

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
COUNTY OF SOMERSET  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
COUNTY OF SOMERSET  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
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November 17, 2023

The Honorable President and Members  
of the Board of Education  
North Plainfield Borough School District  
County of Somerset, NJ

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 financial statements of the Board of Education of the North Plainfield Borough School District in the County of Somerset for the fiscal year ended June 30, 2023, and have issued our report thereon dated November 17, 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 letter does not affect our report dated November 17, 2023, on the financial statements of the Board.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendation and suggestions.

This report is intended for the information of the North Plainfield Borough School District's Board of Education, management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

*Nisivoccia, LLP*  
NISIVOCCIA LLP

*Kathryn L. Mantell*  
\_\_\_\_\_  
Kathryn L. Mantell  
Licensed Public School Accountant #884  
Certified Public Accountant

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023

Scope of Audit

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

Administrative Practices and Procedures

Insurance

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Eileen Rogalski	Treasurer of School Monies	\$ 350,000
Pamela Graziano	Business Administrator/Board Secretary	400,000

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23A-3.1(f)3.

P.L. 2020, Chapter 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 under 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 District's data certification was completed by the Superintendent, and the District's Chapter 44 data was submitted relatively timely.

The original data submission did not require significant revision due to errors or omissions on the part of the District.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

The net salaries of 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.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Payroll Account and Position Control Roster (Cont'd)

All payrolls tested were approved by the Superintendent and certified by the President of the Board and the School Business Administrator, and the Superintendent.

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

The required certification (E-Cert1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrator) to the New Jersey Department of Treasury was filed by the March 15 due date.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

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. In addition to randomly selecting a test sample, we also reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

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

The E.S.E.A. financial exhibits are contained herein within the Special Revenue Section of the District's ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, Title II, Title III, and Title IV of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for the E.S.E.A. did not indicate any area of noncompliance.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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.

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.

Preschool Education Aid

The State of New Jersey Department of Education (DOE) requires approval of transfer of funds within approved Preschool Education Aid (PEA) planning budgets by May 31 of the budget year. Revisions/transfers requiring approval are those that include the elimination of funding allocated to a line, any transfer from Instruction to Support Services, and any transfer into Facilities Acquisition and Construction Services (from either Instruction or Support Services). These revisions/transfers require prior DOE written approval. The chief school administrator or the school business administrator must complete and sign the transfer notification form and submit the form to the executive county superintendent for approval.

Finding 2023-001:

During our review of the Preschool Education Aid budget, it was found that revisions and transfers were made as there was an elimination of funding allocated to a line and transfers from Instruction to Support Services. These revisions and transfers were done without prior executive county superintendent approval or DOE written approval.

Recommendation:

It is recommended that the District obtain prior approval of revisions and transfers within approved Preschool Education Aid planning budgets as required by the NJ Department of Education.

Management's Response:

Administration will ensure that prior approval of revisions and transfers within the approved Preschool Education Aid planning budgets are obtained as required by the NJ Department of Education.

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 T.P.A.F. Reimbursement to the State for Federal Salary Expenditures form was remitted to the State of New Jersey prior to the required deadline of October 1, 2023. The reimbursement form was reviewed, and no exceptions were noted.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Commencing in the fifth year after the year in which P.L.1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made . . ."

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law . . ."

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

Inasmuch as the system of records did not 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. General compliance was noted.

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.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

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.

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, we inquired of school management, or the 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 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.

Non-program foods were purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the ACFR Schedule B-5 does separate program and non-program revenue and program and nonprogram cost of goods sold.

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 if the FSMC received a PPP loan.

Finding 2023-002:

Net cash resources of the Food Service Fund exceeded three months' average expenditures by \$562,006 as of June 30, 2023. However, as the District is in the process of resolving this excess, a formal recommendation is not deemed necessary at this time.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Student Activities records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.



NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Application for State School Aid

Our 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 disabled, low income, and bilingual students. 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 with minor exceptions. The information that was included on the workpapers was verified on a test basis with minor errors. 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's written procedures appear to be adequate for the recording of student enrollment data.

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 without error. The results of our procedures are presented in the Schedule of Audited Enrollments.

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 complied with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

There were no School Development Authority Projects for the fiscal year ended June 30, 2023.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Based on our testing of these regulations, general compliance was noted.

