AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
SCHOOL DISTRICT OF THE
TOWN OF GUTTENBERG
COUNTY OF HUDSON, NEW JERSEY
JUNE 30, 2025

TOWN OF GUTTENBERG SCHOOL DISTRICT
COUNTY OF HUDSON, NEW JERSEY

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

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Town of Guttenberg School District
County of Hudson, 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 basic financial statements of the Board of Education of the Town of Guttenberg School District in the County of Hudson for the year ended June 30, 2025, and have issued our report thereon dated December 26, 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 report is intended for the information of the Town of Guttenberg Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC
WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 26, 2025

TOWN OF GUTTENBERG SCHOOL DISTRICT
COUNTY OF HUDSON, NEW JERSEY

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

GENERAL COMMENTS

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, 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 of the District's ACFR.

Officials Bonds

Name	Position	Amount
Jolene Mantineo	Board Secretary/School Business Administrator	$250,000

P.L. 2020, c.44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year on audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did include all health benefit plans offered by school district.

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

Tuition Charges

A comparison of tentative charges and actual certified tuition charges was made. The actual costs were more than estimated costs. The Board made a proper adjustment to the billings to sending districts for the increase in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

TOWN OF GUTTENBERG SCHOOL DISTRICT
COUNTY OF HUDSON, NEW JERSEY

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

Financial Planning, Accounting and Reporting

Examination of Claims

Our examination of claims submitted for payment for the period under review did not indicate any discrepancies with respect to signatures, certifications or supporting documentation.

Payroll Account

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

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

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholdings due to the General Fund.

Finding 2025-001: Not all payroll withholdings and deductions are being remitted to the appropriate agencies in a timely manner.

Recommendation: The District implement procedures to ensure that payroll deductions and withholdings be remitted after each pay period.

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 and state regulations regarding the compensation which is required to be reported.

The Board of Education made no merit bonus payments during fiscal year June 30, 2025.

***Finding 2025-002:** Federal tax form I-9, Employment Eligibility Verification, is not being completed and retained for all employees.

Recommendation: Procedures be implemented to ensure that all employees complete the required form I-9 and that the form is retained on file for audit review.

Financial Planning, Accounting and Reporting, (continued)

Employee Position Control Roster

Inquiry and subsequent review of the District's Position Control Roster found no inconsistencies between payroll records, employee benefit records and the general ledger accounts to which the wages are posted and the Position Control Roster.

Reserve for Encumbrances, Liability for Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered, and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received, and services were rendered, as of June 30.

Finding 2025-003: Tuition charges related to fiscal year 2025 were not recorded as year-end accounts payable. Audit adjustments were necessary to reflect these expenditures in the financial records.

Recommendation: A thorough review of tuition contracts and unpaid balances be made at year end to ensure all current year expenditures are recorded.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditures. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. As a result of the procedures performed, a transaction error rate of .38% was noted while testing the propriety of expenditure classification.

***Finding 2025-004:** There were instances in which expenditures in the following categories were not charged to the appropriate line-item account in accordance with the Uniform Minimum Chart of Accounts for New Jersey Public Schools: Numerous fixed assets additions that met the capitalization threshold were charged as general expense rather than to capital outlay. In addition, various invalid function and object codes that are not included within the Uniform Minimum Chart of Accounts are being utilized in the accounting records. Expenditures in those account numbers were reclassed to the appropriate account via auditor adjustment.

Financial Planning, Accounting and Reporting, (continued)

Recommendation: The District should reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools, 2020 Edition and other available reference materials, such as the Budget Guidelines for the proper classifications required to be in compliance with N.J.A.C. 6A:23-2.3(f).

Board Secretary's Records

The Board Secretary's records were reviewed and found to be in good condition.

Fixed Assets

The general fixed asset records were updated for the additions and disposals of general fixed assets made during the year.

Finding 2025-005: The District's fixed asset report was not accurately updated; not all prior year construction in progress was added to the report; some additions were recorded twice and land values were fully depreciated in the current year. In addition, prior year adjustments identified by the audit team were not corrected.

Recommendation: Personnel need to perform a more thorough review of expenditures that should be reflected in the district's fixed asset report and review the report when delivered to ensure accuracy. Discrepancies and corrections need to be forwarded to the contracted valuation company in a timely manner for revision of the report.

Treasurer's Records

The District does not have a Treasurer.

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

The E.S.E.A. financial exhibits are contained in the Special Revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to the projects under Titles I, II, III and IV of the Elementary and Secondary Education Act as amended. The study of compliance for E.S.E.A. indicated no areas of noncompliance and/or questionable costs.

