

EGG HARBOR TOWNSHIP
SCHOOL DISTRICT
AUDITOR'S MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2024

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

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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

Report of Independent Auditors

Honorable President and
Members of the Board of Education
Egg Harbor Township School District
County of Atlantic, 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 Egg Harbor Township School District in the County of Atlantic for the year ended June 30, 2024, and have issued our report thereon dated November 18, 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 the Egg Harbor Township 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

Leon P. Costello

Leon P. Costello, CPA

Certified Public Accountant

Licensed Public School Accountant

No. 767

November 18, 2024

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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>
Daniel Smith	Board Secretary/ School Business Administrator	\$750,000
Jennifer Germana	Asst. School Business Administrator	\$614,000

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 deduction 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 2023-24 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 the 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 2023-2024.

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 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.

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 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 provision of N.J.S.A. 18A:18A-4, amended.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

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 county records were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

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.

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.

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.

Net cash resources did exceed three months average expenditures.

Finding 2024-001:

The District's net cash resources exceeded three months average expenditures.

Recommendation:

That the District expend the excess net cash resources within the food service program.

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.

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.

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.

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, 2023 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 District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers without exception. 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 district maintained workpapers on the prescribed state forms or their equivalent. The 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.

Miscellaneous

The school district did comply with continuing disclosure agreements made in relation to prior year(s) bond issuances.

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 Years' Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action has been taken on all prior year findings.

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, L.L.C.

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

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

November 18, 2024

SCHEDULE OF MEAL COUNT ACTIVITY

TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER FOR MEALS SERVED AND (OVER) UNDERCLAIM - FEDERAL
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE	(OVER) UNDER CLAIM
National School Lunch	Paid	233,698	233,698	233,698	0	0.42	0
	Reduced	85,548	85,548	85,548	0	3.87	0
	Free	318,136	318,136	318,136	0	4.27	0
	TOTAL	<u>637,382</u>	<u>637,382</u>	<u>637,382</u>	<u>0</u>		<u>0</u>
National School Lunch	HHFKA - PB Lunch Only	<u>637,382</u>	<u>637,382</u>	<u>637,382</u>	<u>0</u>	0.08	<u>0</u>
School Breakfast Severe Needs	Paid	161,647	161,647	161,647	0	0.38	0
	Reduced	38,894	38,894	38,894	0	2.73	0
	Free	167,948	167,948	167,948	0	2.73	0
	TOTAL	<u>368,489</u>	<u>368,489</u>	<u>368,489</u>	<u>0</u>		<u>0</u>
Special Milk	Paid	0	0	0	0	0.2025	0
	Free	0	0	0	0	Avg. Cost	0
	TOTAL	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
Total Net (overclaim)/underclaim							<u><u>\$0</u></u>

SCHEDULE OF MEAL COUNT ACTIVITY

**TOWNSHIP OF EGG HARBOR SCHOOL DISTRICT
FOOD SERVICE FUND
NUMBER FOR MEALS SERVED AND (OVER) UNDERCLAIM - STATE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

PROGRAM	MEAL CATEGORY	MEALS CLAIMED	MEALS TESTED	MEALS VERIFIED	DIFFERENCE	RATE	(OVER) UNDER CLAIM
State Reimbursement - National School Lunch	Paid	233,698	233,698	233,698	0	0.060	0
	Reduced	85,548	85,548	85,548	0	0.470	0
	Free	318,136	318,136	318,136	0	3.920	0
	TOTAL	<u>637,382</u>	<u>637,382</u>	<u>637,382</u>	<u>0</u>		<u>0</u>
State Reimbursement - School Breakfast	Paid	161,647	161,647	161,647	0	0.100	0
	Reduced	38,894	38,894	38,894	0	0.100	0
	Free	167,948	167,948	167,948	0	2.435	0
	TOTAL	<u>368,489</u>	<u>368,489</u>	<u>368,489</u>	<u>0</u>		<u>0</u>
Total Net (overclaim)/underclaim							<u><u>\$0</u></u>

NET CASH RESOURCE SCHEDULE

Net cash resources did not exceed three months of expenditures Proprietary Funds - Food Service FYE 2024

<u>Net Cash Resources:</u>		Food Service B - 4/5	
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 1,555,562
B-4		Accounts Receivable	368,042
B-4		Interfund Receivable	-
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(172,746)
B-4		Less Student Deposits	(46,049)
B-1		Less Deferred Revenue	(76,643)
Net Cash Resources		\$ 1,628,166	(A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	4,291,063	
B-5	Less Depreciation	(41,477)	
	Adj. Tot. Oper. Exp.	\$ 4,249,586	(B)

Average Monthly Operating Expense:

B / 10	\$ 424,959	(C)
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Three times monthly Average:

3 X C	\$ 1,274,876	(D)
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TOTAL IN BOX A	\$ 1,628,166
LESS TOTAL IN BOX D	1,274,876
NET	\$ 353,290

From above:

A is greater than D, cash exceeds 3 X average monthly operating expenses.
D is greater than A, cash does not exceed 3 X average monthly operating expenses.

