

**RIDGEWOOD BOARD OF EDUCATION  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2023**

**RIDGEWOOD BOARD OF EDUCATION  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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## AUDITOR'S MANAGEMENT REPORT

Honorable President and Members  
of the Board of Education  
Ridgewood Board of Education  
Ridgewood, New Jersey

We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Ridgewood Board of Education as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 15, 2023.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey 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 and use of management, the Board of Trustees, management, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants

Andrew D. Parente  
Public School Accountant  
PSA Number CS00224600

Fair Lawn, New Jersey  
December 15, 2023

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE 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 Monies, 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**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's Annual Comprehensive Financial Report (the "ACFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Scott Bisig	School Business Administrator/Board Secretary (7/2022-2/2023)	\$500,000
Kathryn Davenport	Interim School Business Administrator/Board Secretary (3/2023-6/2023)	
Mr. Angelo DeSimone	Treasurer of School Monies	\$500,000

There is public employee dishonesty coverage on all other employees, including faithful performance for elected officials, in the amount of \$100,000 per employee and \$500,000 per loss.

**P.L. 2020, c44**

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 of 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.

**Financial Planning, Accounting and Reporting**

**Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made.

**Examination of Claims**

An examination of claims paid during the period under review did not indicate any material discrepancies with respect to signatures and certifications.

**Payroll Account**

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

Salary withholdings were remitted to the proper agencies, including health benefit withholdings due to the General Fund.

The District maintains a personnel tracking and accounting (Position Control) system.

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Financial Planning, Accounting and Reporting (Continued)**

Payroll Account (Continued)

The required certification (E-CERTI) of compliance with requirements of income tax on compensation of District Administration was filed with the NJ Department of Treasury by the due date.

**Finding 2023-1** – A detailed payroll deduction ledger was not maintained by the District.

**Recommendation** – A detailed payroll deduction ledger by deduction type be implemented and maintained by the District.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30. 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.

Travel

The District has an approved board travel policy as required by N.J.A.C. 6A:23A-6-13 and N.J.S.A. 18A:11-12. No exceptions were noted pertaining to travel expenses tested.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in good condition.

The prescribed contractual order system was followed.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

The Board Secretary's and Treasurer's reports were presented monthly to the board and were submitted to the executive county superintendent as prescribed (N.J.S.A. 18A:17-9 and 18A:17-36).

**Finding 2023-2 (ACFR Finding 2023-001)** – Our audit revealed that taxes levied and appropriations budgeted in the Debt Service Fund included principal and interest for ESIP bonds which are appropriated and paid from the General Fund.

**Recommendation** – The Debt Service Fund budget include only appropriations for principal and interest for the District's long term debt related to the 2011 and 2016 refunding bonds.

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Financial Planning, Accounting and Reporting (Continued)**

Treasurer's Records

The Treasurer did perform cash reconciliations for all District bank accounts.

All cash receipts were promptly deposited.

The Treasurer's records were in agreement with the Board Secretary.

Unemployment Compensation Insurance

The Board has adopted the direct reimbursement method. The financial transactions of this fund are reported in the General Fund.

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 projects under Title I, II and III of the Elementary and Secondary Education Act, as amended.

I.D.E.A. Part B

Separate accounting records were maintained for each approved project.

Grant application approvals and acceptance of grant funds were made by Board resolution.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibits K-3 and 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.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Report 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 Offices of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Nonpublic State Aid

Project completion reports were finalized and transmitted to the Department by the due date.

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**School Purchasing Programs**

**Contracts and Agreements Requiring Advertisement for Bids**

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-3 and 18A:39-3 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 currently \$20,200. The School Business Administrator/Board Secretary is a Qualified Purchasing Agent and the bid threshold has been approved by resolution at \$44,000.

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 Board 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.

The results of our examination did not indicate that 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. 18A:18A-4, as amended.

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

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal that purchases were made through the use of state contracts.

**Finding 2023-3 (ACFR Finding 2023-002)** – Our audit of purchases related to compliance with the Public Contract Law revealed the following:

- Contracts/purchases in excess of the bid threshold were not approved in the minutes.
- Vendor paid in excess of the bid threshold was not formally bid or approved by state or cooperative purchasing agreement.
- Supporting detail for purchases made in accordance with State and cooperative purchasing contracts was not available.
- Proof of advertisement was not available for certain contract awards.
- Political Disclosure Forms were not available for certain vendors.

