

**WOODSTOWN-PILESGROVE  
REGIONAL SCHOOL DISTRICT  
AUDITOR'S MANAGEMENT REPORT  
ON ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2023**



**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

Table of Contents

	Page
Independent Auditors' Report	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Official Bonds	2
Tuition Charges	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account and Position Control Roster	2-3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Board Secretary's Records	3
Treasurer's Records	3
Pupil Transportation	4
Elementary and Secondary School Improvement Act	4
Other Special Federal and/or State Projects	4
TPAF Reimbursement	4
TPAF Reimbursement to the State for Federal Salary Expenditures	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids	4-5
School Food Service	5
Student Body Activities	5
Application for State School Aid	6
Facilities and Capital Assets	6
Miscellaneous	n/a
Testing of Lead of Drinking Water in Educational Facilities	6
Follow-up on Prior Year Findings	6
Acknowledgment	7
Schedule of Audited Enrollments	8-10
Excess Surplus Calculation	11-12
Recommendations	13

{THIS PAGE IS INTENTIONALLY LEFT BLANK}



# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

[www.ford-scott.com](http://www.ford-scott.com)

## REPORT OF INDEPENDENT AUDITORS

Honorable President and  
Members of the Board of Education  
Woodstown-Pilesgrove Regional School District  
County of Salem, 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 Woodstown-Pilesgrove Regional School District in the County of Gloucester for the year ended June 30, 2023, and have issued our report thereon dated January 15, 2024.

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 report is intended solely for the information and use of the management of Woodstown-Pilesgrove Regional Board of Education and the New Jersey State Department of Education. However, this report is a matter of public record, and its distribution is not limited.

*Ford, Scott & Associates, L.L.C.*

FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*

Michael S. Garcia, CPA  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

January 15, 2024

## **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

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

#### Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Shannon DuBois-Brody	Business Administrator	\$200,000
Kim Fleetwood	Treasurer of School Monies	\$235,000

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

If the data certification date reflects submission date later than 60 days after the end of the enrollment period: The original data submission did not require significant revision due to errors or omissions on the part of the district.

#### 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 decrease in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

### **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 or supporting documentation.

#### Payroll Account and Position Control Roster

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, including health benefits withholding due to the general fund.

Payrolls were delivered to the secretary of the board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrator) to the NJ Department of Treasury was filed by the March 15 due date.

Reporting of employee compensation for income tax related purposes did comply with federal (or state) regulations regarding the compensation which is required to be reported.

#### Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. No discrepancies were found.

#### 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 NJAC 6A:23-8.2. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary.

- A. *General Classification Findings*
- B. *Administrative Classification Findings*

#### Board Secretary's Records

The Board Secretary's Records were in satisfactory condition.

Bids received were summarized in the minutes (NJSA 18A:18A-21).

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

Budget appropriations were not greater than realized revenues and Board authorized use of surplus.

No budgetary line accounts were over-expended during the fiscal year and at June 30.

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

#### Treasurer's Records

The Board Treasurer's Records were in satisfactory condition.

All required reconciliations were performed.

All cash receipts were promptly deposited.

The Treasurers Records were in agreement with the Board Secretary.

## **Pupil Transportation**

Our audit procedures included a test of on roll status reported in the 2022-23 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 School 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.

## **Elementary and Secondary Education Act (E.S.E.A.) as amended by Every Student Succeeds Act (ESSA)**

The E.S.E.A./NCLB 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 and VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. did not indicate areas of noncompliance and/or questionable costs.

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

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

Our audit of the federal and state funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

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

The study of compliance for Other Special Federal and State Projects revealed no areas of noncompliance and/or questionable costs.

## **TPAF 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 Teacher's Pension and Annuity Fund. No exceptions were noted with these filings.

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

The amount of the expenditure charged to the current year's Final Report(s) for all federal awards for the school district to reimburse the State for 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 Grant Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

## **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 for 2022-2023.



The Board of Education has the responsibility of determining whether the expenditures of any category will exceed the statutory thresholds within the contract year. Where questions arise 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.

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 my examination, I 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.

### **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 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 appropriate school food service personnel, as to whether the SFA had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food revenues were limited to allowable direct and indirect costs. No exceptions were noted.

The Schedule 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.

We also 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.

The Schedule of Meal Count Activity is not a required presentation where the School Food Service Program has not been audited as a major program.

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

### **Student Body Activities**

Overall, the records of the various student activity funds were in satisfactory 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 the handicapped, low income and bilingual. We also performed a review of the School District procedures related to its completion. The information on the A.S.S.A. was compared to the School District workpapers with minor exceptions. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

The School District maintained workpapers on the prescribed state forms or their equivalent. The School District has adequate written procedures for the recording of student enrollment data.

