

SCOTCH PLAINS-FANWOOD
REGIONAL SCHOOL DISTRICT
COUNTY OF UNION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
COUNTY OF UNION
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
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Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ

973.298.8500
nisivoccia.com

Independent Member
BKR International

December 28, 2023

The Honorable President and Members
of the Board of Education
Scotch Plains-Fanwood Regional School District
County of Union, 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 Scotch Plains-Fanwood Regional School District in the County of Union for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 28, 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 December 28, 2023, on the financial statements of the Board.

We will review the status of the comments, if any, during our next audit engagement. We have already discussed any 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 suggestions and recommendation.

This report is intended for the information of the Scotch Plains-Fanwood Regional School District's 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

SCOTCH PLAINS-FANWOOD REGIONAL 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, 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>
Richard M. Barre	Treasurer	\$400,000
Christopher Jones	School Business Administrator/Board Secretary	400,000

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 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 or charter school.

The school district data certification was completed by the chief school administrator, and the District's Chapter 44 data was submitted timely.

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.

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

SCOTCH PLAINS-FANWOOD REGIONAL 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)

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

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

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 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 except as noted herein.

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 except as noted herein.

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.

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

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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.

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 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.

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"

SCOTCH PLAINS-FANWOOD REGIONAL 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-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.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$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 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.

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 District does not participate in the federal Child Nutrition Program.

Exhibits reflecting the Food Service Fund Operations are included in the section entitled "Proprietary Fund", Section G of the ACFR

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

School Food Service

Finding 2023-001:

During our review of the Food Service Fund financials our audit revealed \$34,980 of student accounts receivable at year end. This was due to student lunches being charged on account and not being collected.

Recommendation:

It is recommended that the District review and determine whether the students' food service accounts receivable may be collected or should be canceled.

Management's Response:

The District will work with the FSMC to initiate a procedure to mitigate the students' food service accounts receivable from increasing in future years. Administration will also review all open balances for collection or cancellation in the 2023-24 school year.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities Fund 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.

Application for State School Aid

Our audit procedures included a test of enrollments and related services 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 five exceptions. The information that was included on the workpapers was verified on a test basis with three exceptions. 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 exception. 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. No exceptions were noted in our review of transportation related purchases of goods and services.

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Facilities and Capital Assets

The District did not have any active SDA projects.

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 require the District to establish a maximum travel amount for the year and to account for these expenses within a separate account in the budget to ensure that the maximum is not exceeded. The regulations also require that all travel be approved prior by the Board of Education and Superintendent and that the approval must be itemized by event, event total cost, and individuals attending. Our review of the travel policies and records revealed that the District is in general compliance with the travel regulations.

Testing for Lead of All Drinking Water in Educational 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

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 findings/recommendations.

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
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	
	ASSA		Workpapers				Selected from		Registers		Registers	
	On Roll		On Roll		Full		Workpapers		On Roll		on Roll	
Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	
Half Day Preschool:												
3 Years Old	51		51				51		51			
4 Years Old	69		69				69		69			
Kindergarten:												
Full Day	387		387				387		387			
Grade One	440		440				440		440			
Grade Two	337		337				337		337			
Grade Three	361		361				361		361			
Grade Four	369		369				369		369			
Grade Five	372		372				372		372			
Grade Six	352		352				352		352			
Grade Seven	390		390				390		390			
Grade Eight	386		386				386		386			
Grade Nine	291		291				291		291			
Grade Ten	329	1	329	1			329	1	329	1		
Grade Eleven	326	10	326	10			326	10	326	10		
Grade Twelve	295	9	295	9			295	9	295	9		
Subtotal	4,755	20	4,755	20			4,755	20	4,755	20		
Special Education:												
Elementary School	325		325				10		10			
Middle School	190		190				8		8			
High School	236	15	235	15	1		7	1	7	1		
Subtotal	751	15	750	15	1		25	1	25	1		
Totals	5,506	35	5,505	35	1	- 0 -	4,780	21	4,780	21	- 0 -	- 0 -
Percentage Error					0.02%	0.00%					0.00%	0.00%

Private Schools for Disabled

	Reported			
	on	Sample		
	ASSA as	for	Sample	Sample
	Private	Verifi-	Verified	Errors
Schools	cation			
Special Education:				
Elementary School	5	1	1	
Middle School	18	2	2	
High School	38	2	2	
Subtotals	61	5	5	
Totals	61	5	5	- 0 -
Percentage Error			0.00%	

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022

	Resident 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
Kindergarten:						
Full Day	5	5		1	1	
Grade One	5	5		1	1	
Grade Two	7	7		1	1	
Grade Three	10	10		2	2	
Grade Four	8	7	(1)	2	1	(1)
Grade Five	12	12		3	2	(1)
Grade Six	9	9		2	2	
Grade Seven	15	15		2	1	(1)
Grade Eight	12	12		1	1	
Grade Nine	8	8		1	1	
Grade Ten	15	15		2	2	
Grade Eleven	10.0	10.0		1	1	
Grade Twelve	6	6		1	1	
Subtotal	<u>122.0</u>	<u>121.0</u>	<u>(1)</u>	<u>20</u>	<u>17</u>	<u>(3)</u>
Special Education:						
Elementary School	18	18		2	2	
Middle School	6	7	1	2	2	
High School	21	20	(1)	1	1	
Subtotal	<u>45</u>	<u>45</u>		<u>5</u>	<u>5</u>	
Totals	<u>167</u>	<u>166</u>	<u>(1)</u>	<u>25</u>	<u>22</u>	<u>(3)</u>
Percentage Error			<u>0.60%</u>			<u>12.00%</u>

