NORTHERN HIGHLANDS REGIONAL HIGH SCHOOL DISTRICT
BERGEN COUNTY, NEW JERSEY

MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS–
FINANCIAL, COMPLIANCE AND PERFORMANCE

June 30, 2025

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

NORTHERN HIGHLANDS REGIONAL HIGH SCHOOL DISTRICT
BERGEN COUNTY, NEW JERSEY

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

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Education
Northern Highlands Regional High School District
County of Bergen
Allendale, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey, the basic financial statements of the Board of Education of the Northern Highlands Regional High School District, County of Bergen, New Jersey, as of and for the year ended June 30, 2025 and have issued our report thereon dated December 5, 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 Northern Highlands Regional High School District's Board of Education's management, Board of Education members, others within the entity, and the New Jersey Department of Education and is not intended to be and should not be used by anyone other than these specific parties. However, this report is a matter of public record and its distribution is not limited.

PKF O'Connor Davies, LLP
Cranford, New Jersey
December 5, 2025

David J. Gannon
David J. Gannon, CPA
Licensed Public School Accountant, No. 2305

ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING

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.

The audit did not and could not determine the character of services rendered for which payment had been made nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. These details were necessarily covered by the approval of such claims. Revenues and receipts were established and verified as to sources and amount only insofar as the records permitted.

ADMINISTRATIVE PRACTICES AND PROCEDURES

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20 of the District's ACFR. The details of the various additional insurance coverages by the Board are also presented on this Exhibit. No attempt was made to determine the adequacy of coverage as part of this report. Adequacy of coverage is the responsibility of the Board of Education.

Official Bonds

The following positions were covered by Surety Bonds:

Name	Position	Amount
Sue Anne Mather	Business Administrator/ Board Secretary	$275,000
Nancy Bucci	Treasurer of School Moneys	250,000

The surety bond coverage for the Treasurer of School Moneys exceeded the minimum requirement as promulgated by the Department of Education.

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 District.

The School District data certification was completed by the Chief School Administrator. The School District Chapter 44 data was submitted timely.

ADMINISTRATIVE PRACTICES AND PROCEDURES (CONT'D)

Tuition Charges

Audit tests indicated that tuition charges to each of the School Districts sending pupils to Northern Highlands regional High School were billed in accordance with the terms of the applicable contracts, and no tuition adjustments were required.

FINANCIAL PLANNING, ACCOUNTING AND REPORTING

Examination of Claims

Claims were examined for the period under review and were found to be in good order.

Payroll Account

The Board maintained the Net Payroll and Agency Account method for the depositing and payment of its payrolls. The net payrolls from all sources are deposited in the payroll account and all payroll deductions, together with the Board's share, are deposited to the 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. Tests were made of these records with no exceptions noted.

Salary withholdings were promptly remitted to the proper agencies, including withholdings for employee health benefit contributions, which were transferred timely to the general fund.

Upon the completion of payroll processing and proofs thereof, transfers to the Net Payroll and Agency accounts, in amounts equal to those indicated in the payroll summary reports, are effected by electronic funds transfers.

Employee Position Control Roster

An inquiry and subsequent review of the Position Control Roster did not identify and inconsistencies between the payroll records, employee benefit records and the general ledger accounts to where wages are posted.

TPAF Reimbursement to the State for Federal Salary Expenditures

The reimbursement to the State for the amount of the expenditure charged to the current year's Final Report for all federal awards for the District to reimburse the State for the TPAF Pension and Social Security 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 60-day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (CONT'D)

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2025 for goods not yet received or services not yet rendered. Unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services rendered as of June 30, 2025. Tests of subsequent period disbursements did not identify any unrecorded accounts payable at year-end.

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 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 *N.J.A.C. 6A:23A-8.3*. As a result of the procedures performed, no coding errors were noted.

Travel

Tests were performed to determine the existence of required policy documents and the District's compliance with same with respect to the timely approval and appropriate reimbursement rates for approved travel. No exceptions were noted.