## **Facilities and Capital Assets**

Our audit procedures of facilities and capital assets found no exceptions.

## **Testing for Lead of All Drinking Water in Educational Facilities**

The school district adhered to all the 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(g).

## **Follow-up on Prior Year Findings**

In accordance with governmental auditing standards, our procedures included a review of all prior year recommendations including findings.

### **Finding 2022-001**

Capital Projects Fund has unexpended balances and grants receivable from a November 4, 2014, referendum.

Status: The condition has not been fully implemented. The reason for the delay for these projects was due to ongoing litigation. This project is expected to be closed out by June 2024.

### **Finding 2022-002**

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

Status: The condition has not been fully implemented. However, the Department of Agriculture has allowed districts to implement a plan to spend the excess funds during the upcoming school year.

### **Finding 2022-003**

Eligible employees were not always timely enrolled in following New Jersey Division of Pensions & Benefits plans:

1. Teachers' Pension and Annuity Fund (TPAF)
2. Public Employees' Retirement System (PERS)
3. Defined Contribution Retirement Program (DCRP)

Status: The condition has not been fully implemented. However, the District has engaged a forensic audit of this area and the matter is in the process of being resolved.

### **Finding 2022-004**

Payroll deductions payable were not always timely remitted to the proper agencies.

Status: The condition has been fully implemented.

### **Suggestions to Management**

The School District has accumulated Excess Cash Net Resources in the Food Service Fund due to the influx of additional Federal and State Funding related to the COVID-19 Pandemic. The State of New Jersey Department of Agriculture has issued a letter dated October 4, 2023, to all School Districts indicating that these excess funds may be retained by the District and, that the District must develop a plan which projects how excess funds will be expended in support of the program during the upcoming school year. We suggest that the district develop a plan to utilize the excess funds on allowable expenses that support the Federal Child Nutrition Program, such as improving the nutritional quality of food or purchasing equipment for the kitchens and cafeterias as outlined in the Code of Federal Regulations, 7 CFR 210.14(a).

### **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,

*Ford, Scott & Associates, LLC*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Michael S. Garcia*  
**Michael S. Garcia**  
**Certified Public Accountant**  
**Licensed Public School Accountant**  
**No. 2080**

