

FAIR LAWN PUBLIC SCHOOLS
COUNTY OF BERGEN
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2025

FAIR LAWN PUBLIC SCHOOLS
COUNTY OF BERGEN
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2025
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November 20, 2025

The Honorable President and Members
of the Board of Education
Fair Lawn Public Schools
County of Bergen, NJ

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 Fair Lawn Public Schools in the County of Bergen for the fiscal year ended June 30, 2025, and have issued our report thereon dated November 20, 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.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions 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.

This report is intended for the information of the Fair Lawn Public Schools' 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
NISIVOCIA LLP

Heidi A. Wohlleb
Heidi A. Wohlleb
Licensed Public School Accountant #2140
Certified Public Accountant

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2025

Scope of Audit

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

Administrative Practices and Procedures

Insurance

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>
Danielle Mancuso	School Business Administrator/Board Secretary	\$ 525,000
Karen Palermo	Treasurer of School Monies	525,000

The District has Employee Dishonesty and Faithful Performance coverage through the Utica National Insurance Group as detailed on Exhibit J-20 of the ACFR.

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 the school district.

The District data certification was completed by the Superintendent. The District's Chapter 44 data was submitted timely.

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 change in per pupil costs in accordance with N.J.A.C. 6A:23A-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review indicated overall compliance with respect to signatures, certification and supporting documentation.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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 were approved by the Superintendent and were certified by the President of the Board, the Board Secretary/Business Administrators and the Chief School Administrator. Payrolls were delivered to the Treasurer of School Monies with a warrant to her order for the full amount of the payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

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 Expenditures – General and Administrative

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-8.2 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 included administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-16.2(f). Overall compliance was noted.

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 comments.

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.

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 herein within the Special Revenue Section of the District's ACFR. This section of the ACFR documents the financial position pertaining to projects under Titles I, II, III, III Immigrant, and IV of the Elementary and Secondary Education Act as amended and reauthorized.

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

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Other Special Federal and/or State Projects

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 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.

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 for 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.

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 include requirements for 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 Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Overall compliance was 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.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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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 2024-2025.

As per N.J.S.A. 18A:18A-3, the Board passed a resolution, authorizing the Business Administrator as a qualified purchasing agent and increasing the bid threshold to \$44,000.

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. None were noted.

Based upon the results of our examination, we did not note any individual payments, contracts, or agreements 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.

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.

School Food Service

The school food service program was not selected as a major federal or state 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.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

School Food Service (Cont'd)

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.

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.

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.

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

Finding 2025-001:

The District has net excess cash resources in the Food Service Fund at June 30, 2025 of \$3,041,882. As the District has plans in place to resolve the excess, no formal recommendation is judged to be warranted.

Finding 2025-002:

The District did not reconcile the daily sales revenue and vending per the Food Service Management Contractor's Operating Statement with the District's records on a monthly basis. As the District has already implemented procedures to ensure that the reconciliation occurs in fiscal 2025-26, 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 the procedures, we have the following comment.

Finding 2025-003:

During our review of the analysis of the balance by clubs/activities for student activities, we noted that there were certain individual club/activity balances that were negative. As the District has plans in place to resolve these negative balances in fiscal year 2025-26, no formal recommendation is judged to be warranted.

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Application for State School Aid

Our audit procedures included a test of information 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 education students. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers with a few exceptions. The information that was included on the workpapers was verified on a test basis 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's written procedures for the recording of student enrollment data appear to be adequate.

Pupil Transportation

Our audit procedures included a test of on-roll status reported on 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 without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

Facilities and Capital Assets

Our procedures included a review of the NJSDA grant agreements for consistency with recording NJSDA revenue, transfer of local funds from General Fund or from the Capital Reserve Account and awarding of contracts for eligible facilities construction.