Investment of Idle Funds

During the year ended June 30, 2025, the Board had substantially all of its cash and cash equivalents for all of its funds and accounts in interest bearing depository accounts. Valley National Bank served as the primarily depository of the Board for the entirety of the 2024-2025 fiscal year.

Board Secretary's Records

The minutes maintained by the Board Secretary were in good condition.

The financial and accounting records maintained by the Board Secretary were found to be in good condition.

Capital Assets

During the period under review the capital asset accounting and reporting system was maintained satisfactorily to provide for all the required financial information for the District's basic financial statements. The District engaged an outside consultant to update the full physical inventory and valuation of the District's capital assets that was performed in the prior period. Additions and deletions reported in the consultant's report match financial records maintained by the business office.

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (CONT'D)

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 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.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules (K-3) and (K-4) located in the ACFR. The total federal program expenditures of $404,721 during the 2024-25 school year fell below the triggering threshold of $750,000, and as a result, a federal single audit pursuant to *Title 2 U.S. Code of Federal regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements* (Uniform Guidance) was not required.

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 semi-monthly reimbursement forms filed with the Department of Education for District employees who are members of the Teachers Pension and Annuity Fund. 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 quotes. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A: 11-9) 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 general delegation of the power to negotiate and award such contracts pursuant to this section."

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 to 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. 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."

"Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection a. of N.J.S.18A:18A-5 may be awarded for a period not exceeding 12 consecutive months."

N.J.S.A. 18A:18A-4 states, "Every contract or agreement for the 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."

Effective July 1, 2020 and thereafter the bid thresholds in accordance with N.J.S.A. 18A:18A-2 (as amended) 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 effective 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 fiscal 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.

Our tests did not reveal any instances of individual payments, contracts or agreements for the performance of work or the provision of 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 PURCHASING PROGRAMS (CONT'D):

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

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.

The results of the audit indicated that the existing procurement policies and procedures were adequate to identify contemplated purchases that required additional procedures (quotes, bids, etc.) to comply with the provisions of the School Contracts Law, and no instances of non-compliance were identified by the audit.

Any interpretation as to possible violation of statute(s) would be in the province of the Board's solicitor.

SCHOOL FOOD SERVICE FUND

The District does not participate in any subsidized federal or state sponsored school nutrition programs.

The District has contracted with a Food Service management Company (FSMC) and utilized the standard contract form recommended by the regulatory agency. As required by the contract, the FSMC provided a report of its internal controls under Statement on Standards for attestation Engagements No. 16 (SSAE 16). We reviewed this report (type 2) as provided by the FSMC and found it to contain a detailed description of the FSMC's internal control objectives and the relevant control processes and procedures put in place to achieve those objectives. The report provided the minimum information necessary for us to gain an understanding of the FMSC's internal control. We are required to gain this understanding in order to plan our audit of the District's Food Service Fund. The report also provided assurances, based upon testing, relating to the operating effectiveness of the controls to achieve the related control objectives included in the description throughout a period that included the most of the school year.

Audit tests of FMSC financial reports indicated that vendor invoices or approved transfer forms were available to support amounts claimed as inventory purchases and other costs, and amounts reported as sales and purchased account credits could be reconciled to amounts deposited or credited to the District bank account.

Exhibits reflecting Food Services Fund operations are included in the section entitled Enterprise Funds, Section B.

Student Activity Funds

The recordkeeping of the various student activities funds were reviewed for the 2024-2025 school year. The records were maintained in good condition.

Application for State School Aid

Our audit procedures included tests 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, 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 or 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

Pupil Transportation

Our procedures included a test of on-roll status reported in the 2024-2025 District Report of Resident Transported Students (DRTRS). The information 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.

Transportation Aid was not tested as a major program for purposes of the State Single Audit and therefore limited procedures were performed over the DRTRS.

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

Status of Prior Year Findings:

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. As there were no recommendations contained in the prior year report, no corrective actions were required.

Acknowledgment

During the course of our audit, we received the complete cooperation of all the officials of the School District, and we greatly appreciate the courtesies extended to us.