Financial Planning, Accounting and Reporting, (continued)

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule K-3 and Schedule K-4 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 of 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 the 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 amount of the expenditure charged to the current year's Final Reports for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

> **Finding 2025-006:** The district failed to report all pensionable wages paid from federally funded programs resulting in an additional liability for social security and pension reimbursement.
>
> **Recommendation:** A corrected TPAF reimbursement form be filed with the State of New Jersey reflecting the correct liability and the additional amount owed be paid.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-2 contains definitions for terms used throughout N.J.S.A. 18A:18A-1 et seq. It includes as subsection (p) the term "competitive contracting", which is defined as "the method described in N.J.S.A. 18A:18A-4.1 through 18A:18A-4.5 and in rules promulgated by DCA at N.J.A.C. 5:34-4 of contracting for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated by the purchasing agent or counsel or school business administrator; and

School Purchasing Programs, (continued)

Contracts and Agreements Requiring Advertisement for Bids, (continued)

the board of education awards a contract to a vendor or vendors from among the formal proposals received. Also, subsection (aa) defines the term "concession" to exclude vending machines.

N.J.S.A. 18A:18A-3(a) sets forth the bid threshold and requires award by board resolution. There is a higher threshold when there is a "Qualified Purchasing Agent" (QPA) in the district as defined at N.J.A.C. 5:34-1.1 and certified upon approval of an application submitted to DCA. Pursuant to N.J.S.A. 18A:18A-3(b), the bid threshold may be adjusted by the Governor, in consultation with the Department of Treasury, every five years.

N.J.S.A. 18A:18A-4.4 provides boards of education the authority to pass a resolution authorizing the use of competitive contracting. "In order to initiate competitive contracting, the board of education shall pass a resolution authorizing the use of competitive contracting each time specialized goods or services enumerated in sections 45 of L. 1999, c.440 are desired to be contracted."

Finding 2025-007: There was an instance in which a bid package did not contain all the required documents as per N.J.S.A. 18A:18A-1 et. Seq.

Recommendation: Bid packages include all required forms and documentation as required under the Public School Contracts Law.

Effective July 1, 2020, and thereafter, 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 $22,400.

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

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, amended.

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

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

School Food Service

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 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.

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The district utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. There was no guaranteed financial performance stipulations in the FSMC. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to support documentation at least annually.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed, and costs verified. Inventory records on food and supply items were maintained

Net cash resources did not exceed three months average expenditures.

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.

School Food Service, (continued)

Applications for free and reduced-price meals were reviewed for completeness and accuracy. The number of free and reduced-price meals claimed as served did not exceed the number of valid applications 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. 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 Net Position (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 G of the Annual Comprehensive Financial Report.

Student Body Activities

A cash receipts and disbursements record is maintained in satisfactory condition.

Cash disbursements had proper signatures and supporting documentation.

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 handicapped, bilingual and low-income. 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 no exceptions. The information that was included on the workpapers was verified on a test basis with a few minor exceptions. The results of our procedures are presented in the Schedule of Audited Enrollment.

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.

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

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 without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Other procedures 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.

Continuing Disclosure Agreements

The District has no outstanding bond issuances that require continuing disclosure agreements compliance.

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:26-12.4(g).

Suggestions to Management

- The District is issuing "dummy" checks to record the wire transfers for the payment of health benefits. The District should inquire with the software company as to how to delineate a wire transfer in the system rather than a check number being assigned that is subsequently voided.
- District should enroll in a verification application with the State of New Jersey to ensure taxes are being remitted by their payroll service provider.
- The inactive internal service fund (Property account) and the EC Capital Reserve Account should be closed.
- Fees incurred in the Net Payroll account should be reimbursed by the General Fund.
- The District explore banking options that will maximize investment earnings on bank balances.

TOWN OF GUTTENBERG SCHOOL DISTRICT
COUNTY OF HUDSON, NEW JERSEY

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

Follow-up on Prior Year 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 with the exception of those noted with an "*".

There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2025.