Testing for Lead of All Drinking Water in Educational Facilities

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

Management Suggestions

Confirming Orders:

It has come to our attention that a number of school districts in New Jersey are being cited by the State Department of Education for the purchasing of goods or services prior to the issuance of an approved purchase order. We are taking this opportunity to reiterate to our clients that a valid, approved purchase order must be prepared prior to obligating the District for the purchase of goods or services to be in compliance with the requirements of the State.

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

GASB Statement No. 103, Financial Reporting Model Improvements

Unusual or Infrequent Items

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

FAIR LAWN PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
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FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

Management Suggestions (Cont'd)

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

GASB Statement No. 103, Financial Reporting Model Improvements (Cont'd)

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.

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 Findings/Recommendations

There were no prior year recommendations.

FAIR LAWN PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2024

	2025-2026 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Kindergarten	289		289				289		289			
Grade One	337		337				337		337			
Grade Two	362		362				362		362			
Grade Three	381		381				381		381			
Grade Four	367		367				367		367			
Grade Five	356		356				356		356			
Grade Six	374		374				374		374			
Grade Seven	376		376				376		376			
Grade Eight	367		367				367		367			
Grade Nine	371	1	371	1			371	1	371	1		
Grade Ten	336	0.5	336	0.5			336	0.5	336	0.5		
Grade Eleven	337		337				337		337			
Grade Twelve	342		342				342		342			
Subtotal	4,595	1.5	4,595	1.5			4,595	1.5	4,595	1.5		
Special Education:												
Elementary School	352		352				10		10			
Middle School	217		218		(1)		5		5			
High School	290	2.5	291	2.5	(1)		10		10			
Subtotal	859	2.5	861	2.5	(2)		25		25			
Totals	5,454	4	5,456	4	(2)	-0-	4,620	2	4,620	2	-0-	-0-
Percentage Error					-0.04%	0.00%					0.00%	0.00%

FAIR LAWN PUBLIC SCHOOLS
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	Private Schools for Disabled					
	Reported on ASSA as Private Schools	Reported on Workpapers as Private Schools	Errors	Sample for Verification	Sample Verified	Sample Errors
Special Education:						
Elementary School	5	5		1	1	
Middle School	10	10		2	2	
High School	23	23		2	2	
Totals	38	38	-0-	5	5	-0-
Percentage Error			0.00%			0.00%

FAIR LAWN PUBLIC SCHOOLS
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	Resident Low Income		Sample for Verification		
	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten					
Grade One	38	38	1	1	
Grade Two	61	61	1	1	
Grade Three	65	65	1	1	
Grade Four	59	59	2	2	
Grade Five	77	77	1	1	
Grade Six	64	64	2	2	
Grade Seven	68	68	2	2	
Grade Eight	76	75	2	2	
Grade Nine	69	69	1	1	
Grade Ten	71	71	2	2	
Grade Eleven	70	70	2	2	
Grade Twelve	78	77	2	2	
Subtotal	71	71	1	1	
	867	865	20	20	
Special Education:					
Elementary School	99	98	2	2	
Middle School	57	57	1	1	
High School	73	72	2	2	
Subtotal	229	227	5	5	
Totals	1,096	1,092	25	25	-0-
Percentage Error			0.36%		0.00%

FAIR LAWN PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2024

	Resident LEP Low Income				Resident LEP Not Low Income					
	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers as LEP Not Low Income	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Full Day Kindergarten	14	15	(1)	1		19	19	1	1	
Grade One	14	14		1		14	14	1	1	
Grade Two	21	19	2	1		16	16	1	1	
Grade Three	12	12				20	20	2	2	
Grade Four	18	18		1		11	11	1	1	
Grade Five	12	12		1		3	3			
Grade Six	5	5		1		7	7	1	1	
Grade Seven	5	5		1		4	4			
Grade Eight	4	4		1		4	4			
Grade Nine	6	6		1		5	5	1	1	
Grade Ten	7	6	1	1		5	5	1	1	
Grade Eleven	7	7		1		2	2			
Grade Twelve	4	4		1		4	4			
Subtotal	129	127	2	12		114	114	9	9	
Special Ed - Elementary	3	3		1		1	1	1	1	
Special Ed - Middle School										
Special Ed - High School	2	2		1		2	5	(3)	1	
Subtotal	5	5		2		3	6	(3)	2	
Totals	134	132	2	14	-0-	117	120	(3)	11	-0-
Percentage Error			1.49%		0.00%			-2.56%		0.00%