**Recommendation** – It is recommended that with respect to school purchasing:

- a) Contracts/purchases in excess of the bid threshold be approved in the board minutes.
- b) Where required, vendors paid in excess of the bid threshold be formally bid or awarded through an approved state contract or cooperative purchasing agreement.
- c) Amounts paid through State contract and cooperative purchasing agreements be verified to State contract and cooperative purchasing documentation.
- d) Professional service contract awards be advertised and Political Disclosures Forms be obtained and available for audit.

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**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.

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 free and reduced price meal eligible students during the emergency.

The District did not participate in the National School Lunch program.

The financial transactions and records of the school food services were maintained in satisfactory condition. The financial accounts and records were reviewed on a test-check basis.

The district utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18a:17-34, and 19-1 through 19.4.1. Provisions of the FSMC contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return profit to the District.

Cash receipts and bank records were reviewed for timely deposits.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds.

The District has contracted with Pomptonian Food Services, Inc. to operate its school food service program.

**Other Enterprise Funds**

**Infant/Toddler Development Program**

The financial transactions of the Infant/Toddler Development Program was maintained as an Enterprise Fund. The financial accounts and records were reviewed on a test-check basis.

**Technology Initiative and Photography Lab Fee**

The financial transactions of the Technology Initiative and Photography Lab Fee Programs were maintained as Enterprise Funds. The financial accounts and records were reviewed on a test-check basis.

Cash receipt records and bank records were reviewed for timely deposits and proper fee charges.

Cash disbursement records had supporting documentation and reflected program related expenses.

**Community School**

The Financial transactions of the Community School program were maintained in the General Fund. The financial accounts and records were reviewed on a test-check basis.



**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Student Body Activities/Athletics**

The Board has a policy which clearly establishes the regulation of student activity funds.

Cash receipts and cash disbursements records were maintained in fair condition.

All cash disbursements had proper supporting documentation.

**Finding 2023-4** – Our audit of the student activity accounts revealed the following:

**Hawes, Somerville, George Washington, Travell**

- Bank reconciliations included prior year reconciling items.

**Athletic Account**

- There is a deficit cash balance of \$5,443 at June 30, 2023.
- Bank reconciliation included numerous prior year reconciling items.
- Prenumbered receipts were not utilized.

**Recommendation** – Continued efforts be made in the student body activity accounts to properly record and account for all related transactions.

**Finding 2023-5** Our audit revealed that fees charged to students for extracurricular services were not formally approved by the Board.

**Recommendation** – All fees charged to students for extra curricula services be formally approved by the Board.

**Finding 2023-6** – Our audit revealed three (3) checks issued that were made payable to “cash”.

**Recommendation** – Issuance of checks made payable to cash be reviewed and discontinued.

**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, on-roll low-income and Limited English Proficient. 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 no exceptions. The information on the District workpapers was verified with immaterial exceptions noted. 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**

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 with no exceptions. 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 testing, the District did comply with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Facilities and Capital Assets**

There was no School Development Authority financial transactions in the fiscal year ended June 30, 2023.

**Finding 2023-7** – Our audit revealed that the capital asset inventory report was not updated to reflect certain asset deletions as approved in the District minutes. In addition copiers removed from the District inventory in prior years continue to be included in the inventory report.

**Recommendation** – Capital asset inventory report be reviewed and any assets no longer in service be deleted from the capital asset inventory.

**Testing for Lead of all Drinking Water in Educational Facilities**

The school district adhered to requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing of lead of 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).

**Follow-up on Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations.

**Suggestions to Management**

- The District complete an annual calculation of the Community School fees and expenses (including indirect costs) to determine if any year end community school fund balance should be restricted.

**RIDGEWOOD BOARD OF EDUCATION  
FOOD SERVICE FUND  
SCHEDULE OF MEAL COUNT ACTIVITY  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOT APPLICABLE**

