

**BOROUGH OF WOODBINE  
BOARD OF EDUCATION**

**AUDITORS MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
June 30, 2023**

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# NIGHTLINGER, COLAVITA & VOLPA

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## REPORT OF INDEPENDENT AUDITORS

Honorable President and  
Members of the Board of Education  
Borough of Woodbine School  
District County of Cape May, New  
Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the general-purpose financial statements of the Board of Education of the Borough of Woodbine School District in the County of Cape May for the year ended June 30, 2023, and have issued our report thereon dated November 28, 2023.

As part of our audit, we performed procedures required by the District of Administration and Finance, 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 report is issued in conjunction with the Annual Comprehensive Financial Report of the Board of Education of the Borough of Woodbine for the fiscal year ending June 30, 2023 and is intended solely for the information and use of the 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.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, P.A.**



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant  
No. 915  
November 28, 2023

**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

**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, and the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

**Insurance**

Insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's ACFR.

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Frank Onorato	Treasurer	\$180,000

**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 school district.

The school district data certification was/was not completed by the chief school administrator. The school district Chapter 44 data was submitted timely.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification and supporting documentation.

**Payroll Account**

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

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

Salary withholdings were promptly remitted to the proper agencies.

Payrolls were delivered to the treasurer of school moneys with a warrant made to his order for the full amount of each payroll.

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

### **Reserve for Encumbrances, Liability for Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, 2023 for goods not yet received or services not yet rendered, and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for proprietary and to determine that goods were received and services were rendered as of June 30, 2023. Our review did not indicate any material discrepancies with respect to classification of orders.

### **Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23-2.4. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

### **Business Administrator / Board Secretary's Records**

The financial records, books of accounts maintained by the Secretary were in satisfactory condition.

Acknowledgment of the Board's receipt of the Board Secretary's and Treasurer's monthly financial reports was included in the minutes.

Monthly financial certificates of the Board Secretary and Board of Education for positive line-item account status certifications (N.J.A.C. 6:2-2.13) were performed. Budgetary line-item account transfers were approved monthly to cover any anticipated deficits.

Purchase orders were charged to the appropriate line-item accounts in accordance with the State prescribed **Uniform Minimum Chart of Accounts (2R2) for New Jersey Public School.**

### **Treasurer's Records**

The Treasurer's records were examined and were found to be in agreement with the records of the Board Secretary. All cash receipts were promptly deposited.

### **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 within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the projects under Titles I, II-A, and IV of the Elementary and Secondary Education Act as amended and reauthorized.

Our audit of the E.S.E.A. 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 study of compliance for E.S.E.A. indicated that all E.S.E.A. programs were in compliance.

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

### **Other Special Federal and/or State Projects**

The District's Special Projects were approved as listed on the Schedule A and Schedule B 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.

The study of compliance for Special Federal and/or State Projects revealed the following area of noncompliance and/or questionable costs.

### **T.P.A.F. Reimbursement**

Our audit procedures included a test of the biweekly 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. Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per 18A:18A-5.

### **TPAF Reimbursement to the State for Federal Salary Expenditures**

The amount of the expenditure charged to the current year's Final Reports for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

### **School Purchasing Programs**

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general are available on the website: <http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>.

Current statute is posted on the New Jersey Legislature (<http://www.njleg.state.nj.us/>) website.

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 for 2022-2023.

The District 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 Solicitor's opinion should be sought before a commitment is made.

**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.

Based on the results of our examination, we did not note any individual payments, contracts, or agreements made 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 provisions 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. Our examination revealed purchases made through the use of State contracts for the following: Office Supplies Classroom Supplies

The review of contracts and agreements did not disclose any areas of statutory noncompliance.