FAIR LAWN PUBLIC SCHOOLS
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	98	98		2	2	
Regular - Special Education	15	15		2	2	
Transported - Non Public	123	123		3	3	
AIL Non- Public	556	556		13	13	
Special Needs - Public	158	158		4	4	
Special Needs - Private	36	36		1	1	
Totals	986	986	-0-	25	25	-0-
Percentage Error			0.00%			0.00%

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	5.9	5.9
Average Mileage - Regular Excluding Grade PK Students	5.9	5.9
Average Mileage - Special Education with Special Needs	3.8	3.8

FAIR LAWN PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2025

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2024-2025 Total General Fund Expenditures per the ACFR, Ex. C-1	<u>\$ 150,548,733</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ -0-</u> (B1b)
Transfer from General Fund to SRF for PreK-Regular	<u>\$ -0-</u> (B1c)
Transfer from General Fund to SRF for PreK-Inclusion	<u>\$ -0-</u> (B1d)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 25,597,522</u> (B2a)
Assets Acquired Under Leases and Financed Purchases	<u>\$ 597,562</u> (B2b)
Adjusted 2024-2025 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 124,353,649</u> (B3)
2% of Adjusted 2024-2025 General Fund Expenditures [(B5) times .02]	<u>\$ 2,487,073</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 2,487,073</u> (B5)
Increased by: Allowable Adjustment	<u>\$ 1,096,519</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u>\$ 3,583,592</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2025	<u>\$ 57,735,355</u> (C)
(Per ACFR Budgetary Comparison Schedule C-1)	
Decreased by:	
Year End Encumbrances	<u>\$ 905,895</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent	
Year's Expenditures	<u>\$ 3,832,927</u> (C3)
Other Restricted/Reserved Fund Balances	<u>\$ 45,245,868</u> (C4)
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ 167,073</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 7,583,592</u> (U1)

FAIR LAWN PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2025
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 4,000,000 (E)

Recapitulation of Excess Surplus as of June 30, 2025

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ 3,832,927 (C3)

Restricted Excess Surplus [(E)] \$ 4,000,000 (E)

Total [(C3)+(E)] \$ 7,832,927 (D)

Detail of Allowable Adjustments

Impact Aid \$ -0- (H)

Sale and Lease Back \$ -0- (I)

Extraordinary Aid \$ 886,601 (J1)

Additional Nonpublic School Transportation Aid \$ 209,918 (J2)

Current Year School Bus Advertising Revenue Recognized \$ -0- (J3)

Family Crisis Transportation Aid \$ -0- (J4)

Supplemental Stabilization Aid and Maintenance of Equity Aid \$ -0- (J5)

Total Adjustments ((H)+(I)+(J1)+(J2)+(J3)+(J4)) \$ 1,096,519 (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal \$ -0-

Sale/lease-back reserve \$ -0-

Capital reserve \$ 39,269,377

Maintenance reserve \$ 4,427,875

Emergency reserve \$ 456,219

Tuition reserve \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - current year \$ -0-

School Bus Advertising 50% Fuel Offset Reserve - prior year \$ -0-

Impact Aid General Fund Reserve (Sections 8002 and 8003) \$ -0-

Impact Aid Capital Fund Reserve (Sections 8007 and 8008) \$ -0-

Unemployment Compensation \$ 1,092,397

Other state/governmental mandated reserve \$ -0-

Other Restricted Fund Balance not noted above \$ -0-

Total Other Restricted Fund Balance \$ 45,245,868 (C4)

FAIR LAWN PUBLIC SCHOOLS
SUMMARY OF RECOMMENDATIONS
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. Status of Prior Year's Finding/Recommendation
There were no prior year recommendations.