**FOOD SERVICE FUND  
SCHEDULE OF NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOT APPLICABLE**

**RIDGEWOOD BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2022  
SCHEDULE OF AUDITED ENROLLMENTS**

	2023 - 2024 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 Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Full Day Pre-School 3yr																	
Full Day Pre-School 4yr	64		64		-	-	64		64		-	-					-
Full Day Pre-School 5yr																	
Full Day Kindergarten																	
One	323		323		-	-	52		52		-	-					-
Two	357		357		-	-	84		84		-	-					-
Three	354		354		-	-	46		46		-	-					-
Four	370		370		-	-	55		55		-	-					-
Five	366		366		-	-	56		56		-	-					-
Six	364		364		-	-	58		58		-	-					-
Seven	367		367		-	-	184		184		-	-					-
Eight	384		384		-	-	183		183		-	-					-
Nine	391		391		-	-	176		176		-	-					-
Ten	381		381		-	-	381		381		-	-					-
Eleven	396		396		-	-	396		396		-	-					-
Twelve	369		369		-	-	369		369		-	-					-
Post Grad	413		413		-	-	413		413		-	-					-
Adult School (15+cr)																	
Subtotal	4,899	-	4,899	-	-	-	2,517	-	2,517	-	-	-	-	-	-	-	-
Sp. Ed. - Elementary	245		245		-	-	26		26		-	-	12	4	4		-
Sp. Ed. - Middle School	183		183		-	-	19		19		-	-	9	2	2		-
Sp. Ed. - High School	188		188		-	-	20		20		-	-	29	7	7		-
Subtotal	616	-	616	-	-	-	65	-	65	-	-	-	50	13	13		-
Totals	5,515	-	5,515	-	-	-	2,582	-	2,582	-	-	-	50	13	13		-
Percentage Error					0.00%	0.00%					0.00%						0.00%

**RIDGEWOOD BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2022  
SCHEDULE OF AUDITED ENROLLMENTS**

	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 ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Errors
	Full Day Kindergarten	12	12	-	3	2	1.0	5	5	-	1	1
One	5	5	-	2	2	-	2	2	-			-
Two	5	5	-	2	2	-	3	3	-	1	1	-
Three	5	5	-	2	2	-	1	1	-			-
Four	6	6	-	2	2	-			-			-
Five	4	4	-	1	1	-	2	2	-	1	1	-
Six	7	7	-	2	2	-			-			-
Seven	7	7	-	2	2	-			-			-
Eight	9	9	-	2	2	-			-			-
Nine	8	8	-	2	2	-	2	2	-	1	1	-
Ten	5	5	-	2	2	-			-			-
Eleven	6	6	-	2	2	-			-			-
Twelve	5	5	-	2	2	-			-			-
Adult School (15+ credits)			-			-			-			-
Subtotal	84.0	84.0	-	26.0	25.0	1.0	15.0	15.0	-	4.0	4.0	-
Special Ed. - Elementary	26.0	26.0	-	7	7	-	2.0	2.0	-	1.0	1.0	-
Special Ed. - Middle	13.0	13.0	-	4	4	-			-			-
Special Ed. - High	12.0	12.0	-	4	4	-			-			-
Subtotal	51.0	51.0	-	15.0	15.0	-	2.0	2.0	-	1.0	1.0	-
Co.Voc. -Regular												
Co.Voc. Ft. Post Sec.												
Totals	135.0	135.0	-	41.0	40.0	1.0	17.0	17.0	-	5.0	5.0	-
Percentage Error			<u>0.00%</u>			<u>2.44%</u>						<u>0.00%</u>

	Transportation					
	Reported on DRTRS by BOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
	Regular Public Students	406.0	406.0	-	36.0	36.0
Transported Non-Public Students	17.0	17.0	-	2.0	2.0	-
AIL Non-Public	166.0	166.0	-	15.0	14.0	(1.0)
Regular Special Education (w/o needs)	121.0	121.0	-	10.0	8.0	(2.0)
Special Ed Students (w/special needs or out of district)	44.0	44.0	-	4.0	4.0	-
	754.0	754.0	-	67.0	64.0	(3.0)
Percentage Error			<u>0.00%</u>			<u>-4.48%</u>

**RIDGEWOOD BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 15, 2022  
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as LEP Not low Income	Reported on Workpapers as LEP Not low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Kindergarten	3	3	-	1	1	-
One	10	10	-	3	3	-
Two	15	15	-	5	5	-
Three	10	10	-	3	3	-
Four	2	2	-	1	1	-
Five	2	2	-	1	1	-
Six	3	3	-	1	1	-
Seven	7	7	-	2	2	-
Eight	5	5	-	1	1	-
Nine	10	10	-	3	3	-
Ten	8	8	-	2	2	-
Eleven	4	4	-	1	1	-
Twelve	5	5	-	1	1	-
Adult School (15+ credits)			-			-
<b>Subtotal</b>	<b>84.0</b>	<b>84.0</b>	<b>-</b>	<b>25.0</b>	<b>25.0</b>	<b>-</b>
Special Ed. - Elementary	2	2	-	1	1	-
Special Ed. - Middle	1	1	-			-
Special Ed. - High	2	2	-	1	1	-
<b>Subtotal</b>	<b>5.0</b>	<b>5.0</b>	<b>-</b>	<b>2.0</b>	<b>2.0</b>	<b>-</b>
Co.Voc. -Regular						
Co.Voc. Ft. Post Sec.						
<b>Totals</b>	<b>89.0</b>	<b>89.0</b>	<b>-</b>	<b>27.0</b>	<b>27.0</b>	<b>-</b>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**RIDGEWOOD BOARD OF EDUCATION  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SECTION 1A - Four Percent (2%) - Calculation of Excess surplus**

