

BRANCHBURG TOWNSHIP SCHOOL DISTRICT
COUNTY OF SOMERSET
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS –
FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

BRANCBURG TOWNSHIP SCHOOL DISTRICT
COUNTY OF SOMERSET
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
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November 4, 2025

The Honorable President and Members
of the Board of Education
Branchburg Township School District
County of Somerset, 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 financial statements of the Board of Education of the Branchburg Township School District in the County of Somerset for the fiscal year ended June 30, 2025, and have issued our report thereon dated November 4, 2025.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents. This letter does not affect our report dated November 4, 2025, on the financial statements of the Board.

We will review the status of our suggestions and comments during our next audit engagement. We have already discussed the suggestions and any comments with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the suggestions and recommendations.

This report is intended for the information of the Branchburg Township 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.

Nisivoccia, LLP
NISIVOC CIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

BRANCBURG TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Stephanie Voorhees	Interim Business Administrator/Board Secretary	\$ 350,000
John Csatlos	Treasurer	\$ 350,000

P.L. 2020, Chapter 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 included all health benefit plans offered by the school district.

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

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different than estimated costs. The Board made a proper adjustment to the billings to sending districts for the change in per pupil costs in accordance with N.J.A.C. 6A:23-3.1(f)3.

Examination of Claims

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

BRANCBURG TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Financial Planning, Accounting and Reporting

Payroll Account and Position Control Roster

The net salaries of employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account. Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the General Fund.

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

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

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

Classification of General and Administrative Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6:23-2.2(g) as part of our test of transactions of randomly selected expenditure items. In addition to randomly selecting a test sample, we also reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no transaction errors were noted, and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

BRANCHBURG TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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

The E.S.E.A. financial exhibits are contained within the Special Revenue Section of the District's ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, Title IIA, and Title IV of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for the E.S.E.A. grants did not indicate any area of noncompliance.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on 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.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for district employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

T.P.A.F Reimbursement to the State of Federal Salary Expenditures

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2025. The reimbursement form was reviewed, and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

BRANCBURG TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

b. Commencing in the fifth year after the year in which P.L.1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made . . ."

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law . . ."

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is \$20,200 for 2024-25.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. General compliance was noted.

The results of our examination indicated that no individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

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 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.

BRANCBURG TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

School Food Service

The financial transactions and statistical records of the School Food Service Fund were reviewed. The financial accounts and meal count records were reviewed on a test-check basis. No exceptions were noted.

The School Food Service program was not selected as a major program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or the appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

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

We inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to all students, maintenance of all applicable production records, meal counts, noncompetitive procurements, modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP Loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the SFA if the FSMC received a PPP loan.

Non-program foods were purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the ACFR Schedule B-5 does separate program and non-program revenue and program and non- program cost of goods sold.

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

Finding 2025-001:

Net cash resources exceeded three months' average expenditures by \$41,877. As the District already has plans in place to reduce the excess, no formal recommendation is judged to be warranted.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Student Activities records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

Application for State School Aid

Our audit procedures included a test of enrollments and related services reported in the October 15, 2024 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low income and bilingual students. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district's work papers with a few minor exceptions. The information that was included in the district's work papers was verified with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

BRANCBURG TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Application for State School Aid (Cont'd)

The District maintains work papers on the prescribed State forms or their equivalent.

The District has adequate written procedures for recording student enrollment data.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2024-2025 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation-related contracts and purchases. Based on our review, the district complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation-related purchases of goods and services.

Facilities and Capital Assets

Our procedures included a review of the Schools Development Authority (SDA) grant agreements for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account and awarding of contracts for eligible facilities construction. Based on these procedures, we have no comments.

Travel Expense and Reimbursement Policy

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations require the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred.

Our review of the travel policies, procedures and records revealed that the District is in compliance with the travel regulations.

Testing for Lead of All Drinking Water in Educational Facilities

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

BRANCBURG TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Management Suggestions

Governmental Accounting Standards Board (GASB) Statements effective for Fiscal Year Ending June 30, 2026

GASB Statement No. 103, Financial Reporting Model Improvements

Management's Discussion and Analysis (MD&A)

Information in MD&A is limited to five sections – Overview of Financial Statements, Financial Summary, Detailed Analyses, Significant Capital Assets and Long-Term Financing Activity and Currently Known Facts. Standard emphasizes that the detailed analyses should explain why balances and results of operations changed. Also, only the most relevant information should be presented.

