

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

**TEANECK BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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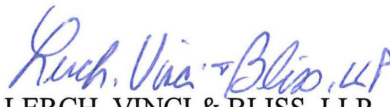
Honorable President and Members
of the Board of Education
Teaneck Board of Education
651 Teaneck Road
Teaneck, New Jersey 07666

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 Teaneck Board of Education as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated February 22, 2024.

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 Education, 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


Gary J. Vinci
Public School Accountant
PSA Number CS00829

Fair Lawn, New Jersey
February 22, 2024

**TEANECK 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 the Treasurer of School Moneys, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

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

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Haquisha Q. Taylor	Board Secretary/School Business Administrator (March 13, 2023 to June 30, 2023)	\$450,000
Dora E. Zeno	Interim Board Secretary/School Business Administrator (July 1, 2022 to March 12, 2023)	450,000
Antoinette Kelly	Treasurer of School Monies (October 11, 2022 to June 30, 2023)	450,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Selective Insurance covering all other employees with multiple coverage of \$500,000.

Finding 2023-01 – Surety bond coverage for the Treasurer of School Monies was insufficient for the 2022-2023 school year.

Recommendation – Surety bond coverage be reviewed and increased in accordance with the requirements of the New Jersey Administrative Code.

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.

The school district data certification was completed by the chief school administrator and was submitted in a timely manner.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made proper billing adjustments in accordance with N.J.A.C. 6:A:23.3(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any discrepancies with respect to each of signature, certifications or supporting documentation.

**TEANECK 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

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

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

Salary withholdings tested were promptly remitted to the proper agencies including health benefits withholding due to the General Fund.

Finding 2023-02 – Our audit noted that a payroll agency ledger by deduction was not maintained by the District.

Recommendation – A payroll agency ledger by deduction be currently maintained and in agreement with the monthly bank reconciliation.

The District filed the required certificate (E-CERTI) of compliance with requirements for income tax compensation of certain administrators with the NJ Department of Treasury.

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

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 reserve 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.

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, a separate test was made to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3 as it relates to administrative coding classification.

Travel

The Board of Trustees has adopted a travel policy that complies with N.J.S.A. 18A:11-12.

Board Secretary's Records

The financial records, books of account and minutes were maintained by the School Business Administrator/Board Secretary.

Finding 2023-03 (ACFR Finding 2023-001) - Our audit noted that the monthly Treasurer's reports for October 2022 through January 2023 were not submitted to the Board for approval. In addition, the monthly Board Secretary and Treasurer's reports for March through June 2023 and the certification of availability of funds/line item deficits were not approved by the Board until August 2023.

Recommendation - The District's Board Secretary and Treasurer's reports be completed and submitted with the monthly certification of funds for approval by the Board in a timely manner.

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

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records (Continued)

Finding 2023-04 – The District utilizes a warrant bank account to pay bills for both its governmental and enterprise funds. At year-end numerous reconciling items and adjustments remain outstanding on the District's warrant account bank reconciliations.

Recommendation – Action be taken to clear the reconciling items and adjustments on all District bank reconciliations. Furthermore, internal transfers between bank accounts be adjusted on a monthly basis.

Finding 2023-05 (ACFR Finding 2023-002) - Our audit noted the following items pertaining to year end balances:

With regards to the General Fund,

- The amount of the State debit/credit memo for the Commission for the Blind was recorded as an outstanding check on the District's warrant account. An audit adjustment was mad to correct.
- The intergovernmental accounts receivable account balance was overstated by \$2,105,965. An audit adjustment was made to correct this balance.
- The accounts payable report included \$177,645 for the State debit/credit memo for tuition and the debt service assessment. In addition, the accounts payable report was not in agreement with the general ledger/balance sheet by \$33,753. An audit adjustment was made to correct the balances.

With regards to the Special Revenue Fund,

- There were debit balances in liability accounts for intergovernmental payable (\$93,017) and compensated absences payable (\$215,226).
- The open purchase order (encumbrances) report was not in agreement with the general ledger/balance sheet by \$103,602.
- Accounts receivable balances of \$38,463 and unearned revenue balances for local grants of \$29,693 could not be identified.
- The accounts payable report and open purchase order (encumbrances) report were not in agreement with the general ledger/balance sheet. There were difference of \$87,347 and \$329,425, respectively. Audit adjustments were made to correct the balances.

Recommendation - The District record State debit/credit memorandums in accordance with the State guidelines. In addition, the balance sheet accounts be reviewed and reconciled with the subsidiary ledgers and records.

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 Titles I, II, III and IV of the Elementary and Secondary Education Act as amended and reauthorized.

Our examination 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.

