

**TOWN OF BOONTON SCHOOL DISTRICT  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2024**

**TOWN OF BOONTON SCHOOL DISTRICT  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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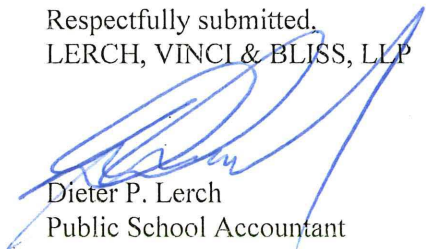
Honorable President and Members  
of the Board of Education  
Town of Boonton School District  
Boonton, New Jersey

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 Town of Boonton School District as of and for the fiscal year ended June 30, 2024 and have issued our report thereon dated October 28, 2024.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,  
LERCH, VINCI & BLISS, LLP



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
October 28, 2024

**TOWN OF BOONTON SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Superintendent of Schools, 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, "Schedule of Insurance", as presented in the District's Annual Comprehensive Financial Report (the "ACFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Steven Gardberg	Board Secretary/School Business Administrator	\$250,000
Judith Favino	Treasurer of School Monies	\$250,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Western Surety Company covering all other employees with multiple coverage of \$100,000.

**Finding 2024-1** – Our audit indicated that the surety bond for the Treasurer of School Monies did not meet the minimum coverage required per N.J.A.C. 6A:23A-16.4.

**Recommendation** – The surety bond for the Treasurer of School Monies be increased to ensure the District meets the minimum coverage required by statute.

**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 included all health benefit plans offered by the District, 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 board made a proper adjustment to the billings to sending districts for per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

**TOWN OF BOONTON SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review indicated that the required signatures, certifications and supporting documentation were obtained on the respective purchase orders and/or vouchers.

**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 payroll taxes were deposited in the Payroll Agency Account.

The District filed the required Certification (ECERT1) of Compliance with requirements for income tax compensation of certain administration with the NJ Department of Treasury by the March 15 due date.

All payrolls tested were certified by the Board President, Board Secretary/School Business Administrator and Chief School Administrator.

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

**Finding 2024-2** – Our audit indicated that a payroll deduction ledger was not maintained to support the balance and activity in the payroll agency account.

**Recommendation** – A payroll deduction ledger be maintained to support the balances and activity in the payroll agency bank account and excess balances identified be promptly remitted or otherwise transferred.

**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 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:23-8.3.

**Reserve for Encumbrances and 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 reserve 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.

**TOWN OF BOONTON SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Financial Planning, Accounting and Reporting (Continued)**

**Reserve for Encumbrances and Accounts Payable (Continued)**

**Finding 2024-3** – Our audit of year-end outstanding purchase order balances indicated the following:

- Certain purchase order balances classified as reserved for encumbrances related to goods and/or services pertaining to the 2023/24 fiscal year and should have been classified as accounts payable.
- Certain purchase order balances did not reflect obligations of the District and should have been cancelled.
- Balances on purchase orders issued in prior years remain outstanding.

**Recommendation** – The outstanding purchase order report be reviewed to ensure balances reflect valid obligations of the District and are properly classified as reserved for encumbrances or accounts payable.

**Board Secretary's Records**

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

The financial records, books of account and minutes maintained by the Board Secretary were in satisfactory condition.

The prescribed contractual order system was followed.

Acknowledgment of the Board's receipt of the Board Secretary's monthly financial reports was included in the minutes.

The Board Secretary's and Treasurer's monthly financial reports were presented to the Board on a timely basis and were submitted to the Executive County Superintendent as prescribed by N.J.S.A. 18:17-9 and 18A :17-36.

**Finding 2024-4** – Our audit indicated that the Board certification required by N.J.A.C. 6A:23A-16.10 related to sufficiency of funds available was not included as part of the monthly meeting minutes.

**Recommendation** – The District's monthly meeting minutes include the Board certification required by statute with respect to sufficiency of funds.

**Treasurer's Records**

The Treasurer did perform cash reconciliations for all accounts required.

All cash receipts were promptly deposited.

**TOWN OF BOONTON SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Financial Planning, Accounting and Reporting (Continued)**

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 projects under Titles I, II, III and IV of the Elementary and Secondary Education Act, as amended.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Exhibit K-3 and Exhibit K-4 located in the Single Audit Section of the ACFR.