Although a particular contract is exempt from the formal requirements of public advertising and competitive bidding, N.J.S.A. 18A:18A-37 requires that quotations be obtained, whenever practical, for any contract over the statutory threshold amount of \$6,600, except for contracts for professional services. All contracts and agreements, which are subject to quotations, shall be awarded on the basis of the lowest responsible quotation received, which is most advantageous to the Board of Education, price and other factors considered. Our examination indicated that the Board of Education complied with these provisions.

**School Food Service**

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A.18A:18A-7. The SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations. SFAs were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all students during the emergency.

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records were reviewed on a test-check basis. Cash receipts and bank records were reviewed for timely deposit. No exceptions noted.

### **School Food Service (Continued)**

The district utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. 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 at least annually. No exceptions noted.

Expenditures should be separately recorded as food, labor and other costs. Vendor invoices were reviewed, and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used. No exceptions noted.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. No exceptions noted.

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements. No exceptions noted. The FSMC did not apply for and receive a loan in accordance with the Payroll Protection Plan.

Net cash resources did exceed three months average expenditures.

### **Finding 2023-1 (ACFR 2023-1)**

Net cash resources exceeded three months average expenditures.

### **Recommendation**

The Board should implement a corrective action plan to effectively reduce the net cash resources on hand through capital expenditure or otherwise.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education/board of trustees. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were submitted/certified in a timely manner. No exceptions noted.

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 or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review. No exceptions were noted.



### **School Food Service (Continued)**

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (ACFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold. No exceptions were noted.

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

### **Latchkey Enterprise Fund**

During our review of the latchkey funds, we noted no exceptions.

### **Student Body Activities**

During our review of the student activity funds, we noted no exceptions.

### **Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2022 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low income, and bilingual. We also performed a review of the district's procedures related to its completion. The information on the ASSA Summary was compared to the district workpapers with exceptions noted in the schedules. The information that was included on the workpapers was verified as shown on the schedules.

The results of our procedures are presented in the Schedule of Audited Enrollments.

The district maintained workpapers on the prescribed state forms or their equivalent.

The district has adequate written procedures for the recording of student enrollment data.

### **Pupil Transportation**

Our audit procedures included a test of on roll status reported in the 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 include 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**

As part of the GASB 34 reporting format, fixed assets are recorded in accordance with GAAP, including a provision for depreciation expense.

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

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

The test results were posted on the district's website and available at the school facility.

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

**Follow-Up on Prior Year Findings**

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings, with the exception of the following:

**Finding 2022-1**

Net cash resources in the Food Service Fund exceeded three months average expenditures.

**Acknowledgment**

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

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, P.A.**



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant No. 915

## NET CASH RESOURCE SCHEDULE

**Net cash resources exceeded three months of expenditures  
Proprietary Funds - Food Service  
FYE 2023  
Borough of Woodbine Board of Education**

<u>Net Cash Resources:</u>	Food Service G - 1/2	
<b>ACFR</b>		<b>Current Assets</b>
G-1	\$	Cash & Cash Equiv. 149,949
G-1		Due from Other Gov'ts 44,091
G-1		Accounts Receivable 1,666
G-1		Investments
<b>ACFR</b>		<b>Current Liabilities</b>
G-1		Less Accounts Payable (21,194)
G-1		Less Accruals
G-1		Less Due to Other Funds
G-1		Less Deferred Revenue (7,954)
	<b>\$</b>	<b>Net Cash Resources 166,558 (A)</b>

**Net Adj. Total Operating Expense:**

G-2	263,811	Tot. Operating Exp.
G-2	(12,232)	Less Depreciation
	<b>\$ 251,579 (B)</b>	Adj. Tot. Oper. Exp.