SCHEDULE OF AUDITED ENROLLMENTS

NORTHERN HIGHLANDS REGIONAL HIGH SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	2025-2026 Application for State School Aid (10/15/24 data)						Sample for Verification						Private Schools for Disabled				
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected From Workpapers		Verified per Registers On Roll		Errors per Register On Roll		Reported on A.S.S.A. Private Schools	Reported on Workpapers	Sample for Verifi-cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool - 3 Years Old																	
Half Day Preschool - 4 Years Old																	
Half Day Kindergarten																	
Full Day Kindergarten																	
One																	
Two																	
Three																	
Four																	
Five																	
Six																	
Seven																	
Eight																	
Nine	278.0		278.0				60.0		60.0								
Ten	262.0		262.0				55.0		55.0								
Eleven	296.0		296.0				61.0		61.0								
Twelve	282.0		282.0				58.0		58.0								
Adult High School (15+ credits)																	
Adult High School (1-14 credits)																	
Subtotals	1,118.0		1,118.0				234.0		234.0								
Special Ed - Elementary																	
Special Ed - Middle School																	
Special Ed - High School	136.0		136.0				30.0		30.0				18.0	18.0	16.0	16.0	
Sent to CSSD																	
Subtotals	136.0		136.0				30.0		30.0				18.0	18.0	16.0	16.0	
Totals	1,254.0		1,254.0				264.0		264.0				18.0	18.0	16.0	16.0	
Percentage Error																	

SCHEDULE OF AUDITED ENROLLMENTS

NORTHERN HIGHLANDS REGIONAL HIGH SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	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 as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Kindergarten												
One												
Two												
Three												
Four												
Five												
Six												
Seven												
Eight												
Nine	3.0	3.0		3.0	3.0							
Ten	2.0	2.0		2.0	2.0							
Eleven	2.0	2.0		2.0	2.0							
Twelve	3.0	3.0		3.0	3.0							
Subtotals	10.0	10.0		10.0	10.0							
Special Ed - Elementary												
Special Ed - Middle												
Special Ed - High	3.0	3.0		2.0	2.0							
Subtotals	3.0	3.0		2.0	2.0							
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec												
Totals	13.0	13.0		12.0	12.0							
Percentage Error												

	Reported on DRTRS by District	Reported on DRTRS by County	Errors	Tested	Verified	Errors
Regular - Public School	462.0	462.0				
Non-Public Transportation	27.0	27.0				
AIL Non-Public	55.0	55.0				
Regular Special Education	51.0	51.0				
Special Education with Special Needs	17.0	17.0				
Special Education without Special Needs	3.0	3.0				
AIL Non-Public over 20 Miles	1.0	1.0				
Totals	616.0	616.0				
Percentage Error						

	Reported	Recalculated
Average mileage - regular including Grade PK students	6.4	6.4
Average mileage - regular excluding Grade PK students	6.4	6.4
Average mileage - special education with special needs	15.6	15.6
Average mileage - AIL nonpublic over 20 miles	21.0	21.0

SCHEDULE OF AUDITED ENROLLMENTS

NORTHERN HIGHLANDS REGIONAL HIGH SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected From Workpapers	Verified per Test Score and Register	Sample Errors
Half Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten						
One						
Two						
Three						
Four						
Five						
Six						
Seven						
Eight						
Nine	2.0	2.0		2.0	2.0	
Ten	2.0	2.0		2.0	2.0	
Eleven						
Twelve						
Adult High School (15+ credits)						
Adult High School (1-14 credits)						
Subtotals	4.0	4.0		4.0	4.0	
Special Ed-Elementary						
Special Ed - Middle School						
Special Ed - High School						
Subtotals						
C. Voc. - Regular						
C. Voc. Ft. Post Sec.						
Totals	4.0	4.0		4.0	4.0	
Percentage Error						