Testing for Lead of All Drinking Water in Education Facilities

The District did submit the annual Statement of Assurance to the NJ Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Management Suggestions:

Reconciling Food Service Management Contractor's Operating Statement with District Records

It is suggested that the District reconcile the revenue and expenses per the Food Service Management Contractor's Operating Statement with the District's records on a monthly basis.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

COVID-19 Federal Funding

It is likely that the District will undergo some review of its COVID-19 federal funding if only at a desk review level by state and/or federal agencies. We strongly suggest that the District ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the District ensures that these funds are accounted for in the state account numbers designated by the NJ Department of Education and that any applicable Board policies are current with respect to federal grant requirements.

Status of Prior Year Findings/Recommendations

There were no prior year recommendations.

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2022

	2023-2024 Application for State School Aid						Sample for Verification						
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		
	A.S.S.A.		Workpapers		On Roll		Selected from		Registers		Registers		
Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool 4 Years Old	49		49				49			49			
Half Day Kindergarten													
Full Day Kindergarten	216		216				216			216			
Grade One	211		211				211			211			
Grade Two	227		227				227			227			
Grade Three	202		202				202			202			
Grade Four	205		205				205			205			
Grade Five	205		205				205			205			
Grade Six	240		240				240			240			
Grade Seven	185		185				185			185			
Grade Eight	220		220				220			220			
Grade Nine	228	6	228	6			228	6		228	6		
Grade Ten	238	2	238	2			238	2		238	2		
Grade Eleven	234	2	234	2			234	2		234	2		
Grade Twelve	257		257				257			257			
Subtotal	2,917	10	2,917	10			2,917	10		2,917	10		
Special Ed - Elementary	205		205				9			9			
Special Ed - Middle School	128		128				6			6			
Special Ed - High School	241	1	241	1			10			10			
Subtotal	574	1	574	1			25			25			
Totals	3,491	11	3,491	11			2,942.0	10		2,942	10		-0-
Percentage Error													0.00%

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2022

	Private Schools for Disabled				Resident Low Income					
	Reported on A.S.A. as Private Schools	Reported on Workpapers as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Sample Verified to Application and Register	Sample Errors
Full Day Kindergarten										
Grade One						152	152	2	2	
Grade Two						156	156	2	2	
Grade Three						164	162	2	1	1
Grade Four						141	141	1	1	
Grade Five						153	152	2	2	
Grade Six						155	154	2	2	
Grade Seven						186	186	2	2	
Grade Eight						126	125	1	1	
Grade Nine						143	143	1	1	1
Grade Ten						153	153	2	2	
Grade Eleven						147	147	1	1	
Grade Twelve						144	144	1	1	
Subtotal						1,964	1,959	20	18	2
Special Ed:										
Elementary	7	7	1	1		166	166	2	2	
Middle	4	4	1	1		100	100	1	1	1
Special Ed - High School	14	14	1	1		156	156	2	1	1
Subtotal	25	25	3	3		422	422	5	3	2
Totals	25	25	3	3	- 0 -	2,386	2,381	25	21	4
Percentage Error					0.00%			-0.21%		16.00%

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2022

	Resident LEP Low Income					
	Reported on A.S.A. as LEP Low Income	Reported on Workpapers LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Full Day Kindergarten						
Grade One	84	84		2	2	
Grade Two	83	83		2	2	
Grade Three	81	81		2	2	
Grade Four	63	63		2	1	(1)
Grade Five	61	61		2	2	
Grade Six	50	50		2	2	
Grade Seven	42	42		2	2	
Grade Eight	33	32	(1)	1	1	
Grade Nine	38	38		2	2	
Grade Ten	35	35		1	1	
Grade Eleven	28	28		1	1	
Grade Twelve	40	40		2	2	
Subtotal	32	32		1	1	
	<u>670</u>	<u>669</u>	<u>(1)</u>	<u>22</u>	<u>21</u>	<u>(1)</u>
Special Ed - Elementary	44	44		2	2	
Special Ed - Middle School	15	15		1	1	
Special Ed - High School	2	2				
Subtotal	61	61		3	3	
Totals	<u>731</u>	<u>730</u>	<u>(1)</u>	<u>25</u>	<u>24</u>	<u>(1)</u>
Percentage Error			<u>-0.14%</u>			<u>-4.00%</u>