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

SOURCE - USDA resource management comprehensive review form

**EGG HARBOR TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2023**

	2024-2025 Application for State School Aid						Sample for Verification						Private Schools for Disabled					
	Reported on A.S.A. On Roll			Reported on Workpapers On Roll			Errors			Reported on Selected from Workpapers			Verified per Registers On Roll			Reported on A.S.A. as Private Schools		
	Full	Shared		Full	Shared		Full	Shared		Full	Shared		Full	Shared		Full	Verifi- cation	Sample Errors
Half Day Preschool - 3YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Preschool - 4YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 3YR	162	-	-	162	-	-	-	-	-	10	-	-	-	-	-	-	-	-
Full Day Preschool - 4YR	210	-	-	210	-	-	-	-	-	13	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	344	-	-	344	-	-	-	-	-	14	-	-	-	-	-	-	-	-
One	382	-	-	382	-	-	-	-	-	16	-	-	-	-	-	-	-	-
Two	408	-	-	408	-	-	-	-	-	17	-	-	-	-	-	-	-	-
Three	370	-	-	370	-	-	-	-	-	15	-	-	-	-	-	-	-	-
Four	391	-	-	391	-	-	-	-	-	16	-	-	-	-	-	-	-	-
Five	432	-	-	432	-	-	-	-	-	18	-	-	-	-	-	-	-	-
Six	484	-	-	484	-	-	-	-	-	21	-	-	-	-	-	-	-	-
Seven	480	-	-	480	-	-	-	-	-	20	-	-	-	-	-	-	-	-
Eight	494	-	-	494	-	-	-	-	-	20	-	-	-	-	-	-	-	-
Nine	493	-	-	493	-	-	-	-	-	20	-	-	-	-	-	-	-	-
Ten	479	-	-	479	-	-	-	-	-	19	-	-	-	-	-	-	-	-
Eleven	485	-	-	485	-	-	-	-	-	20	-	-	-	-	-	-	-	-
Twelve	502	-	-	502	-	-	-	-	-	20	-	-	-	-	-	-	-	-
Post-Graduate																		
Adult H.S. (15+CR.)																		
Adult H.S. (1-14+CR.)																		
Subtotal	6,116	-	-	6,116	-	-	-	-	-	259	-	-	259	-	-	-	-	-
Special Ed - Elementary	631	-	-	631	-	-	-	-	-	27	-	-	27	-	-	2	2	-
Special Ed - Middle School	267	-	-	267	-	-	-	-	-	11	-	-	11	-	-	-	-	-
Special Ed - High School	340	-	-	340	-	-	-	-	-	15	-	-	15	-	-	14	14	-
Subtotal	1,238	-	-	1,238	-	-	-	-	-	53	-	-	53	-	-	16	16	-
Co. Voc. - Regular																		
Co. Voc. - FT Post Sec.																		
Totals	7,354	-	-	7,354	-	-	-	-	-	312	-	-	312	-	-	16	16	-
Percentage Error																		-

**EGG HARBOR TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2023**

	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 LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score, Register, & Application	Sample Errors
Half Day Preschool - 3YR	53	53	-	5	5	-	-	-	-	-	-	-
Half Day Preschool - 4YR	74	74	-	7	7	-	-	-	-	-	-	-
Full Day Preschool - 3YR	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool - 4YR	-	-	-	-	-	-	-	-	-	-	-	-
Half Day Kindergarten	137	137	-	13	13	-	10	10	-	8	8	-
Full Day Kindergarten	160	160	-	15	15	-	10	10	-	7	7	-
One	180	180	-	16	16	-	18	18	-	12	12	-
Two	192	192	-	16	16	-	14	14	-	9	9	-
Three	173	173	-	15	15	-	14	14	-	10	10	-
Four	167	167	-	13	13	-	14	14	-	10	10	-
Five	194	194	-	18	18	-	16	16	-	10	10	-
Six	219	219	-	20	20	-	13	13	-	7	7	-
Seven	228	228	-	20	20	-	9	9	-	5	5	-
Eight	231	231	-	21	21	-	8	8	-	5	5	-
Nine	222	222	-	20	20	-	12	12	-	8	8	-
Ten	226	226	-	20	20	-	14	14	-	7	7	-
Eleven	240	240	-	20	20	-	13	13	-	7	7	-
Twelve	203	203	-	16	16	-	10	10	-	7	7	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15+CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14+CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	2,719	2,719	-	239	239	-	161	161	-	102	102	-
Special Ed - Elementary	354	354	-	31	31	-	6	6	-	5	5	-
Special Ed - Middle School	138	138	-	13	13	-	5	5	-	4	4	-
Special Ed - High School	183	183	-	16	16	-	2	2	-	1	1	-
Subtotal	675	675	-	60	60	-	13	13	-	10	10	-
Co. Voc. - Regular	-	-	-	-	-	-	-	-	-	-	-	-
Co. Voc. - FT Post Sec.	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,394	3,394	-	299	299	-	174	174	-	112	112	-
Percentage Error	-	-	-	-	-	-	-	-	-	-	-	-

