

SOUTH HACKENSACK SCHOOL DISTRICT  
COUNTY OF BERGEN  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023

SOUTH HACKENSACK SCHOOL DISTRICT  
COUNTY OF BERGEN  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
TABLE OF CONTENTS

	<u>Page</u>
Cover Letter	1
General Comments:	2
Scope of Audit	2
Administrative Practices and Procedures:	2
Insurance	2
Officials in Office and Surety Bonds	2
P.L. 2020, c.44	2
Tuition Charges	2
Financial Planning, Accounting and Reporting:	2
Examination of Claims	2
Payroll Account	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures - General and Administrative Classifications	3
Board Secretary's Records	3
Treasurer's Records	3
Elementary and Secondary Education Act (E.S.E.A.) as amended by the	
Every Student Succeeds Act	4
Other Special Federal and/or State Projects	4
T.P.A.F. Reimbursement	4
School Purchasing Programs:	5
Contracts and Agreements Requiring Advertisement for Bids	5
School Food Service Fund	6
After School Program	6
Student Body Activities	6
Application for State School Aid	7
Testing for Lead of All Drinking Water in Educational Facilities	7
Pupil Transportation	7
Facilities and Capital Assets	7
Travel Expense and Reimbursement Policy	7
Management Suggestions	8
Status of Prior Year's Findings/Recommendations	8
Schedule of Meal Count Activity (Not Applicable)	
Schedule of Net Cash Resources (NotApplicable)	
Schedule of Audited Enrollments	9
Excess Surplus Calculation	14
Summary of Recommendations	16

December 18, 2023

The Honorable President and Members  
of the Board of Education  
South Hackensack School District  
County of Bergen, 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 South Hackensack School District in the County of Bergen for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 18, 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 18, 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.

This report is intended for the information of the South Hackensack 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

*Raymond A Sarinelli*

Raymond Sarinelli  
Licensed Public School Accountant #2549  
Certified Public Accountant

SOUTH HACKENSACK 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 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

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>
Jason Chirichella	Superintendent/Principal	\$ 225,000
Robert Brown	Interim Business Administrator	350,000

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 or charter school.

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

The data certification date does not reflect a submission date later than 60 days after the end of the enrollment period.

Tuition Charges

Tuition charges are for Preschool Tuition.

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.

SOUTH HACKENSACK 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

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

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

The required certification (ECERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrators) to the NJ Department of Treasury was filed by the required due date.

Reserve for Encumbrances and Accounts Payable

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

Classification of General and Administrative 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 significant transaction 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 except as noted below.

Finding 2023-001:

During our review of the District's records, it was noted that the June bank reconciliation was not completed in a timely manner.

SOUTH HACKENSACK SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Treasurer's Records (Cont'd)

Recommendation:

It is recommended that the District complete bank reconciliations on a monthly basis.

Management's Response:

The District will make every effort to ensure bank reconciliations are completed in a timely manner.

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 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, II and III Immigrant of the Elementary and Secondary Education Act.

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

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.

SOUTH HACKENSACK 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.

SOUTH HACKENSACK 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)

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 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 not purchased, prepared or offered for sale.

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.

After School Program

Our audit procedures included a review of the financial transactions of the After School Program. Based on these procedures, we have no comments except as noted herein.

Student Body Activities

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



SOUTH HACKENSACK 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 without exceptions. The information that was included on the workpapers was verified on a test basis with no 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.

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).

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 on a test basis 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.

Facilities and Capital Assets

There were no active SDA Grants.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedures pertaining to travel and expense reimbursements for its employee and board members. The regulations require the District to establish a maximum travel amount for the year and to ensure that the maximum is not exceeded. The regulations also require that all travel be preapproved by the Board of Education and the Superintendent and that the approval must be itemized by event, event total cost, and individuals attending.

A review of the District's travel expenses was made on a test basis for the fiscal year ended June 30, 2023 and overall compliance was noted.

SOUTH HACKENSACK SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE  
AND PERFORMANCE  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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.

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.

Status of Prior Year's Findings/Recommendations

The prior year recommendation regarding the recording of revenue and expenditures was resolved in the current year.

SOUTH HACKENSACK 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 Revised ASSA		Workpapers		Errors		Sample Selected from		Registers		Errors	
	On Roll	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Preschool 4 Years Old	17		17				17		17			
Full Day Kindergarten	16		16				16		16			
Grade One	18		18				18		18			
Grade Two	27		27				27		27			
Grade Three	25		25				25		25			
Grade Four	14		14				14		14			
Grade Five	24		24				24		24			
Grade Six	27		27				27		27			
Grade Seven	32		32				32		32			
Grade Eight	20		20				20		20			
Subtotal	220		220				220		220			
Special Education:												
Elementary	13		13				4		4			
Middle	9		9				2		2			
Subtotal	22		22				6		6			
Totals	242	-0-	242	-0-	-0-	-0-	226	-0-	226	-0-	-0-	-0-
Percentage Error			0.00%		0.00%		0.00%		0.00%		0.00%	