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

Financial Planning, Accounting and Reporting (Continued)

IDEA Part B

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 examination 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 contained herein represent a true statement of 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.

The amount of the expenditures charged to the current year's final reports for all Federal awards for the 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 sixty day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Non Public State Aid

Project completion report were finalized and transmitted to the State by the due date.

Finding 2023-06 (ACFR Finding 2023-003) – Our audit of Special Revenue Fund grants noted the following:

- Certain grant receipts and/or grant expenditures were not recorded when the transactions occurred in the Special Revenue Fund.
- At June 30, 2023, there were various overexpended budgetary accounts for the IDEA-ARP, Title III, IDEA, ESSER II, ESSER II Learning Acceleration, ESSER II Mental Health and ESSER III ARP grants.
- All cash receipts for ARP-ESSER (\$2,094,531) were posted on June 30, 2023. The funds were received in the months of November, February, March, April, May and June.
- Salaries and stipends for employees charged to ESSER grants were no approved by a Board resolution.

Recommendation - Internal controls over grant accounting be reviewed and enhanced.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 currently \$20,200.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (c.40A:11-9), the Board of Education may establish that the bid threshold may be up to \$44,000. 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. The Board has designated the Business Administrator/Board Secretary as the qualified purchasing agent.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal 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.

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

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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 indicated that no 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 except as noted below:

Finding 2023-07 – Our audit noted that state/cooperative contracts over the bid threshold were not individually approved by the Board. In addition, documentation supporting the itemized state/cooperative contract amounts was not provided for audit.

Recommendation – All state/cooperative contracts over the bid threshold be submitted to the Board for their approval. In addition, documentation supporting the costs included in the state/cooperative contract be retained by the District and made available for audit.

Finding 2023-08 – A political contribution disclosure ("PCD") form was not provided for certain vendors paid in excess of \$17,500.

Recommendation – Political contribution forms be obtained in accordance with the requirements of the Local Public Contracts Law.

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.

School Food Service

School Food Authorities ("SFA") were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies ("FSMC") in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFA's 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.

SFA's 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 financial transactions and statistical records of the school food services were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The district utilizes a food service management company Maschio's 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 contract were reviewed. The contract includes a provision which guarantees that the food service program will have a minimum profit of \$131,000. The operating results provision has been met. All vendor discounts, rebates and credits from vendors and/or the FSMC were tracked and credited to the Food Service account and reconciled to supporting documentation.

Expenses were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

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

School Food Service (Continued)

The cash disbursements records reflected expenses for program related goods and services. The appropriate revenue and expense records were maintained in order to substantiate the non-profit status of the school food service fund.

The June 30, 2023 net cash resources exceeded the three-month average of food service expenses. The District has implemented a fiscal plan which will eliminate the excess by the 2025/26 school year.

The number of meals claimed for reimbursement was compared to meal count records. As part of the claims process, the district completed edit check worksheets. Reimbursement claims were submitted/certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications and list of directly certified students on file times the number of operating days. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

U.S.D.A. commodities were received and an inventory was maintained on a first-in, first-out basis.

The District's Statement of Revenues, Expenses and Changes in Net Position (ACFR Schedule B-5) does separate program and non-program revenue and cost of goods sold.

The District's FSMC did provide the USDA mandated Non-Program Food Revenue tool.

Exhibits reflecting Child Nutrition Program operations are included on Exhibits B-4, B-5 and B-6 of the District's ACFR.

Student Body Activity

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

Community School Programs

Separate cash receipt and disbursement journals and billing records were maintained for the Community School programs. The financial records were maintained in good condition.

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 handicapped, 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 exceptions noted. The information that was included on the workpapers was verified with immaterial exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

Application for State School Aid (Continued)

Finding 2023-9 – Our audit of the Application for State School Aid (“ASSA”) noted the following:

- Five (5) students were reported as Special Education but did not have an individualized education plan (IEP).
- The ASSA reported for (4) fewer students than listed on the District’s resident low income workpapers. In addition, eleven (11) students tested did not have a valid lunch application.
- Two (2) students reported as LEP Low Income did not have a valid lunch application.

Recommendation – Internal control procedures regarding the Application for State School Aid be reviewed and enhanced to ensure the proper reporting of students.

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 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.

Facilities and Capital Assets

Our procedures included a review of the transfer of local funds from the General Fund or from the Capital Reserve Account, and awarding of contracts for eligible facilities construction.

Finding 2023-10 – Our audit revealed that the District’s capital asset appraisal report was not in agreement with the prior year audit balances. In addition, the capital asset additions did not agree with the amounts recorded as capital expenditures in the District’s financial statements.