**Average Monthly Operating Expense:**

B / 10 **\$ 25,158 (C)**

**Three times monthly Average:**

3 X C **\$ 75,474 (D)**

TOTAL IN BOX A	\$	166,558	
LESS TOTAL IN BOX D	\$	75,474	
NET	\$	<b>91,084</b>	
From above:			
<b>A is greater than D, cash exceeds 3 X average monthly operating expenses.</b>			
<b>D is greater than A, cash does not exceed 3 X average monthly operating expenses.</b>			

\* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

**SCHEDULE OF MEAL COUNT ACTIVITY**

**WOODBINE SCHOOL DISTRICT**  
**FOOD SERVICE FUND**  
**NUMBER OF MEALS/MILKS SERVED AND OVER/UNDERCLAIM-FEDERAL**  
**ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>(Over)/Under Difference</u>	<u>Rate</u>	<u>(Over)/Under Claim</u>
National School Lunch	Paid	0	0	0	\$	0.79	
	Reduced	0	0	0		3.95	
	Free	37,637	37,637	37,637		4.35	
	Total	<u>37,637</u>	<u>37,637</u>	<u>37,637</u>		\$	<u>                    </u>
National School Lunch	HHFKA - PB Lunch Only	<u>37,637</u>	<u>37,637</u>	<u>37,637</u>	\$	0.08	\$ <u>                    </u>
School Breakfast	Paid	0	0	0	\$	0.50	
	Reduced	0	0	0		2.37	
	Free	26,918	26,918	26,918		2.67	
	Total	<u>26,918</u>	<u>26,918</u>	<u>26,918</u>		\$	<u>                    </u>
TOTAL NET OVERCLAIM						\$	<u>                    </u>

**SCHEDULE OF MEAL COUNT ACTIVITY**

**WOODBINE SCHOOL DISTRICT**  
**FOOD SERVICE FUND**  
**NUMBER OF MEALS/MILKS SERVED AND OVER/UNDERCLAIM-STATE**  
**ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>(Over)/Under Difference</u>	<u>Rate</u>	<u>(Over)/Under Claim</u>
State Reimb. - National School Lunch	Paid	0	0	0		\$ 0.06	\$
	Reduced	0	0	0		0.47	
	Free	37,637	37,637	37,637		0.07	
	<b>TOTAL</b>	<b>37,637</b>	<b>37,637</b>	<b>37,637</b>			<b>\$</b>
State Reimb. - National School Breakfast	Reduced	0	0	0		\$ 0.30	\$
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>\$</b>
<b>TOTAL NET OVERCLAIM</b>							<b>\$</b>

**SCHEDULE OF AUDITED ENROLLMENTS**

**WOODBINE PUBLIC SCHOOL DISTRICT  
APPLICATION OR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 14, 2022**

	2023-2024 APPLICATION FOR STATE SCHOOL AID						SAMPLE FOR VERIFICATION						PRIVATE SCHOOLS FOR DISABLED			
	Reported On A.S.S.A. On Roll		Reported On Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported On A.S.S.A. as			
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Private Schools	Sample for Verification	Sample Verified	Sample Errors
Full Day 3 Year Olds	22		22				11		11							
Full Day 4 Year Olds	27		27				14		14							
Full Day Kindergarten	34		34				18		18							
One	19		19				10		10							
Two	11		11				6		6							
Three	13		13				7		7							
Four	18		18				9		9							
Five	17		17				9		9							
Six	14		14				7		7							
Seven	10		10				5		5							
Eight	9		9				5		5							
<b>Subtotal</b>	<b>194</b>	<b>0</b>	<b>194</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>101</b>	<b>0</b>	<b>101</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Special Ed - Elementary	38		38				20		20							
Special Ed - Middle	26		26				14		14				1			
Special Ed - High																
<b>Subtotal</b>	<b>64</b>	<b>0</b>	<b>64</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>258</b>	<b>0</b>	<b>258</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>135</b>	<b>0</b>	<b>135</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
Percentage Error					<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>	<u>0.00%</u>				<u>0.00%</u>	