Transportation

	Reported on DRTS by DOE/County			Sample for Verification			Reported on DRTS by District		
	Reported on DOE/County	Tested	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on District	Tested	Errors
Reg. - Public Schools, col. 1	4,804	227	-	227	227	-	4,804	227	-
Reg - Sp.Ed, col. 4	726	21	-	21	21	-	726	21	-
Transported - Non-Public, col. 3	211	34	-	34	34	-	211	34	-
ALL Non-Public Schools	446	10	-	10	10	-	446	10	-
Special Ed Spec, col. 6	423	20	-	20	20	-	423	20	-
Totals	6,610	312	-	312	312	-	6,610	312	-
Percentage Error	-	-	-	-	-	-	-	-	-

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

Reported	Recalculated
4.5	4.5
4.5	4.5
4.5	4.5

EGG HARBOR TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2023

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.A as LEP Not Low Income	Reported on Workpapers LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool - 3YR	-	-	-	-	-	-
Half Day Preschool - 4YR	4	4	-	2	2	-
Full Day Preschool - 3YR	3	3	-	2	2	-
Full Day Preschool - 4YR	7	7	-	5	5	-
Half Day Kindergarten	2	2	-	2	2	-
Full Day Kindergarten	2	2	-	2	2	-
One	2	2	-	2	2	-
Two	4	4	-	3	3	-
Three	6	6	-	5	5	-
Four	2	2	-	2	2	-
Five	2	2	-	2	2	-
Six	2	2	-	2	2	-
Seven	4	4	-	3	3	-
Eight	6	6	-	5	5	-
Nine	2	2	-	2	2	-
Ten	2	2	-	2	2	-
Eleven	3	3	-	2	2	-
Twelve	3	3	-	2	2	-
Post-Graduate	7	7	-	6	6	-
Adult H.S. (15+CR.)						
Adult H.S. (1-14+CR.)						
Subtotal	47	47	-	37	37	-
Special Ed - Elementary	2	2	-	2	2	-
Special Ed - Middle School	-	-	-	-	-	-
Special Ed - High School	1	1	-	1	1	-
Subtotal	3	3	-	3	3	-
Co. Voc. - Regular						
Co. Voc. - FT Post Sec.						
Totals	50	50	-	40	40	-
Percentage Error	-	-	-	-	-	-

EXCESS SURPLUS CALCULATION

SECTION 1

Calculation A: 2 Percent Excess Surplus

2023-2024 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ 195,526,460	(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	105,991	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	<u>1,449,802</u>	(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	(34,941,972)	(B2a)
Assets Acquired Under Capital Leases	<u>-</u>	(B2b)
Adjusted General Fund Expenditures [(B)+(B1s)-(B2s)]		162,140,281 (B3)
2% of Adjusted 2023-2024 General Fund Expenditures [(B3) times .04]		<u>3,242,806</u> (A)
Enter greater of (A) or \$250,000		<u>3,242,806</u> (B5)
Increased by: Allowable Adjustment *		<u>2,092,582</u> (K)
Maximum Unassigned/Undesignated Fund Balance [(B-5)+(K)]		<u><u>5,335,388</u></u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-2024 (Per ACFR Budgetary Comparison Schedule C-1)	30,810,129	C
Decreased by:		
Year-End Encumbrances	(4,142,651)	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	-	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	(3,636,176)	(C3)
Other Restricted Fund Balances ****	(14,714,651)	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	<u>-</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		<u><u>8,316,651</u></u> (U1)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	<u><u>2,981,263</u></u>	(E)
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Recapitulation of Excess Surplus as of June 30, 2024

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	3,636,176	(C3)
Reserved Excess Surplus [(C-3) + (E)] ***	<u>2,981,263</u>	(E)
Total Excess Surplus [(C3) + (E)]	<u><u>\$ 6,617,439</u></u>	(D)

- * 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 Sections 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 of 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) Maintenance of Equity Aid and State Military Impact 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	1,812,380	(J1)
Additional Nonpublic School Transportation Aid	280,202	(J2)
Current Year School Bus Advertising Revenue Recognized	-	(J3)
Family Crisis Transportation Aid	-	(J4)
Maintenance of Equity Aid and State Military Impact Aid received July 2022		(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	<u>2,092,582</u>	(K)

- ** This amount represents the June 30, 2024 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

- *** Amounts must agree to the June 30, 2024 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 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	12,523,354
Maintenance reserve	394,500
Tuition reserve	-
Emergency 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 8002 and 8003)	-
Impact Aid General Fund Reserve (Sections 8007 and 8008)	-
Other state/government mandated reserve	-
[Other Restricted Fund Balance not noted above] ****	-
Unemployment Compensation	<u>1,796,797</u>

Total Other Restricted Fund Balance 14,714,651 (K4)

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2024
EGG HARBOR TOWNSHIP 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

That the District expend the excess net cash resources within the food service program.

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

No prior year findings.