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2022

	Resident LEP Not Low Income					
	Reported on A.S.A. as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Full Day Kindergarten	18	18		2	2	
Grade One	16	16		2	2	
Grade Two	16	16		1	1	
Grade Three	12	12		1	1	
Grade Four	17	17		2	2	
Grade Five	11	11		1	1	
Grade Six	6	6		1	1	
Grade Seven	6	6		1	1	
Grade Eight	7	7		1	1	
Grade Nine	20	20		2	2	
Grade Ten	15	15		1	1	
Grade Eleven	24	24		2	2	
Grade Twelve	21	21		2	2	
Subtotal	189	189		19	19	
Special Education:						
Elementary	6	6				
Special Ed - Middle School	1	1				
Special Ed - High School	2	1	(1)			
Subtotal	9	8	(1)			
Totals	198	197	(1)	19	19	- 0 -
Percentage Error			-0.51%			0.00%

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2022

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	36	36		3	3	
Regular - Special Education	36	36		4	4	
AIL - Non Public	129	129		10	10	
Special Needs (Public)	46	46		5	5	
Special Needs (Private)	26	26		3	3	
Totals	272	272	- 0 -	25	25	- 0 -
Percentage Error			0.00%			0.00%

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	5.2	5.2
Average Mileage - Regular Excluding Grade PK Students	8.5	5.2
Average Mileage - Special Education with Special Needs	8.9	8.9

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2023

**REGULAR DISTRICT**

**SECTION 1**

**2% Calculation of Excess Surplus**

2022-2023 Total General Fund Expenditures per the ACFR, Ex. C-1	<u>\$ 91,637,114</u> (B)	
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u> (B1a)	
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ -0-</u> (B1b)	
Transfer from General Fund to SRF for Pre-K Inclusion	<u>\$ 225,180</u> (B1c)	
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>\$ 15,964,586</u> (B2a)	
Assets Acquired Under Financed Purchases, Leases & SBITAs	<u>\$ -0-</u> (B2b)	
Adjusted 2022-2023 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 75,897,708</u> (B3)	
2% of Adjusted 2022-2023 General Fund Expenditures [(B3) times .02]	<u>\$ 1,517,954</u> (B4)	
Enter Greater of (B4) or \$250,000	<u>\$ 1,517,954</u> (B5)	
Increased by: Allowable Adjustments	<u>\$ 542,305</u> (K)	
Maximum Unassigned Fund Balance [(B5)+(K)]		<u>\$ 2,060,259</u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6/30/2023 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 18,235,034</u> (C)	
Decreased by:		
Year-End Encumbrances	<u>\$ 4,602,774</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)	
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 1,000,000</u> (C3)	
Other Restricted Fund Balance	<u>\$ 9,822,001</u> (C4)	
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>\$ 2,810,259</u> (U1)



NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
EXCESS SURPLUS CALCULATION  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

**SECTION 3**

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 750,000 (E)

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

Excess Surplus - Designated for Subsequent Year's Expenditures \$ 1,000,000 (C3)

Excess Surplus [(E)] \$ 750,000 (E)

Total [(C3)+(E)] \$ 1,750,000 (D)

**Detail of Allowable Adjustments**

Impact Aid \$ -0- (H)

Sale & Lease-back \$ -0- (I)

Extraordinary Aid \$ 502,057 (J1)

Additional Nonpublic School Transportation Aid \$ 40,248 (J2)

Current Year School Bus Advertising Revenue Recognized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Supplemental Stabilization Aid Received April 2023  
& Maintenance of Equity Aid Received July 2023 \$ -0- (J5)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)] \$ 542,305 (K)

**Detail of Other Restricted Fund Balances**

Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Capital Outlay for a District with a Capital Outlay SGLA \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$ 9,420,165

Waiver Offset Reserve \$ -0-

Emergency Reserve \$ -0-

Maintenance Reserve \$ 104,506

Tuition Reserve \$ -0-

Unemployment Compensation \$ 297,330

Other State/Government Mandated Reserve \$ -0-

Other Restricted Fund Balance Not Noted Above \$ -0-

Total Other Restricted Fund Balances \$ 9,822,001 (C4)

NORTH PLAINFIELD BOROUGH SCHOOL DISTRICT  
SUMMARY OF RECOMMENDATIONS  
FISCAL YEAR ENDED JUNE 30, 2023

It is recommended that:

1. Administrative Practices and Procedures  
None
2. Financial Planning, Accounting and Reporting  
2023-001: The District obtain prior approval of revisions and transfers within approved Preschool Education Aid planning budgets as required by the NJ Department of Education.
3. School Purchasing Program  
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. Status of Prior Year's Findings/Recommendations  
There were no prior year recommendations.