Recommendation – The capital asset report be reviewed and reconciled to the District’s accounting records and audit balances.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

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

Suggestions to Management

- The District approve a formal written policy on the use of store cards.
- The District approve a resolution or prepare an internal memorandum to document a plan for the reduction of legal costs.
- The District consider allocating fringe benefit and indirect costs to the Community School.

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

Program	Meals Category	Meals Claimed	Meals Tested	Meals Verified	Difference
National School Lunch	Paid	142,090	58,580	58,580	
	Reduced	44,191	17,836	17,836	-
	Free	<u>103,667</u>	<u>41,971</u>	<u>41,971</u>	-
		<u>289,948</u>	<u>118,387</u>	<u>118,387</u>	-
School Breakfast	Paid	690	267	267	-
	Reduced	20	10	10	-
	Free	<u>4,488</u>	<u>1,740</u>	<u>1,740</u>	-
		<u>5,198</u>	<u>2,017</u>	<u>2,017</u>	-
Severe Needs Breakfast	Paid	16,856	6,680	6,680	-
	Reduced	8,703	3,450	3,450	-
	Free	<u>21,529</u>	<u>8,529</u>	<u>8,529</u>	-
		<u>47,088</u>	<u>18,659</u>	<u>18,659</u>	-
Seamless Summer Option (SSO)	Breakfast	Free	606,190		
	Lunch	Free	<u>606,190</u>	-	-
			<u>1,212,380</u>	-	-
TOTAL		<u><u>1,554,614</u></u>	<u><u>139,063</u></u>	<u><u>139,063</u></u>	<u><u>-</u></u>

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

Current Assets

Cash and Cash Equivalents	\$ 2,946,739
Due from Other Governments	152,192
Accounts Receivable	49,520
	3,148,451

3,148,451

Current Liabilities

Less:

Accounts Payable	(60,214)
Unearned Revenue	(23,493)
Due to Other Funds	(102,684)
	(186,391)

Net Cash Resources

\$ 2,962,060

Adjusted Total Operating Expense:

Total Operating Expenses	\$ 5,993,450
Less Depreciation	(32,044)
	5,961,406

Adjusted Total Operating Expense

\$ 5,961,406

Average Monthly Operating Expense:

\$ 596,141

Three Times Monthly Average:

\$ 1,788,422

Total Net Cash Resources

\$ 2,962,060

Three Times Monthly Average

1,788,422

Amount Above Allowable Net Cash Resources

\$ 1,173,638

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

	Application for State School Aid						Sample for Verification						On-Roll Special Education			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		Sample for Verifi- cation	Sample Verified	Sample Errors	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-K 3yr	66		66					66		66									
Full Day Pre-K 4yr	132		132					132		132									
Full Day K	158		158					102		102									
One	168		168					63		63									
Two	156		156					60		60									
Three	175		175					58		58									
Four	181		181					47		47									
Five	210		210					106		106									
Six	203		203					101		101									
Seven	185		185					82		82									
Eight	214		214					107		107									
Nine	250		250					250		250									
Ten	265		265					265		265									
Eleven	235		235					235		235									
Twelve	249	1	249	1				249		249									
Subtotal	2,847	1	2,847	1				1,923		1,923									
Sp. Ed. - Elementary	303		303					63		63		25	23	2	26	8	8		
Sp. Ed. - Middle School	174		174					82		82		19	16	3	31	10	10		
Sp. Ed. - High School	261	4	261	4				261		261		24	24		39	13	13		
Subtotal	738	4	738	4				406		406		68	63	5	96	31	31		
Totals	3,585	5	3,585	5				2,329		2,329		68	63	5	96	31	31		
Percentage Error					0.00%	0.00%				0.00%	0.00%			7.35%					0.00%

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA 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	69	69		3	3		6	6		2	2	
One	72	72		3	3		6	6		2	2	
Two	64	62	2	3	2	1	7	7		2	2	
Three	81	80	1	3	2	1	5	5		2	2	
Four	74	73	1	3	2	1	6	6		2	1	1
Five	101	101		6	5	1	8	8		3	3	
Six	105	105		6	6		6	6		2	2	
Seven	90	90		4	3	1	1	1		1	1	
Eight	80	80		4	2	2	5	5		1	1	
Nine	76	76		3	3		10	10		3	3	
Ten	73	73		3	3		6	6		2	2	
Eleven	66	66		3	2	1	1	1		1	1	
Twelve	86	86		4	3	1	1	1		1		1
Subtotal	1,037	1,033	4	48	39	9	68	68	-	24	22	2
Special Ed. - Elementary	117	122	(5)	4	4		2	2				
Special Ed. - Middle	76	77	(1)	3	2	1	1	1				
Special Ed. - High	104	106	(2)	4	3	1						
Subtotal	297	305	(8)	11	9	2	3	3	-	-	-	-
Totals	1,334	1,338	(4)	59	48	11	71	71	-	24	22	2
Percentage Error			<u>-0.30%</u>			<u>18.64%</u>			<u>0.00%</u>			<u>8.33%</u>