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,

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

December 26, 2025

SCHEDULE OF AUDITED ENROLLMENTS

TOWN OF GUTTENBERG
BOARD OF EDUCATION

Application for State School Aid Summary
Enrollment as of October 14, 2024

Year ended June 30, 2025

	2025-2026 Application for State School Aid						Sample for Verification						Private Schools for the Disabled			
	Reported on A.S.SA. on roll		Reported on workpapers on roll		Errors		Sample Selected from Workpapers		Verified per Registers on roll		Errors		Reported on A.S.S.A. as Private Schools	Sample for Verifi-cation	Sample Verified	Errors
Enrollment category	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool 4yrs	24		24		-	-	24		24		-	-				-
Full Day Kindergarten	85		85		-	-	85		85		-	-				-
One	92		92		-	-	92		92		-	-				-
Two	92		92		-	-	92		92		-	-				-
Three	94		94		-	-	94		94		-	-				-
Four	80		80		-	-	80		80		-	-				-
Five	99		99		-	-	99		99		-	-				-
Six	91		91		-	-	91		91		-	-				-
Seven	99		99		-	-	99		99		-	-				-
Eight	115		115		-	-	115		115		-	-				-
Subtotal	871	-	871	-	-	-	871	-	871	-	-	-	-	-	-	-
Special Ed - Elementary	82		82		-	-	82		82		-	-	1	1	1	-
Special Ed - Middle School	24		24		-	-	24		24		-	-	3	3	3	-
Special Ed - High School	-		-		-	-	-				-	-	1	-	-	-
	977	-	977	-	-	-	977	-	977	-	-	-	5	4	4	-
Percentage					0%	-					0%	-				0%

SCHEDULE OF AUDITED ENROLLMENTS

TOWN OF GUTTENBERG
BOARD OF EDUCATION

Application for State School Aid Summary
Enrollment as of October 14, 2024

Year ended June 30, 2025

	Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
Enrollment category	Reported on A.S.SA. as Low Income	Reported on workpapers as Low Income	Errors	Sample selected from workpapers	Verified to Application and Register	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 and Register	Sample Errors
Full Day Kindergarten	69	69	-	23	23	-	26	26	-	15	15	-
One	76	76	-	21	21	-	19	19	-	10	10	-
Two	78	78	-	21	21	-	32	32	-	20	20	-
Three	82	82	-	23	23	-	47	47	-	25	25	-
Four	72	72	-	24	24	-	30	30	-	18	18	-
Five	87	87	-	23	23	-	33	33	-	19	19	-
Six	88	88	-	27	27	-	14	14	-	8	8	-
Seven	86	86	-	25	25	-	15	15	-	6	6	-
Eighth	98	98	-	21	21	-	23	23	-	15	15	-
Subtotal	736	736	-	208	208	-	239	239	-	136	136	-
Special Ed - Elementary	60	60	-	18	18	-	6	6	-	3	3	-
Special Ed - Middle School	24	24	-	6	6	-	-		-	-	-	-
Subtotal	84	84	-	24	24	-	6	6	-	3	3	-
Totals	820	820	-	232	232	-	245	245	-	139	139	-
Percentage			0%			0%			0%			0%

	Transportation					
Category	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	4	4	-	3	3	-
Reg -SpEd, col. 4	4	4	-	3	3	-
Transported - Non-Public, col. 3			-			-
Special Ed Spec, col. 6	15	15	-	12	12	-
Totals	23	23	-	18	18	-
Percentage			-			0%

	Reported	Re-calc.
Avg. Mileage - Regular Excluding Grade PK	5.2	5.2
Avg. Mileage - Regular Including Grade PK	5.2	5.2
Avg. Mileage - Special Ed with Special Needs	7.8	7.8

SCHEDULE OF AUDITED ENROLLMENTS

TOWN OF GUTTENBERG
BOARD OF EDUCATION

Application for State School Aid Summary
Enrollment as of October 14, 2024

Year ended June 30, 2025

	Resident LEP NOT Low Income			Sample for Verification		
Enrollment category	Reported on A.S.SA. As NOT Low Income	Reported on workpapers as NOT Low Income	Errors	Sample selected from workpapers	Verified to Test Scores and Register	Errors
Full Day Kindergarten	2	2	-	2	2	-
One	2	2	-	2	2	-
Two	4	4	-	3	3	-
Three	3	3	-	2	2	-
Four	4	4	-	4	4	-
Five	3	3	-	3	3	-
Six	2	2	-	2	2	-
Seven	3	3	-	2	2	-
Eight	1	1	-	1	1	-
Subtotal	24	24	-	21	21	-
Special Ed - Elementary	-	-	-	-	-	-
Special Ed - Middle School	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Totals	24	24	-	21	21	-
Percentage			0%			0%