Unusual or Infrequent Items

Statement provides a definition of these items and the presentation of these items in the financial statements.

Proprietary Fund Statement of Revenue, Expenses and Changes in Net Position

Provides a definition of both operating and nonoperating revenue and expenses. New requirement for subtotals for Operating Income/(Loss) and Noncapital subsidies be presented before reporting other nonoperating revenues and expenses. Provides a definition of subsidies.

Budgetary Comparison Information

Must present variance between original and final budget amounts as well as variance between final budget and actual amounts. An explanation of significant variances must be included in the Notes to the Required Supplementary Information (RSI).

GASB Statement No. 104, Disclosure of Certain Capital Assets

Standard requires lease assets as well as subscription assets to be disclosed separately in the capital assets note disclosures. The standard also requires a disclosure for capital assets held for sale where it is probable that the sale will be finalized within one year of the financial statement date.

Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding the submission of Chapter 44 data, preparation of an analysis of the payroll agency balances that correspond to the bank reconciliation, identification and resolution of the reconciling items in the Treasurer's bank reconciliations, reporting student enrollments in the ASSA, and approval of all transportation contracts have been resolved in the current year.

BRANCHBURG TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	2025-26 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Half Day Preschool - 3 Yrs Old	2		2				2		2			
Half Day Preschool - 4 Yrs Old	5		5				5		5			
Full Day Kindergarten	124		124				124		124			
Grade One	145		145				145		145			
Grade Two	136		136				136		136			
Grade Three	124		124				124		124			
Grade Four	133		133				133		133			
Grade Five	127		127				127		127			
Grade Six	135		135				135		135			
Grade Seven	114		114				114		114			
Grade Eight	125		125				125		125			
Subtotal	1,170		1,170				1,170		1,170			
Special Education:												
Elementary	133		133				12		12			
Middle	86		86				8		8			
Subtotal	219		219				20		20			
Totals	1,389	- 0 -	1,389	- 0 -	- 0 -	- 0 -	1,190	- 0 -	1,190	- 0 -	- 0 -	- 0 -
Percentage Error					0.00%	0.00%					0.00%	0.00%

BRANCHBURG TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	Private Schools for Disabled				Resident Low Income					
	Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten										
Grade One					17	18	1	1	1	1
Grade Two					15	15		1	1	1
Grade Three					15	15		2	2	2
Grade Four					13	13		1	1	1
Grade Five					9	10	1	2	2	2
Grade Six					12	12		2	2	2
Grade Seven					13	13		1	1	1
Grade Eight					8	9	1	2	2	2
Grade Nine					16	16		1	1	1
Grade Ten					16	16				
Grade Eleven					15	15				
Grade Twelve					13	13				
Subtotal					14	14				
					175	178	3	13	13	
Special Education:										
Elementary School	1				29	29		1	1	
Middle School	7	1	1		21	21		1	1	
High School	7	2	2		14	14				
Subtotal	15	3	3		64	64		2	2	
Totals	15	3	3	- 0 -	239	242	3	15	15	- 0 -
Percentage Error				0.00%			1.24%			0.00%

BRANCHBURG TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	Resident LEP Low Income					
	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Full Day Kindergarten	1	1				
Grade One	3	3				
Grade Two	1	1				
Grade Three	4	4		1	1	
Grade Five	1	1		1	1	
Grade Six	2	2				
Grade Seven	1	1		1	1	
Grade Eight						
Grade Nine	2	2				
Grade Ten	1	1				
Grade Eleven	1	1				
Grade Twelve	1	1				
Subtotal	18	18		3	3	
Special Education:						
Elementary School	4	4				
Subtotal	4	4				
Totals	22	22	- 0 -	3	3	- 0 -
Percentage Error			0.00%			0.00%

	Resident LEP Not Low Income					
	Reported on ASSA as LEP Not Low Income	Reported on Workpapers as LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Full Day Kindergarten	2	2				
Grade One	2	2				
Grade Three	2	2		1	1	
Grade Four	1	1				
Grade Five	2	2		1	1	
Grade Seven	1	1				
Grade Eight	1	1		1	1	
Grade Ten	1	1				
Subtotal	12	12		3	3	
Totals	12	12	- 0 -	3	3	- 0 -
Percentage Error			0.00%			0.00%