Our examination 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 contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

I.D.E.A. Part B

Separate accounting records were maintained for each approved project. Grant application approvals and acceptance of grant funds were made by Board resolution.

T.P.A.F. Reimbursements

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.

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

The amount of the expenditure charged to the current year's Final Report 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.

Non-Public State Aid

Project Completion Reports were finalized and transmitted to the department by the due date.

**School Purchasing Programs**

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) on \$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.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 19761, c. 198 (C.40A:11-9), the Board of Education may establish that the bid threshold may be up to \$44,000. 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. The Board has designated the Business Administrator as the qualified purchasing agent.

**TOWN OF BOONTON SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Purchasing Programs (Continued)**

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 Board 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.

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. Our examination did reveal, however, that purchases were made through the use of State contracts.

**School Food Service**

SFA's were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFA's were also authorized to submit contract modifications to their existing cost reimbursable or fixed price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFA's were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all students during the emergency.

The 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.

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.

The statement of revenues, expenses and changes in net position does separate program and non-program revenue and program and non-program costs 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.

Net cash resources did exceed three-month's average expenditures.



**TOWN OF BOONTON SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Student Body Activity**

The Board has a policy, which clearly established the regulation of student activity funds.

Cash receipts and disbursements records were maintained for student activity funds.

**Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2023 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the 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 workpapers with immaterial exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

The district did maintain 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 audit procedures included a test of on roll status reported in the 2023-24 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the schedule of audited enrollments.

Our procedures included a review of transportation related contracts and purchases.

**Facilities and Capital Assets**

Our procedures included a review of the District's capital assets and related capital projects for consistency in the awarding of contracts for eligible facilities construction.

**Miscellaneous**

**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).

**Follow-up Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations, including findings.

**TOWN OF BOONTON SCHOOL DISTRICT  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Suggestion to Management**

- Excess balances in the net payroll and summer savings balances be reviewed and cleared of record.
- The special revenue fund original budget in the District's budgetary reporting system reflect the final approved District budget.
- Staff and sibling discounts on fees charged for the Bridges program be reflected on the approved fee schedule.

**TOWN OF BOONTON SCHOOL DISTRICT  
FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Not Applicable

**TOWN OF BOONTON SCHOOL DISTRICT  
FOOD SERVICE FUND  
NET CASH RESOURCE SCHEDULE  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

		<u>Food Service</u>	
<b><u>Net Cash Resources:</u></b>			
ACFR	*	Current Assets	
B-4		Cash	\$ 145,199
B-4		Intergovernmental Receivables	57,181
B-4		Accounts Receivable	29,779
B-4		Due from Other Funds	15,689
ACFR		Current Liabilities	
B-4		Less Accounts Payable	(19,714)
B-4		Less Unearned Revenue	<u>(8,980)</u>
		Net Cash Resources	<u>\$ 219,154</u> (A)
<b><u>Net Adj. Total Operating Expense:</u></b>			
B-5		Total Operating Expenses	746,221
B-5		Less Depreciation	<u>(18,448)</u>
		Adj. Tot. Oper. Exp.	<u>\$ 727,773</u> (B)
<b><u>Average Monthly Operating Expense:</u></b>			
		B / 10	<u>\$ 72,777</u> (C)
<b><u>Three times monthly Average Operating Expense:</u></b>			
		3 X C	<u>\$ 218,332</u> (D)

TOTAL IN BOX A	\$ 219,154
LESS TOTAL IN BOX D	<u>\$ (218,332)</u>
NET	<u>\$ 822</u>

Net Cash Resources Did Exceed Three Months Expenditures.

**TOWN OF BOONTON SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID  
SCHEDULE OF AUDITED ENROLLMENTS  
OCTOBER 15, 2023**