2022-2023 Total General Fund Expenditures per the ACFR	\$ 137,625,196
Decreased by:	
On-Behalf TPAF Pension & Social Security	(26,900,147)
Adjusted 2022-2023 General Fund Expenditures	<u>\$ 110,725,049</u>
2% of Adjusted 2022-2023 General Fund Expenditures	<u>\$ 2,214,501</u>
Enter Greater of 2% of Adjusted 2022-2023 General Fund Expenditures or \$250,000	\$ 2,214,501
Increased by:	
Allowable Adjustments	8,001
Maximum Unassigned Fund Balance	<u>\$ 2,222,502</u>

**SECTION 2**

Total General Fund - Fund Balance at June 30, 2023	\$ 27,310,524
Decreased by:	
Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 2,729,048
Capital Reserve	11,136,363
Capital Reserve - Designated for Subsequent Year's Expenditures	1,877,114
Maintenance Reserve	3,642,646
Maintenance Reserve - Designated for Subsequent Year's Expenditures	1,519,085
Emergency Reserve	500,000
Emergency Reserve - Designated for Subsequent Year's Expenditures	500,000
Unemployment Claims	195,032
Year End Encumbrances	372,062
Designated for Subsequent Year's Expenditures	<u>-</u>
	<u>22,471,350</u>
Total Unassigned Fund Balance	<u>\$ 4,839,174</u>

**SECTION 3**

Restricted Fund Balance - Reserved Excess Surplus	\$ <u>2,616,672</u>
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**Recapitulation of Excess Surplus as of June 30, 2023**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 2,729,048
Reserved Excess Surplus	<u>2,616,672</u>
	<u>\$ 5,345,720</u>

**Detail of Allowable Adjustments**

Extraordinary Aid	
Nonpublic Transportation Aid	\$ 8,001
	<u>\$ 8,001</u>

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**RECOMMENDATIONS**

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. A detailed payroll deduction ledger by deduction type be implemented and maintained by the District.
- \* 2. The Debt Service Fund budget include only appropriations for principal and interest for the District's long term debt related to the 2011 and 2016 refunding bonds.

III. School Purchasing Program

3. It is recommended that with respect to school purchasing:

- \* a) Contracts/purchases in excess of the bid threshold be approved in the board minutes.
- b) Where required, vendors paid in excess of the bid threshold be formally bid or awarded through approved state contract or cooperative purchasing agreement.
- \* c) Amounts paid through State contract and cooperative purchasing agreements be verified to State contract and cooperative purchasing documentation.
- d) Professional service contract awards be advertised and Political Disclosures Forms be obtained and available for audit.

IV. School Food Service

There are none.

V. Infant/Toddler Development Program

There are none.

VI. Technology Initiative and Photography Lab Program

There are none.

VII. Community School Program

There are none.

VIII. Student Body Activities

It is recommended that:

- \* 4. Continued efforts be made in the student body activity accounts to properly record and account for all related transactions.
5. All fees charged to students for extra curricular services be formally approved by the Board.
6. Issuance of checks made payable to cash be reviewed and discontinued.



**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**RECOMMENDATIONS**

IX. Application for State School Aid

There are none.

X. Pupil Transportation

There are none.

XI. Facilities and Capital Assets

7. It is recommended that capital asset inventory report be reviewed and any assets no longer in service be deleted from the capital asset inventory.

XII. Status of Prior Years' Audit Findings/Recommendations

A review was performed on the prior year's recommendations and corrective action was taken on all except those denoted with an asterisk.

**RIDGEWOOD BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**ACKNOWLEDGEMENT**

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

Respectfully submitted,

LERCH, VINCI & BLISS, LLP



Andrew D. Parente  
Public School Accountant  
PSA Number CS00224600