BRANCHBURG TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	Transportation					
	<u>Reported on DRTRS by DOE</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Regular - Public Schools	1,353	1,353		20	20	
Regular - Special Education	67	67		1	1	
Transported - Non Public						
AIL - Non Public	132	132		2	2	
Special Needs - Public	65	65		1	1	
Special Needs - Private	<u>11</u>	<u>11</u>		<u>1</u>	<u>1</u>	
Totals	<u>1,628</u>	<u>1,628</u>	<u>- 0 -</u>	<u>25</u>	<u>25</u>	<u>- 0 -</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

	<u>Reported</u>	<u>Re- calculated</u>
Average Mileage - Regular Including Grade PK Students	5.8	5.8
Average Mileage - Regular Excluding Grade PK Students	5.8	5.8
Average Mileage - Special Education with Special Needs	7.4	7.4

BRANCBURG TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section 1 - REGULAR DISTRICT

2024-25 Total General Fund Expenditures per the ACFR (Exhibit C) \$ 58,294,654 (B)

Increased by:

Transfer from Capital Outlay to Capital Projects Fund \$ 1,572,769 (B1a)

Transfer from Capital Reserve to Capital Projects Fund \$ - 0 - (B1b)

Decreased by:

On-Behalf TPAF Pension and Social Security \$ 7,707,044 (B2a)

Assets Acquired Under Financed Purchases and Leases \$ - 0 - (B2b)

Adjusted 2024-25 General Fund Expenditures [(B)+(B1's)-(B2's)] \$ 52,160,379 (B3)

2% of Adjusted 2024-25 General Fund Expenditures [(B3) times .02] \$ 1,043,208 (B4)

Enter Greater of (B4) or \$250,000 \$ 1,043,208 (B5)

Increased by: Allowable Adjustments \$ 542,100 (K)

Maximum Unassigned Fund Balance [(B5)+(K)] \$ 1,585,308 (M)

Section 2

Total General Fund - Fund Balances @ 6/30/25 \$ 15,616,790 (C)

(Per ACFR Budgetary Comparison Schedule C-1)

Decreased by:

Assigned - Year End Encumbrances \$ 1,230,882 (C1)

Legally Restricted - Designated for Subsequent Year's Expenditures \$ - 0 - (C2)

Excess Surplus - Designated for Subsequent Year's Expenditures \$ - 0 - (C3)

Other Restricted Fund Balances \$ 9,800,600 (C4)

Assigned - Designated for Subsequent Year's Expenditures \$ 1,500,000 (C5)

Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)] \$ 3,085,308 (U1)

Section 3

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER - 0 - \$ 1,500,000 (E)

BRANCBURG TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Section 3

Recapitulation of Excess Surplus as of June 30, 2025

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures	\$ - 0 - (C3)
Restricted Excess Surplus [(E)]	<u>\$ 1,500,000 (E)</u>
Total [(C3)+(E)+(F)]	<u>\$ 1,500,000 (D)</u>

Detail of Allowable Adjustments

Impact Aid	\$ - 0 - (H)
Sale and Lease Back	<u>\$ - 0 - (I)</u>
Extraordinary Aid	<u>\$ 480,456 (J1)</u>
Additional Nonpublic School Transportation Aid	<u>\$ 61,644 (J2)</u>
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	<u>\$ 542,100 (K)</u>

Detail of Other Restricted Fund Balances

Statutory Restrictions:	
Approved Unspent Separate Proposal	\$ - 0 -
Sale/Lease-Back Reserve	<u>\$ - 0 -</u>
Capital Reserve	<u>\$ 5,632,749</u>
Maintenance Reserve	<u>\$ 1,000,000</u>
Emergency Reserve	<u>\$ 120,000</u>
Tuition Reserve	<u>\$ 2,200,000</u>
Unemployment Compensation	<u>\$ 847,851</u>
Other State/Governmental Mandated Reserve	<u>\$ - 0 -</u>
Other Restricted Fund Balance not Noted Above	<u>\$ - 0 -</u>
Total Other Restricted Fund Balances	<u>\$ 9,800,600 (C4)</u>

BRANCHBURG TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
None
3. School Purchasing Program
None
4. School Food Service
None
5. Student Body Activities
None
6. Application for State School Aid
None
7. Pupil Transportation
None
8. Facilities and Capital Assets
None
9. Travel Expense and Reimbursement Policy
None
10. Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding the submission of Chapter 44 data, preparation of an analysis of the payroll agency balances that correspond to the bank reconciliation, identification and resolution of the reconciling items in the Treasurer's bank reconciliations, reporting student enrollments in the ASSA, and approval of all transportation contracts have been resolved in the current year.