**SCHEDULE OF AUDITED ENROLLMENTS**

**WOODBINE PUBLIC SCHOOL DISTRICT  
APPLICATION OR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 14, 2022**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported On A.S.S.A. as Low Income	Reported On Workpapers as Low Income	Errors	Sample Selected From Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected From Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Kindergarten	25	25		18	18							
One	16	16		10	10		2	2		1	1	
Two	8	8		5	5		1	1				
Three	11	11		7	7							
Four	13	13		8	8		1	1				
Five	11	11		7	7		1	1				
Six	9	9		6	6							
Seven	7	7		4	4							
Eight	7	7		4	4							
Nine												
Ten												
Eleven												
Twelve												
Subtotal	107	107	0	69	69	0	5	5	0	1	1	
Special Ed - Elementary	35	35		22	22		6	6		1	1	
Special Ed - Middle	20	20		12	12		2	2				
Special Ed - High												
Subtotal	55	55	0	34	34	0	8	8	0	1	1	0
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	162	162	0	103	103	0	13	13	0	2	2	0
Percentage Error			0.00%			0.00%			0.00%			0.00%

**TRANSPORTATION**

	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors		
			Reported				Re-Calculated	
Reg. - Public Schools	75	75		51	51			
Reg. - Special Ed.	9	9		6	6			
Transported - Non-Public	15	15		10	10			
Aid In Lieu - Non-Public								
Special Needs - Public	9	9		6	6			
Totals	108	108	0	73	73	0		
Percentage Error			0.00%			0.00%		

	Reported	Re-Calculated
Avg. Mileage - Regular Including Grade PK students	12.0	
Avg. Mileage - Regular Excluding Grade PK students	12.0	
Avg. Mileage - Special Ed with Special Needs	14.6	

**SCHEDULE OF AUDITED ENROLLMENTS**

**WOODBINE PUBLIC SCHOOL DISTRICT**  
**APPLICATION OR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 14, 2022**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Report On A.S.S.A. NOT Low Income</u>	<u>Report On Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected From Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Full Day Kindergarten						
One						
Two						
Three	1	1		1	1	
Four						
Five						
Six						
Seven						
Eight						
Subtotal	1	1	0	1	1	0
Special Ed - Elementary						
Special Ed - Middle	1	1				
Special Ed - High						
Subtotal	1	1	0	0	0	0
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	2	2	0	1	1	0
Percentage Error			<u>0.00%</u>			<u>0.00%</u>



**BOROUGH OF WOODBINE SCHOOL DISTRICT**  
**EXCESS SURPLUS CALCULATION**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2022-23 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ <u>6,360,718</u>	(B)	
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	_____	(B1a)	
Transfer from Capital Reserve to Capital Projects Fund	_____	(B1b)	
Transfer from General Fund to SRF for PreK-Regular	_____	(B1c)	
Transfer from General Fund to SRF for PreK-Inclusion	<u>52,508</u>	(B1d)	
Decreased by:			
On-Behalf TPAF Pension & Social Security	<u>1,054,038</u>	(B2a)	
Assets Acquired Under Capital Leases	_____	(B2b)	
 Adjusted 2022-23 General Fund Expenditures [(B)+(B1s)-(B2s)]	 <u><u>5,359,188</u></u>	 (B3)	
 2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	  <u>107,184</u>	  (B4)	
Enter Greater of (B4) or \$250,000	<u>250,000</u>	(B5)	
Increased by: Allowable Adjustment*	<u>214,100</u>	(K)	
 Maximum Unassigned/Undesignated-Unreserved Fund Balance[(B5)+(K)]			\$ <u><u>464,100</u></u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6-30-23 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>1,644,721</u>	(C)	
Decreased by:			
Year-end Encumbrances	<u>21,377</u>	(C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	_____	(C2)	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	<u>271,104</u>	(C3)	
Other Restricted Fund Balances****	<u>254,059</u>	(C4)	
Assigned Fund balance Unreserved - Designated for Subsequent Year's Expenditures	<u>323,886</u>	(C5)	
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]			\$ <u><u>774,295</u></u> (U1)