	2024/2025 Application for State School Aid						Sample for Verification				Private Schools for Disabled					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on		Sample	
	A.S.S.A.		Workpapers				Selected from		Register		Registers		A.S.S.A. as		for	
	On Roll	On Roll	On Roll	On Roll			Workpapers	On Roll	On Roll	On Roll	Private	Verifi-	Sample	Sample		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	cation	Verified	Errors
Half Day Preschool - 3 years	-	-	-	-	-	-					-	-				
Full Day Preschool - 3 years	44	-	44	-	-	-	14		14		-	-				
Half Day Preschool - 4 years	-	-	-	-	-	-					-	-				
Full Day Preschool - 4 years	63	-	63	-	-	-	19		19		-	-				
Half Day Kindergarten	-	-	-	-	-	-					-	-				
Full Day Kindergarten	83	-	83	-	-	-	83		83		-	-				
1st Grade	99	-	99	-	-	-	99		99		-	-				
2nd Grade	61	-	61	-	-	-	61		61		-	-				
3rd Grade	59	-	59	-	-	-	59		59		-	-				
4th Grade	60	-	60	-	-	-	60		60		-	-				
5th Grade	69	-	69	-	-	-	69		69		-	-				
6th Grade	67	-	67	-	-	-	67		67		-	-				
7th Grade	72	-	72	-	-	-	72		72		-	-				
8th Grade	63	-	63	-	-	-	63		63		-	-				
9th Grade	104	-	104	-	-	-	104		104		-	-				
10th Grade	140	-	140	-	-	-	140		140		-	-				
11th Grade	130	7	130	7	-	-	130	7	130	7	-	-				
12th Grade	115	6	115	6	-	-	115	6	115	6	-	-				
Subtotal	1,229	13	1,229	13	-	-	1,155	13	1,155	13	-	-	-	-	-	-
Spec Ed - Elementary	110	-	110	-	-	-	39		39		-	-	5	2	2	-
Spec Ed - Middle School	47	-	47	-	-	-	47		47		-	-	7	2	2	-
Spec Ed - High School	114	3	114	3	-	-	114	7	114	7	-	-	8	2	2	-
Subtotal	271	3	271	3	-	-	200	7	200	7	-	-	20	6	6	-
Totals	1,500	16	1,500	16	-	-	1,355	20	1,355	20	-	-	20	6	6	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%

**TOWN OF BOONTON SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID  
SCHEDULE OF AUDITED ENROLLMENTS  
OCTOBER 15, 2023**

	Low Income			Sample for Verification			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 Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool (3 Yrs)	-	-	-			-	-	-	-			-
Full Day Preschool (3 Yrs)	5	5	-	1	1	-	-	-	-			-
Half Day Preschool (4 Yrs)	-	-	-			-	-	-	-			-
Full Day Preschool (4 Yrs)	22	22	-	3	3	-	-	-	-			-
Half Day Kindergarten	-	-	-			-	-	-	-			-
Full Day Kindergarten	28	28	-	4	4	-	6	6	-	2	2	-
1st Grade	34	34	-	4	4	-	13	13	-	4	4	-
2nd Grade	21	21	-	3	3	-	6	6	-	2	2	-
3rd Grade	22	22	-	3	3	-	5	5	-	1	1	-
4th Grade	20	20	-	2	2	-	6	6	-	2	2	-
5th Grade	33	33	-	4	4	-	9	9	-	3	3	-
6th Grade	21	21	-	3	2	1	3	3	-	1	1	-
7th Grade	28	28	-	4	4	-	4	4	-	1	1	-
8th Grade	17	17	-	2	1	1	4	4	-	1	-	1
9th Grade	25	25	-	3	2	1	4	4	-	1	1	-
10th Grade	35	35	-	4	3	1	8	8	-	2	1	1
11th Grade	33	33	-	4	4	-	4	4	-	1	1	-
12th Grade	29	29	-	4	3	1	2	2	-	1	1	-
<b>Subtotal</b>	<b>373</b>	<b>373</b>	<b>-</b>	<b>48</b>	<b>43</b>	<b>5</b>	<b>74</b>	<b>74</b>	<b>-</b>	<b>22</b>	<b>20</b>	<b>2</b>
Spec Ed - Elementary	50	50	-	6	5	1	10	10	-	3	3	-
Spec Ed - Middle School	21	21	-	3	2	1	3	3	-	1	-	1
Spec Ed - High School	44	44	-	5	5	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>115</b>	<b>115</b>	<b>-</b>	<b>14</b>	<b>12</b>	<b>2</b>	<b>13</b>	<b>13</b>	<b>-</b>	<b>4</b>	<b>3</b>	<b>1</b>
<b>Totals</b>	<b>488</b>	<b>488</b>	<b>-</b>	<b>62</b>	<b>55</b>	<b>7</b>	<b>87</b>	<b>87</b>	<b>-</b>	<b>26</b>	<b>23</b>	<b>3</b>
Percentage Error		<u>0.00%</u>			<u>11.29%</u>			<u>0.00%</u>			<u>11.54%</u>	