	Resident LEP Low Income			Sample for Verification		
	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Kindergarten:						
Full Day	1	1				
Grade One	2	2		1	1	
Grade Two				1	1	
Grade Three	4	4		1	1	
Grade Four	2	1	1			
Grade Five	1	1				
Grade Seven				1	1	
Grade Eight	1	1				
Grade Nine	1	1				
Grade Ten	1	1				
Grade Twelve						
Subtotal	<u>13</u>	<u>12</u>	<u>1</u>	<u>4</u>	<u>4</u>	
Special Education:						
Elementary School	2		2			
Middle School	2	2				
High School	1	1				
Subtotal	<u>5</u>	<u>3</u>	<u>2</u>			
Totals	<u>18</u>	<u>15</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>- 0 -</u>
Percentage Error			<u>16.67%</u>			<u>0.00%</u>

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022

	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 Test Scores and Register	Sample Errors
	Kindergarten:					
Full Day	9	9				
Grade One	12	12		1	1	
Grade Two	10	10		1	1	
Grade Three	7	7		1	1	
Grade Four	10	10				
Grade Five	2	2		1	1	
Grade Seven	3	3		1	1	
Grade Eight	4	4				
Grade Ten	4	4				
Grade Twelve	1	1				
Subtotal	<u>68</u>	<u>68</u>	<u>- 0 -</u>	<u>5</u>	<u>5</u>	<u>- 0 -</u>
Special Education:						
Elementary School	5	5				
Middle School	2	2				
Subtotal	<u>7</u>	<u>7</u>				
Totals	<u>75</u>	<u>75</u>	<u>- 0 -</u>	<u>5</u>	<u>5</u>	<u>- 0 -</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>
<u>Transportation</u>						
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	960	960		25	25	
Regular - Special Ed	13	13		9	9	
Transported - Non Public				3	3	
AIL - Non Public	241	241		25	25	
Special Needs - Public	71	71		6	6	
Special Needs - Private	59	59		5	5	
Totals	<u>1,344</u>	<u>1,344</u>	<u>- 0 -</u>	<u>73</u>	<u>73</u>	<u>- 0 -</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>
Average Mileage:				Reported	Re- calculated	
Regular Including Grade PK Students				3.88	3.88	
Regular Excluding Grade PK Students				3.88	3.88	
Special Education with Special Needs				6.59	6.59	

SCOTCH PLAINS-FANWOOD REGIONAL SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2023

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2022-23 Total General Fund Expenditures per the ACFR, Ex. C-1	<u>\$ 124,882,317</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$</u> (B1b)
Transfer from General Fund to SRF for PreK - Regular	<u>\$</u> (B1c)
Transfer from General Fund to SRF for PreK - Inclusion	<u>\$ 17,496</u> (B1d)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 21,944,035</u> (B2a)
Assets Acquired Under Leases and Financed Purchases	<u>\$ 648,000</u> (B2b)
Adjusted 2022-23 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 102,307,778</u> (B3)
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	<u>\$ 2,046,156</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 2,046,156</u> (B5)
Increased by: Allowable Adjustments	<u>\$ 1,324,907</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u>\$ 3,371,063</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2023 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 31,076,907</u> (C)
Decreased by:	
Year-End Encumbrances	<u>\$ 6,931,979</u> (C1)
Legally Restricted:	
Designated for Subsequent Year's Expenditures	<u>\$</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$</u> (C3)
Other Restricted Fund Balances	<u>\$ 16,773,865</u> (C4)
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	<u>\$ 2,000,000</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 5,371,063</u> (U1)

SCOTCH PLAINS-FANWOOD REGIONAL 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- \$ 2,000,000 (E)

Recapitulation of Excess Surplus as of June 30, 2023

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ -0- (C3)

Restricted Excess Surplus [(E)] \$ 2,000,000 (E)

Total Excess Surplus [(C3)+(E)] \$ 2,000,000 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

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

Extraordinary Aid \$ 1,249,715 (J1)

Additional Nonpublic School Transportation Aid \$ 75,192 (J2)

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

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

Supplemental Stabilization Aid (April 2023) and Maintenance Equity Aid (July 2023) \$ -0- (J5)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)] \$ 1,324,907 (K)

Detail of Other Restricted Fund Balances

Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$ 14,507,204

Maintenance Reserve \$ 987,224

Emergency Reserve \$ -0-

Tuition Reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Current Year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - Prior Year \$ -0-

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-

Impact Aid Capital Fund Reserve (Sections 8007 and 8008) \$ -0-

Other State/Government Mandated Reserve \$ -0-

Unemployment Compensation Fund \$ 1,279,437

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

Total Other Restricted Fund Balances \$ 16,773,865 (C4)

SCOTCH PLAINS-FANWOOD REGIONAL 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

None

3. School Purchasing Program

None

4. School Food Service

Finding 2023-001 - the District review and determine whether the students' food service accounts receivable may be collected or should be canceled.

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Travel Expense and Reimbursement Policy

None

10. Status of Prior Year's Findings/Recommendations

There were no prior year findings/recommendations.