**January 15, 2024**

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 14, 2022**

	2022-2023 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		Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools		Sample for Verification	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool - 3YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 3YR	45.00	-	46.00	-	9.00	-	9.00	-	1.00	-	-	-	-	-
Full Day Preschool - 4YR	55.00	-	54.00	-	10.00	-	10.00	-	(1.00)	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	81.00	-	81.00	-	15.00	-	15.00	-	-	-	-	-	-	-
One	80.00	-	80.00	-	14.00	-	14.00	-	-	-	-	-	-	-
Two	83.00	-	83.00	-	16.00	-	16.00	-	-	-	-	-	-	-
Three	83.00	-	83.00	-	16.00	-	16.00	-	-	-	-	-	-	-
Four	99.00	-	99.00	-	18.00	-	18.00	-	-	-	-	-	-	-
Five	77.00	-	77.00	-	14.00	-	14.00	-	-	-	-	-	-	-
Six	86.00	-	86.00	-	16.00	-	16.00	-	-	-	-	-	-	-
Seven	73.00	-	73.00	-	14.00	-	14.00	-	-	-	-	-	-	-
Eight	75.00	-	75.00	-	14.00	-	14.00	-	-	-	-	-	-	-
Nine	130.00	-	130.00	-	24.00	-	24.00	-	-	-	-	-	-	-
Ten	118.00	-	118.00	-	21.00	-	21.00	-	-	-	-	-	-	-
Eleven	106.00	-	106.00	-	19.00	-	19.00	-	-	-	-	-	-	-
Twelve	119.00	2.00	119.00	2.00	21.00	1.00	21.00	1.00	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,310.00	2.00	1,310.00	2.00	241.00	1.00	241.00	1.00	-	-	-	-	-	-
Special Ed - Elementary	67.00	-	67.00	-	12.00	-	12.00	-	-	-	2.00	2.00	2.00	-
Special Ed - Middle School	42.00	-	42.00	-	9.00	-	9.00	-	-	-	-	-	-	-
Special Ed - High School	79.00	7.00	79.00	7.00	14.00	2.00	14.00	2.00	-	-	2.00	2.00	2.00	-
Subtotal	188.00	7.00	188.00	7.00	35.00	2.00	35.00	2.00	-	-	4.00	4.00	4.00	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	1,498.00	9.00	1,498.00	9.00	276.00	3.00	276.00	3.00	-	-	4.00	4.00	4.00	-
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR 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	Sample Selected from Workpapers	Verified to Application and Register	Reported on A.S.S.A as LEP Low Income	Reported on Workpapers LEP Low Income	Sample Selected from Workpapers	Verified to Test Score, Register, & Application
Half Day Preschool - 3YR	-	-	-	-	-	-	-	-
Half Day Preschool - 4YR	-	-	-	-	-	-	-	-
Full Day Preschool - 3YR	-	-	-	-	-	-	-	-
Full Day Preschool - 4YR	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-	-	-
One	23.00	23.00	12.00	12.00	1.00	1.00	1.00	1.00
Two	12.00	12.00	7.00	7.00	-	-	-	-
Three	20.00	20.00	11.00	11.00	1.00	1.00	1.00	1.00
Four	26.00	26.00	14.00	14.00	2.00	2.00	2.00	2.00
Five	20.00	20.00	11.00	11.00	-	-	-	-
Six	17.00	17.00	9.00	9.00	-	-	-	-
Seven	19.00	19.00	10.00	10.00	1.00	-	-	-
Eight	17.00	17.00	9.00	9.00	-	-	-	-
Nine	12.00	12.00	7.00	7.00	-	1.00	1.00	1.00
Ten	10.00	10.00	6.00	6.00	-	-	-	-
Eleven	21.00	21.00	11.00	11.00	-	-	-	-
Twelve	13.00	13.00	7.00	7.00	-	-	-	-
Post-Graduate	9.00	9.00	5.00	5.00	-	-	-	-
Adult H.S. (15+CR.)	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR.)	-	-	-	-	-	-	-	-
Subtotal	219.00	219.00	119.00	119.00	5.00	5.00	5.00	5.00
Special Ed - Elementary	30.00	30.00	16.00	16.00	2.00	2.00	2.00	2.00
Special Ed - Middle School	19.00	19.00	11.00	11.00	-	-	-	-
Special Ed - High School	19.50	19.50	11.00	11.00	2.00	2.00	2.00	2.00
Subtotal	68.50	68.50	38.00	38.00	4.00	4.00	4.00	4.00
Totals	287.50	287.50	157.00	157.00	9.00	9.00	9.00	9.00
Percentage Error	-	-	-	-	-	-	-	-

**Transportation**

	Reported on		Sample for Verification		Reported on		Sample for Verification	
	DRTRS by DOE/County	DRTRS by District	Tested	Verified	Errors	Errors	Errors	Errors
Reg. - Public Schools, col. 1	477.00	477.00	160.00	160.00	-	-	-	-
Reg - Sp Ed, col. 4	40.00	40.00	13.00	13.00	-	-	-	-
Transported - Non-Public, col. 3	-	-	-	-	-	-	-	-
AIL Non-Public Schools	34.00	34.00	11.00	11.00	-	-	-	-
Special Ed Spec, col. 6	38.00	38.00	13.00	13.00	-	-	-	-
Totals	589.00	589.00	197.00	197.00	-	-	-	-
Percentage Error	-	-	-	-	-	-	-	-

Reported	Recalculated
4.7	4.7
4.8	4.8
8.5	8.5

Reg Avg. (Mileage) = Regular Including Grade PK Students  
 Reg Avg. (Mileage) = Regular Excluding Grade PK Students  
 Spec Avg. = Special Ed with Special Needs

**WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 14, 2022**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A as LEP Not Low Income</u>	<u>Reported on Workpapers LEP Not Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Preschool - 3YR						
Half Day Preschool - 4YR						
Full Day Preschool - 3YR						
Full Day Preschool - 4YR						
Half Day Kindergarten	-	-	-	-	-	-
Full Day Kindergarten	-	-	-	-	-	-
One	-	-	-	-	-	-
Two	-	-	-	-	-	-
Three	-	-	-	-	-	-
Four	1.00	1.00	-	1.00	1.00	-
Five	-	-	-	-	-	-
Six	-	-	-	-	-	-
Seven	-	-	-	-	-	-
Eight	-	1.00	1.00	1.00	1.00	-
Nine	-	-	-	-	-	-
Ten	-	-	-	-	-	-
Eleven	-	-	-	-	-	-
Twelve	-	-	-	-	-	-
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14+CR.)						
Subtotal	<u>1.00</u>	<u>2.00</u>	<u>1.00</u>	<u>2.00</u>	<u>2.00</u>	<u>-</u>
Special Ed - Elementary	1.00	1.00	-	1.00	1.00	-
Special Ed - Middle School	-	-	-	-	-	-
Special Ed - High School	-	-	-	-	-	-
Subtotal	<u>1.00</u>	<u>1.00</u>	<u>-</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. - FT Post Sec.						
Totals	<u><u>2.00</u></u>	<u><u>3.00</u></u>	<u><u>1.00</u></u>	<u><u>3.00</u></u>	<u><u>3.00</u></u>	<u><u>-</u></u>
Percentage Error			<u><u>-</u></u>	<u><u>-</u></u>		<u><u>-</u></u>