	Transportation					
	Reported on DRTRS by DOE / County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public	337	337		9	9	
Special Ed. - Regular	13	13		1	1	
Transported - Non - Public	1,778	1,778		44	44	
Special Ed with Spec Needs	353	353		9	9	
Totals	2,481	2,481	-	63	63	-
Percentage Error			<u>0.00%</u>		<u>0.00%</u>	

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

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA LEP Not low Income	Reported on Workpapers as LEP Not low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten	3.0	3.0		1	1	
One	1.0	1.0				
Two	1.0	1.0				
Three	4.0	4.0		2	2	
Four	3.0	3.0		1	1	
Five	1.0	1.0				
Six	1.0	1.0				
Seven	2.0	2.0		1	1	
Eight	5.0	5.0		2	2	
Nine	5.0	5.0		2	2	
Ten	5.0	5.0		2	2	
Eleven	3.0	3.0		1	1	
Twelve	4.0	4.0		1	1	
Subtotal	38	38	-	13	13	-
Special Ed. - Elementary						
Special Ed. - Middle	1	1				
Special Ed. - High	1	1				
Subtotal	2	2	-	-	-	-
Totals	40	40	-	13	13	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

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

2022-2023 Total General Fund Expenditures (Budgetary Basis)		\$ 129,532,318
Increased by:		
Transfer to Special Revenue Fund (Preschool)		194,216
		129,726,534
Decreased by:		
On-Behalf TPAF Pension & Social Security		(21,261,211)
Adjusted 2022-2023 General Fund Expenditures		\$ 108,465,323
2% of Adjusted 2022-2023 General Fund Expenditures		\$ 2,169,306
Increased by:		
Allowable Adjustments		
Unbudgeted Extraordinary Aid	\$ 849,494	
Non Public Transportation Aid	423,298	
		1,272,792
Maximum Unassigned Fund Balance		\$ 3,442,098
Total General Fund - Fund Balance at June 30, 2023 (Budgetary Basis)		\$ 20,084,462
Decreased by:		
Encumbrances	\$ 5,758,947	
Capital Reserve	3,396,326	
Maintenance Reserve	1,381,216	
Tuition Reserve	135,162	
Excess Surplus Designated for Subsequent Year's Budget	517,183	
Designated for Subsequent Year's Budget	4,137,880	
		15,326,714
Total Unassigned Fund Balance		4,757,748
Amount Above Maximum 2% Surplus		\$ 1,315,650
<u>Analysis of Excess Surplus</u>		
Excess Surplus Designed for Subsequent Year's Budget		\$ 517,183
Excess Surplus		1,315,650
		\$ 1,832,833

**TEANECK BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

1. It is recommended that surety bond coverage be reviewed and increased in accordance with the requirements of the New Jersey Administrative Code.

II. Financial Planning, Accounting and Reporting

It is recommended that:

- * 2. A payroll agency ledger by deduction be currently maintained and in agreement with the monthly bank reconciliation.
- * 3. The District's Board Secretary and Treasurer's reports be completed and submitted along with the monthly certification of funds for approval by the Board in a timely manner.
- * 4. Action be taken to clear the reconciling items and adjustments on all District bank reconciliations. Furthermore, internal transfers between bank accounts be adjusted on a monthly basis.
- 5. The District record State debit/credit memorandums in accordance with the State guidelines. In addition, the balance sheet accounts be reviewed and reconciled with the subsidiary ledgers and records.
- 6. Internal controls over grant accounting be reviewed and enhanced.

III. School Purchasing Program

It is recommended that:

7. All state/cooperative contracts over the bid threshold be submitted to the Board for their approval. In addition, documentation supporting the costs included in the state/cooperative contract be retained by the District and made available for audit.
8. Political contribution forms be obtained in accordance with the requirements of the Local Public Contracts Law.

IV. School Food Services

There are none.

V. Student Body Activities

There are none.

VI. Community School Programs

There are none.

VII. Application for State School Aid

9. It is recommended that internal control procedures regarding the Application for State School Aid be reviewed and enhanced to ensure the proper reporting of students.

VIII. Pupil Transportation

There are none.

**TEANECK BOARD OF EDUCATION
RECOMMENDATIONS**

IX. Facilities and Capital Assets

10. It is recommended the capital asset report be reviewed and reconciled to the District's accounting records and audit balances.

X. Miscellaneous

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations. Corrective action was taken on the prior year recommendations, except those denoted with an asterisk (*).

ACKNOWLEDGEMENT

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