**SECTION 3**

Section 1 Restricted Fund Balance- Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0-			\$ <u><u>310,195</u></u> (E)
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**Recapitulation of Excess Surplus as of June 30, 2023**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures**	271,104	(C3)	
Reserved Excess Surplus ***[(E)]	<u>310,195</u>	(E)	
 Total Excess Surplus [(C3) + (E)]			\$ <u><u>581,299</u></u> (D)

**BOROUGH OF WOODBINE SCHOOL DISTRICT**  
**EXCESS SURPLUS CALCULATION**

**Footnotes:**

- \* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:
  - (H) Federal Impact Aid. The passage of P.L. 2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve-General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);
  - (I) Sale & Lease-Back (Refer to the Audit Program Section II, Chapter 10);
  - (J1) Extraordinary Aid;
  - (J2) Additional Nonpublic School Transportation Aid;
  - (J3) Recognized current year School Bus Advertising Revenue; and
  - (J4) Family Crisis Transportation Aid.
  - (J5) Supplemental Stabilization Aid received April 2023 & Maintenance of Equity Aid received July 2023

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

**Detail of Allowable Adjustments**

Impact Aid	\$ _____	(H)
Sale & Lease-Back	_____	(I)
Extraordinary Aid	77,208	(J1)
Additional Nonpublic School Transportation Aid	2,562	(J2)
Current Year School Bus Advertising Revenue Recognized	_____	(J3)
Family Crisis Transportation Aid	_____	(J4)
Supplemental Stabilization Aid received April 2023 & Maintenance of Equity Aid received July 2023	134,330	(J5)
Total Adjustments [(H) + (I) + (J1) + (J2) + (J3) + (J4) + (J5)]	\$ 214,100	(K)

\*\* This amount represents the June 30, 2023 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line **90031**.

\*\*\* Amounts must agree to the June 30, 2023 ACFR and must agree to Audit Summary Worksheet Line 90030.

\*\*\*\* Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Administration and Finance prior to September 30.

**Detail of Other Restricted Fund Balance**

Statutory restrictions:		
Approved unspent separate proposal	\$ _____	
Sale/lease-back reserve	_____	
Capital reserve	_____	
Maintenance reserve	254,059	
Emergency Reserve	_____	
Tuition reserve	_____	
School Bus Advertising 50% Fuel Offset Reserve - Current Year	_____	
School Bus Advertising 50% Fuel Offset Reserve - Prior Year	_____	
Impact Aid General Fund Reserve (Sections 8007 and 8008)	_____	
Impact Aid General Fund Reserve (Sections 8002 and 8003)	_____	
Other state/government mandated reserve	_____	
Reserve for Unemployment Fund	_____	
[Other Restricted Fund Balance not noted above] ****	_____	
Total Other Restricted Fund Balance	\$ 254,059	(C4)

SIGNATURE OF PUBLIC SCHOOL ACCOUNTANT - No. 915

**AUDIT RECOMMENDATIONS SUMMARY**  
**For the Fiscal Year Ended June 30, 2023**  
**Borough of Woodbine Board of Education**

Recommendations:

1. Administrative Practices and Procedures - None
2. Financial Planning, Accounting and Reporting - None
3. School Purchasing Programs - None
4. School Food Service

**Finding 2023-1 (ACFR Finding 2023-1)**

**Recommendation**

The Board should implement a corrective action plan to effectively reduce the net cash resources on hand through capital expenditure or otherwise.

5. Latchkey Enterprise Fund - None
6. Student Body Activities - None
7. Charter School Enrollment System(CHE) (Applicable to audits of charter schools)  
None
8. Application for State School Aid - None
9. Pupil Transportation – None
10. Facilities and Capital Assets - None
11. Miscellaneous - None
12. Status of Prior Year Audit Findings/Recommendations

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings, with the exception of the following:

**Finding 2022-1**

**Recommendation**

The Board should implement a corrective action plan to effectively reduce the net cash resources on hand through capital expenditure or otherwise.