EXCESS SURPLUS CALCULATION

SECTION 1 - REGULAR DISTRICT

A. 2% Calculation of Excess Surplus

2024-25 Total General Fund Expenditures per the ACFR "C-1"	$	41,778,729	(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 Pre-K Regular	$		(B1c)		
Transfer from General Fund to SRF for Pre-K Inclusion	$		(B1d)		
Decreased by:					
On-Behalf TPAF Pension & Social Security	$	7,581,334	(B2a)		
Assets Acquired Under Capital Leases	$		(B2b)		
Adjusted 2024-25 General Fund Expenditures [(B)+(B1s)-B2s)]		34,197,395	(B3)		
2% of Adjusted 2024-25 General Fund Expenditures [(B3) times .02]	$	683,948	(B4))		
Enter Greater of (B4) or $250,000	$	683,949	(B5)		
Increased by: Allowable Adjustment*	$	116,576	(K)		
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]				$ 800,525	(M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/25 (Per ACFR Budgetary Comparison schedule C-1)	$	8,460,470	(C)		
Decreased by:					
Reserve for Encumbrances	$	282,147	(C1)		
Legally Restricted -Designated for Subsequent Year's Expenditures	$		(C2)		
Legally Restricted-Excess Surplus - Designated for Subsequent Year's Expenditures **	$	1,347,862	(C3)		
Other Reserved Fund Balances****	$	5,191,839	(C4)		
Assigned Unreserved Fund Balance - Designated for Subsequent Year's Expenditures	$		(C5)		
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]				$ 1,638,622	(U1)

SECTION 3

Restricted Fund Balance-Excess Surplus ***((U1-(M)) If negative enter -0-	$	838,097	(E)
Recapitulation of Excess Surplus as of June 30, 2025			
Reserved Excess Surplus-Designated for Subsequent Year's Expenditures**	$	1,347,862	(C3)
Reserved Excess Surplus***(E)	$	838,097	(E)
Total Excess Surplus [(C3) +(E)]	$	2,185,959	(D)

Footnotes:

*Allowable adjustment to expenditures on line K must be 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 NJSA 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 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact AidReserve-General (8002 or 8003) by Board resolution during June of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4).

(I) Sale and Leaseback (Refer to 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 2025

Notes to auditor: Refer to audit Program Section II, Chapter 10 for restrictions on the oinclusion of Extraordinary Aid, FamilyCrisis Transportation Aid, and Additional Non public School Transportation Aid

Detail of Allowable Adjustments

Impact Aid	$		(H)
Sale & Lease-back	$		(I)
Extraordinary Aid	$	78,503	(J1)
Additional Nonpublic School Transportation Aid	$	38,073	(J2)
Current year School Bus Advertising Rev. Recognized	$		(J3)
Family Crisis Transportation Aid	$		(J4)
Maintenance of Equity Aid and State Military Impact Aid received July 2025	$		(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	$	116,576	(K)

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

*** Amount must agree to the June 30, 2025 ACFR and 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 any 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 Restricted Fund Balance

Statutory restrictions:			
Approved unspent spearate proposal (see below)	$		
Sale/lease-back reserve	$		
Capital Reserve	$	4,351,886	
Maintenance Reserve	$	553,029	
Emergency Reserve	$	199,815	
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 (Sec. 8002 & 8003)	$		
Impact Aid Capital Fund Reserve (Sec. 8007 & 8008)	$		
Unemployment liability reserve	$	87,109	
(Other Restricted Fund Balance not noted above)****	$		
Total Other Reserved Fund Balance	$	5,191,839	(C4)

Note: Amounts reported above as "Approved Unspent Separate Proposal" represent proceeds from an approved Lease/Purchase Agreement held in trust by a designated Trustee that may be expended only for the purpose set forth in the Lease/Purchase Agreement.

NORTHERN HIGHLANDS REGIONAL HIGH SCHOOL DISTRICT
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Recommendations:

1. Administrative Practices and Procedures

   None

2. Financial Planning, Accounting and Reporting

   None

3. School Purchasing Programs

   None

4. School Food Service

   None

5. Student Body Activities

   None

6. Application for State School Aid

   None

7. Pupil Transportation

   None

8. Facilities and Capital Assets

   None

9. Miscellaneous

   None

10. Status of Prior Year Audit Findings/Recommendations

    There were no prior year recommendations as a result no correction action was required.