SOUTH HACKENSACK SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2022

	Private Schools for Disabled			Resident Low Income					
	Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on ASSA as Low Income	Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten					6	6	1	1	
Grade One					6	6	1	1	
Grade Two					7	7	1	1	
Grade Three					11	11	1	1	
Grade Four					4	4	1	1	
Grade Five					5	5	1	1	
Grade Six					6	6	1	1	
Grade Seven					8	8	1	1	
Grade Eight					9	9	1	1	
Subtotal					62	62	9	9	
Special Education:									
Elementary School					9	9	1	1	
Middle School					5	5	1	1	
Subtotal					14	14	2	2	
Totals	-0-	-0-	-0-	-0-	76	76	11	11	-0-
Percentage Error				0.00%			0.00%		0.00%

SOUTH HACKENSACK SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2022

	Resident LEP Low Income					
	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
Full Day Kindergarten	4	4		1	1	
Grade One	1	1				
Grade Two	4	4		1	1	
Grade Three	5	5				
Grade Four	2	2		1	1	
Grade Seven	1	1		1	1	
Grade Eight	1	1		1	1	
Subtotal	18	18		5	5	
Special Education:						
Elementary School	2	2		1	1	
Subtotal	2	2		1	1	
Totals	20	20	-0-	6	6	-0-
Percentage Error			0.00%			0.00%

SOUTH HACKENSACK SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENT  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2022

	Resident LEP Not Low Income					
	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
Full Day Kindergarten	3	3				
Grade One	3	3		1	1	
Grade Two	8	8		1	1	
Grade Three	2	2		1	1	
Grade Four	1	1				
Grade Five	1	1		1	1	
Grade Six	2	2		1	1	
Grade Seven	2	2				
Grade Eight	3	3		1	1	
Subtotal	<u>25</u>	<u>25</u>		<u>6</u>	<u>6</u>	
Special Education:						
Elementary School	4	4		1	1	
Subtotal	<u>4</u>	<u>4</u>		<u>1</u>	<u>1</u>	
Totals	<u><u>29</u></u>	<u><u>29</u></u>	<u><u>-0-</u></u>	<u><u>7</u></u>	<u><u>7</u></u>	<u><u>-0-</u></u>
Percentage Error			<u><u>0.00%</u></u>			<u><u>0.00%</u></u>

SOUTH HACKENSACK SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENT  
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	20	20		5	5	
Regular - Special Education	5	5				
AIL - Non Public	12	12		3	3	
Special Needs - Public	14	14		5	5	
Special Needs - Private	3	3				
Totals	54	54	-0-	13	13	-0-
Percentage Error			0.00%			0.00%

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	7.5	7.5
Average Mileage - Regular Excluding Grade PK Students	7.5	7.5
Average Mileage - Special Education with Special Needs	4.7	4.7

SOUTH HACKENSACK 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>\$ 11,239,341</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)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 1,418,738</u> (B2a)
Assets Acquired Under Financed Purchases, Leases and SBITAs	<u>\$ 83,194</u> (B2b)
Adjusted 2022-23 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 9,737,409</u> (B3)
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	<u>\$ 194,748</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 250,000</u> (B5)
Increased by: Allowable Adjustments	<u>\$ 97,974</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u>\$ 347,974</u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6/30/2023 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 2,480,806</u> (C )
Decreased by:	
Year-End Encumbrances	<u>\$ -0-</u> (C1)
Legally Restricted:	
Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 131,424</u> (C3)
Other Restricted Fund Balance	<u>\$ 1,730,988</u> (C4)
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	<u>\$ 68,576</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 549,818</u> (U1)



SOUTH HACKENSACK 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- \$ 201,844 (E)

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

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ 131,424 (C3)

Restricted Excess Surplus [(E)] \$ 201,844 (E)

Total [(C3)+(E)] \$ 333,268 (D)

**Detail of Allowable Adjustments**

Impact Aid \$ -0- (H)

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

Extraordinary Aid \$ 94,230 (J1)

Additional Nonpublic School Transportation Aid \$ 3,744 (J2)

Total Adjustments [(H)+(I)+(J1)+(J2)] \$ 97,974 (K)

**Detail of Other Restricted Fund Balance**

Statutory Restrictions:

Approved Unspent Separate Proposal \$ -0-

Sale/Lease-back Reserve \$ -0-

Capital Reserve \$ 1,345,644

Maintenance Reserve \$ 362,226

Emergency Reserve \$ -0-

Tuition Reserve \$ -0-

Other State/Government Mandated Reserve \$ -0-

Unemployment Compensation \$ 23,118

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

Total Other Restricted Fund Balance \$ 1,730,988 (C4)

SOUTH HACKENSACK 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  
Finding 2023-001: the District complete bank reconciliations for all funds on a monthly basis.
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  
The prior year recommendation regarding the recording of revenue and expenditures was resolved in the current year.