

SUMMIT PUBLIC SCHOOLS
COUNTY OF UNION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023

SUMMIT PUBLIC SCHOOLS
COUNTY OF UNION
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
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:	2-4
Examination of Claims	2
Payroll Account and Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	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
T.P.A.F. Reimbursement	4
Other Special Federal and/or State Projects	4
School Purchasing Programs:	4-5
Contracts and Agreements Requiring Advertisement for Bids	4-5
School Food Service Fund	5-6
Student Body Activities	6
Application for State School Aid	6-7
Pupil Transportation	7
Facilities and Capital Assets	7
Travel Expense and Reimbursement Policy	7
Testing of Lead of all Drinking Water in Educational Facilities	7
Management Suggestions	7-8
Follow-up on Prior Year Findings	8
Meal Count Activity (Not Applicable)	
Schedule of Net Cash Resources (Not Applicable)	
Schedule of Audited Enrollments	9-12
Excess Surplus Calculation	13-14
Summary of Recommendations	15

December 4, 2023

The Honorable President and Members
of the Board of Education
Summit Public Schools
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 Summit Public Schools in the County of Union for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 4, 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 4, 2023, on the financial statement 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 recommendations.

This report is intended for the information of the Summit Public Schools' 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

SUMMIT PUBLIC SCHOOLS
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>
Tammie Baldwin	Treasurer	\$ 375,000
Derek Jess	Business Administrator/Board Secretary	150,000

P.L. 2020, c.44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year on audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did include all health benefit plans offered by the school district.

The school district data certification was completed by the chief school administrator. The school district 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

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:23-3.1(f)3.

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.

SUMMIT PUBLIC SCHOOLS
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 withholdings due to the General Fund.

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

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.

Finding 2023-001:

During our review of Net Payroll, Payroll Agency and the Flexible Spending account, we noted that the District did not have an analysis of the monthly balance for each of the respective accounts. Since the District has implemented procedures to identify monthly account balances, a formal recommendation is not deemed warranted.

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 – General and Administrative

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, we also reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. Overall compliance was noted.

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. 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. We have no comments except as noted herein.

SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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.

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.

Other Special Federal and/or State Projects

The financial exhibits are contained within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the aforementioned special projects.

The 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.

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.

SUMMIT PUBLIC SCHOOLS
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)

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 2022-2023.

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. No exceptions were noted.

Based upon the results of our examination, we did not note any individual payments, contracts, or agreements for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, 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.

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.

SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

School Food Service (Cont'd)

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.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled "Proprietary Funds", Section G of the ACFR.

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 the following comment.

Finding 2023-002:

During our review, it was noted that not all receipts were deposited within a timely manner.

Recommendation:

It is recommended that the schools make every effort to deposit receipts in a timely manner.

Management's Response:

The schools will make every effort to deposit receipts in a timely manner.

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 handicapped, low income and bilingual education 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 exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Application for State School Aid (Cont'd)

The District maintained workpapers on the prescribed State forms or their equivalent.

The District's written procedures for the recording of student enrollment data appear to be adequate.

Pupil Transportation

Our audit procedures included a test of on-roll status reported on 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 information that was included on the workpapers was verified 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 are no 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 maximum travel for the year and to account separately that the maximum is not exceeded. The regulations also require that all travel be approved prior by the Board of Education 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.

SUMMIT PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

Management Suggestions (Cont'd)

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.

Surety Bond Coverage

Even though not required, it is suggested that the Business Administrator's surety bond is increased to the same amount as the Treasurer's due to the nature of the Business Administrator's responsibilities.

Follow-up on Prior Year Findings

The prior year recommendations regarding the accuracy of opening balances in the general ledger, the District's revenue and appropriation reports for the Special Revenue Fund being in agreement with the adopted budget and withdrawals from the student activity accounts being made in accordance with Board policy have been resolved in the current year.

The prior year recommendation regarding the student activities receipts not being deposited in a timely manner has not been resolved and is included in the current year recommendations.

SUMMIT PUBLIC SCHOOLS
 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 ASSA On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Registers On Roll		Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool 3 Years Old	11		11				11		11			
Half Day Preschool 4 Years Old	15		15				15		15			
Full Day Preschool 4 Years Old	1		1				1		1			
Full Day Kindergarten	268		268				268		268			
Grade One	281		282		(1)		282		282			
Grade Two	290		293		(3)		293		293			
Grade Three	279		282		(3)		282		282			
Grade Four	247		248		(1)		248		248			
Grade Five	253		254		(1)		254		254			
Grade Six	254		254				254		254			
Grade Seven	307		307				307		307			
Grade Eight	273		273				273		273			
Grade Nine	264		264				264		264			
Grade Ten	265		265				265		265			
Grade Eleven	251	2	251	2			251	2	251	2		
Grade Twelve	242	5	242	5			242	5	242	5		
Subtotal	3,501	7	3,510	7	(9)		3,510	7	3,510	7		
Special Education:												
Elementary	184		184				11		11			
Middle	108		108				7		7			
High	119	10	120	11	(1)		7	(1)	7			
Subtotal	411	10	412	11	(1)		25	(1)	25			
Totals	3,912	17	3,922	18	(10)		3,535	7	3,535	7	-0-	-0-
Percentage Error					-0.25%						0.00%	0.00%

