Other Restricted Fund Balance Not Noted Above****	\$ -
Total Other Restricted Fund Balance	\$ 4,317,257 (C4)

**NEPTUNE TOWNSHIP SCHOOL DISTRICT  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS-  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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**

Corrective action had been taken on all prior year findings.