## EXCESS SURPLUS CALCULATION

### SECTION 1

#### Calculation A: 2 Percent Excess Surplus

2022-2023 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ 30,008,837		(B)
Increased by Applicable Operating Transfers			
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	<u>108,072</u>		(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	<u>-</u>		(B1d)
Decreased by:			
On-Behalf TPAF Pension & Social Security	5,485,229		(B2a)
Assets Acquired Under Capital Leases	<u>52,967</u>		(B2b)
Adjusted General Fund Expenditures [(B)+(B1s)-(B2s)]		24,578,713	(B3)
2% of Adjusted 2022-2023 General Fund Expenditures [(B3) times .02]		<u>491,574</u>	(A)
Enter greater of (A) or \$250,000		491,574	(B5)
Increased by: Allowable Adjustment *		<u>199,235</u>	(K)
Maximum Unassigned/Undesignated Fund Balance [(B-5)+(K)]		<u>690,809</u>	(M)

### SECTION 2

Total General Fund - Fund Balances @ 6-30-2023 (Per CAFR Budgetary Comparison Schedule C-1)	<u>5,286,975</u>		C
Decreased by:			
Year-End Encumbrances	<u>34,628</u>		(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>-</u>		(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	<u>732,597</u>		(C3)
Other Restricted Fund Balances ****	<u>2,450,330</u>		(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	<u>578,611</u>		(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u>1,490,809</u>	(U1)

### SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-		<u>800,000</u>	(E)
---	--	----------------	-----

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

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **		732,597	(C3)
Reserved Excess Surplus [(C-3) + (E)] ***		<u>800,000</u>	(E)
Total Excess Surplus [(C3) + (E)]		<u>\$ 1,532,597</u>	(D)

\* This adjustment line (as detailed below) is to be utilized when applicable for: Impact Aid, Sale and Lease-back, Extraordinary Aid, Additional and Nonpublic School Transportation Aid, and recognized current year School Bus Advertising Revenue.

**Detail of Allowable Adjustments**

Impact Aid		(H)
Sale & Lease-back		(I)
Extraordinary Aid	188,627	(J1)
Additional Nonpublic School Transportation Aid	10,608	(J2)
Current Year School Bus Advertising Revenue Recognized		(J3)
Family Crisis Transportation Aid		(J4)
Supplemental Stabilization Aid	-	(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)]	199,235	(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 Line 90030.

\*\*\*\* Amount for Other Restricted 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 an other 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	639,719
Maintenance reserve	766,620
Tuition reserve	716,000
Emergency reserve	-
School Bus Advertising 50% Fuel Offset Reserve - current year	
School Bus Advertising 50% Fuel Offset Reserve - prior year	
Other state/government mandated reserve	
Reserve for Unemployment Fund	327,991
[Other Restricted Fund Balance not noted above] ****	
Total Other Restricted Fund Balance	2,450,330 (C4)



AUDIT RECOMMENDATIONS SUMMARY  
For the Fiscal Year Ended June 30, 2023  
WOODSTOWN-PILESGROVE REGIONAL SCHOOL DISTRICT

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

**Finding 2022-001**

Capital Projects Fund has unexpended balances and grants receivable from a November 4, 2014, referendum.

Status: The condition has not been fully implemented. The reason for the delay for these projects was due to ongoing litigation. This project is expected to be closed out by June 2024.

**Finding 2022-002**

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

Status: The condition has not been fully implemented. However, the Department of Agriculture has allowed districts to implement a plan to spend the excess funds during the upcoming school year.

**Finding 2022-003**

Eligible employees were not always timely enrolled in following New Jersey Division of Pensions & Benefits plans:

1. Teachers' Pension and Annuity Fund (TPAF)
2. Public Employees' Retirement System (PERS)
3. Defined Contribution Retirement Program (DCRP)

Status: The condition has not been fully implemented. However, the District has engaged a forensic audit of this area and the matter is in the process of being resolved.

**Finding 2022-004**

Payroll deductions payable were not always timely remitted to the proper agencies.

Status: The condition has been fully implemented.