GUTTENBERG BOARD OF EDUCATION
EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2024-25 Total General Fund Expenditures per the , Ex. ACFR C-1	$	27,610,336	(B)		
Increased by:					
Transfer from Capital Outlay to Capital Projects Fund	$	-	(B1a)		
Transfer from Capital Reserve to Capital Projects Fund	$		(B1b)		
Transfer from General Fund to SRF for PreK-Regular	$	-	(B1c)		
Transfer from General Fund to SRF for PreK-Inclusion	$		(B1d)		
Decreased by:					
On-Behalf TPAF Pension & Social Security	$	4,134,898	(B2a)		
Assets Acquired Under Capital Leases	$	77,982	(B2b)		
Adjusted 24-25 General Fund Expenditures [(B)+(B1's)-(B2's)]	$	23,397,456	(B3)		
2% of Adjusted 2024-25 General Fund Expenditures [(B3) times .02]	$	467,949	(B4)		
Enter Greater of (B4) or $250,000	$	467,949	(B5)		
Increased by: Allowable Adjustment *	$	40,455	(K)		
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]				$ 508,404	(M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-25 (Per ACFR Budgetary Comparison Schedule C-1)	$	21,275,334	(C)		
Decreased by:					
Year-end Encumbrances	$	623,936	(C1)		
Legally Restricted - Designated for Subsequent Year's Expenditures	$	84,173	(C2)		
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	$	4,070,847	(C3)		
Other Restricted Fund Balances****	$	9,536,001	(C4)		
Assigned Fund Balance - Unreserved -- Designated for Subsequent Year's Expenditures	$		(C5)		
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]				$ 6,960,377	(U1)

SECTION 3

Restricted Fund Balance - Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0-	$ 6,451,973	(E)

Recapitulation of Excess Surplus as of June 30, 2025

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	$ 4,070,847	(C3)
Reserved Excess Surplus ***[(E)]	$ 6,451,973	(E)
Total [(C3) + (E)]	$ 10,522,820	(D)

GUTTENBERG BOARD OF EDUCATION
EXCESS SURPLUS CALCULATION

* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

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

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	$	40,455	(J1)
Additional Nonpublic School Transportation Aid	$	-	(J2)
Current Year School Bus Advertising Revenue Recognized	$		(J3)
Family Crisis Transportation Aid	$		(J4)
Supplemental Stabilization Aid & Maintenance of Equity Aid	$		(J5)
Total Adjustments [(H)+{I)+(J1)+(J2)+(J3)+(J4)+(J5)]	$	40,455	(K)

** This amount represents the June 30, 2025 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amounts must agree to the June 30, 2025 ACFR and the sum of the two lines must agree to Audit Summary Worksheet Line 90030.

**** Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by 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 Finance prior to September 30.

Detail of Other Reserved Fund Balance

Statutory restrictions:			
Approved unspent separate proposal	$		
Sale/Lease-back reserve	$		
Capital Reserve	$	9,536,001	
Maintenance Reserve	$	-	
Emergency Reserve	$	-	
Tuition Reserve	$		
School Bus Advertising 50% Fuel Offset Reserve - current year	$		
School Bus Advertising 50% Fuel Offset Reserve - prior year	$		
Impact Aid General Fund Reserve (Sections 8002 and 8003)	$		
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	$		
Other state/government mandated reserve	$		
Reserve for Unemployment Fund	$	-	
[Other Restricted Fund Balance not noted above]****	$		
Total Other Restricted Fund Balance	$	9,536,001	(C4)

GUTTENBERG BOARD OF EDUCATION
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Recommendations:

1. Administrative Practices and Reporting

   None

2. Financial Planning, Accounting and Reporting

   The District implement procedures to ensure that payroll deductions and withholdings be remitted after each pay period.

   *Procedures be implemented to ensure that all employees complete the required form I-9 and that the form is retained on file for audit review.

   A thorough review of tuition contracts and unpaid balances be made at year-end to ensure all current year expenditures are recorded.

   *The District should reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools, 2020 Edition and other available reference materials, such as the Budget Guidelines for the proper classifications required to be in compliance with N.J.A.C. 6A:23-2.3(f).

   Personnel need to perform a more thorough review of expenditures that should be reflected in the district's fixed asset report and review the report when delivered to ensure accuracy. Discrepancies and corrections need to be forwarded to the contracted valuation company in a timely manner for revision of the report.

   A corrected TPAF reimbursement form be filed with the State of New Jersey reflecting the correct liability and the additional amount owed be paid.

3. School Purchasing Programs

   Bid packages include all required forms and documentation as required under the Public School Contracts Law.

4. School Food Service

   None

GUTTENBERG BOARD OF EDUCATION
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

    A review was performed on the prior year recommendations and corrective action was take on all prior year findings, except those noted with an "*".