SUMMIT PUBLIC SCHOOLS
 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 ASOA Private Schools	Reported on Workpapers as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on ASOA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten											
Grade One						23	23		1	1	
Grade Two						27	27		1	1	
Grade Three						30	29	1	2	2	
Grade Four						29	30	(1)	1	1	
Grade Five						20	19	1	1	1	
Grade Six						27	28	(1)	1	1	
Grade Seven						30	32	(2)	1	1	
Grade Eight						28	29	(1)	1	1	
Grade Nine						35	35		2	2	
Grade Ten						37	38	(1)	2	2	
Grade Eleven						26	26		1	1	
Grade Twelve						31	31		2	2	
Subtotal						29	30	(1)	2	2	
						372	377	(5)	18	18	
Special Education:											
Elementary School	1	1	1	1		57	53	4	3	3	
Middle School	3	4	(1)	1		36	36		2	2	
High School	12	12	2	2		41	42	(1)	2	2	
Subtotal	16	17	(1)	4		134	131	3	7	7	
Totals	16	17	(1)	4	4	506	508	(2)	25	25	-0-
Percentage Error								-0.40%			0.00%

SUMMIT PUBLIC SCHOOLS
 SCHEDULE OF AUDITED ENROLLMENT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2022

	Resident LEP Low Income				Resident LEP Not Low Income			
	Reported on ASOA as LEP Low Income	Reported on Workpapers as LEP Low Income	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Reported on ASOA as LEP Low Income	Reported on Workpapers as LEP Low Income	Sample Selected from Workpapers	Verified to Test Scores and Register
Full Day Kindergarten	10	10	1	1	5	5	1	1
Grade One	12	12	1	1	7	7	1	1
Grade Two	15	15	1	1	9	9	1	1
Grade Three	12	12	1	1	4	5	(1)	
Grade Four	6	6	1	1	4	4		
Grade Five	4	4	1	1	3	2	1	
Grade Six	3	3			4	4		
Grade Seven	3	3			5	5	1	1
Grade Eight	9	9			5	6	(1)	
Grade Nine	12	12	1	1	6	7	(1)	1
Grade Ten	6	6	1	1	3	3		
Grade Eleven	3	4	1	1	2	2		
Grade Twelve	4	4			4	4	1	1
Subtotal	99	100	(1)	8	61	63	(2)	6
Special Education:								
Elementary School	5	5	1	1	2	2	1	1
High School	2	2	1	1				
Subtotal	7	7	2	2	2	2	1	1
Totals	106	107	(1)	10	63	65	(2)	7
Percentage Error			-0.93%	10.00%			-3.17%	0.00%

SUMMIT PUBLIC SCHOOLS
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	45	45		5	5	
Regular - Special Education	13	13		1	1	
Special Needs - Public	22	22		2	2	
Special Needs - Private	16	16		2	2	
Totals	96	96	-0-	10	10	-0-
Percentage Error			0.00%			0.00%

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	9.10	9.10
Average Mileage - Regular Excluding Grade PK Students	9.10	9.10
Average Mileage - Special Education with Special Needs	6.70	6.70

SUMMIT PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2023

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2022-2023 Total General Fund Expenditures per the ACFR, Ex. C-1	<u>\$ 92,156,967</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>\$ 605,050</u> (B1b)	
Transfer from General Fund to SRF for PreK-Regular	<u>\$ -0-</u> (B1c)	
Transfer from General Fund to SRF for PreK-Inclusion	<u>\$ -0-</u> (B1d)	
Decreased by:		
On-Behalf TPAF Pension and Social Security	<u>\$ 18,667,711</u> (B2a)	
Assets Acquired Under Leases and Financed Purchases	<u>\$ -0-</u> (B2b)	
Adjusted 2022-2023 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 74,094,306</u> (B3)	
2% of Adjusted 2022-2023 General Fund Expenditures [(B3) times .02]	<u>\$ 1,481,886</u> (B4)	
Enter Greater of (B4) or \$250,000	<u>\$ 1,481,886</u> (B5)	
Increased by: Allowable Adjustment	<u>\$ 340,945</u> (K)	
Maximum Unassigned Fund Balance [(B5)+(K)]		<u>\$ 1,822,831</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2023 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 14,950,565</u> (C)	
Decreased by:		
Year End Encumbrances	<u>\$ 158,909</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 524,742</u> (C3)	
Other Restricted Fund Balances	<u>\$ 7,946,346</u> (C4)	
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ 1,975,258</u> (C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>\$ 4,345,310</u> (U1)

SUMMIT PUBLIC SCHOOLS EXCESS
SURPLUS CALCULATION FISCAL
YEAR ENDED JUNE 30, 2023
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U2)-(M)] IF NEGATIVE, ENTER -0- \$ 2,522,479 (E)

Recapitulation of Excess Surplus as of June 30, 2023

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ 524,742 (C3)

Restricted Excess Surplus [(E)] \$ 2,522,479 (E)

Total [(C3)+(E)+(F)] \$ 3,047,221 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale and Lease Back \$ -0- (I)

Extraordinary Aid \$ 340,945 (J1)

Additional Nonpublic School Transportation Aid \$ -0- (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)) \$ 340,945 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal \$ -0-

Sale/lease-back reserve \$ -0-

Capital reserve \$ 5,785,204

Maintenance reserve \$ 1,459,271

Emergency reserve \$ 151

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-

Unemployment compensation \$ 701,720

Other state/governmental mandated reserve \$ -0-

Other Restricted Fund Balance not noted above \$ -0-

Total Other Restricted Fund Balance \$ 7,946,346 (C4)

SUMMIT PUBLIC SCHOOLS
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

None

5. Student Body Activities

The schools make every effort to deposit receipts in a timely manner.

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. Testing of Lead of all Drinking Water in Educational Facilities

None

11. Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding the accuracy of opening balances in the general ledger, the District's revenue and appropriation reports for the Special Revenue Fund being in agreement with the adopted budget and withdrawals from the student activity accounts being made in accordance with Board policy have been resolved in the current year. The prior year recommendation regarding the student activities receipts not being deposited in a timely manner has not been resolved and is included in the current year recommendations.