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	30	30	-	9	9	-
Transported - Non-Public			-			-
Regular - Spec.	10	10	-	3	3	-
Special Needs - Public	23	23	-	7	7	-
<b>Totals</b>	<b>63</b>	<b>63</b>	<b>-</b>	<b>19</b>	<b>19</b>	<b>-</b>
		<u>0.00%</u>			<u>0.00%</u>	

**TOWN OF BOONTON SCHOOL DISTRICT  
APPLICATION FOR STATE SCHOOL AID (A.S.S.A.)  
SCHEDULE OF AUDITED ENROLLMENTS  
OCTOBER 15, 2023**

	LEP Not 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 Register	Sample Errors
Half Day Preschool (3 Yrs)			-			-
Full Day Preschool (3 Yrs)			-			-
Half Day Preschool (4 Yrs)			-			-
Full Day Preschool (4 Yrs)			-			-
Half Day Kindergarten			-			-
Full Day Kindergarten	3	3	-	1	1	-
1st Grade	4	4	-	1	1	-
2nd Grade	3	3	-	1	1	-
3rd Grade	2	2	-	-	-	-
4th Grade	-	-	-	-	-	-
5th Grade	3	3	-	1	1	-
6th Grade	-	-	-	-	-	-
7th Grade	2	2	-	-	-	-
8th Grade	2	2	-	1	1	-
9th Grade	2	2	-	1	1	-
10th Grade	2	2	-	1	1	-
11th Grade	1	1	-	-	-	-
12th Grade	2	2	-	1	1	-
<b>Subtotal</b>	<b>26</b>	<b>26</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>-</b>
Spec Ed - Elementary	5	5	-	2	2	-
Spec Ed - Middle School	-	-	-	-	-	-
Spec Ed - High School	1	1	-	-	-	-
<b>Subtotal</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>
<b>Totals</b>	<b>32</b>	<b>32</b>	<b>-</b>	<b>10</b>	<b>10</b>	<b>-</b>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

2023-24 Total General Fund Expenditures per the ACFR (Exhibit C-1)	\$ 40,131,868
Increased by:	
Transfer to Special Revenue Fund - Preschool Program	360,048
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(8,161,603)</u>
Adjusted 2023-24 General Fund Expenditures	<u>\$ 32,330,313</u>
2% of Adjustment 2023-24 General Fund Expenditures	\$ 646,606
Increased by: Allowable Adjustment	<u>-</u>
Maximum Unassigned Fund Balance	<u>\$ 646,606</u>
Total General Fund - Fund Balance at June 30, 2024 (Per ACFR Budgetary Comparison Schedule C-1)	\$ 2,606,066
Decreased by:	
Year End Encumbrances	126,498
Assigned - Designated for Subsequent Year's Expenditures	104,436
Excess Surplus - Designated for Subsequent Year's Expenditures	300,000
Other Restricted Fund Balance - Unemployment Reserve	27,199
Other Restricted Fund Balance - Capital/Maintenance Reserve	<u>1,013,903</u>
Total Unassigned Fund Balance	<u>\$ 1,034,030</u>
Restricted Fund Balance - Excess Surplus	<u>\$ 387,424</u>
Summary:	
Restricted Excess Surplus, Designated for Subsequent Year's Expenditures	\$ 300,000
Restricted Excess Surplus	<u>387,424</u>
	<u>\$ 687,424</u>



## **TOWN OF BOONTON SCHOOL DISTRICT RECOMMENDATIONS**

### **I. Administrative Practices and Procedures**

1. It is recommended that the surety bond for the Treasurer of School Monies be increased to ensure the District meets the minimum coverage required by statute.

### **II. Financial Planning, Accounting and Reporting**

It is recommended that:

2. A payroll deduction ledger be maintained to support the balances and activity in the payroll agency bank account and excess balances identified be promptly remitted or otherwise transferred.
3. The outstanding purchase order report be reviewed to ensure balances reflect valid obligations of the District and are properly classified as reserved for encumbrances or accounts payable.
4. The District's monthly meeting minutes include the Board certification required by statute with respect to sufficiency of funds.

### **III. School Purchasing Program**

There are none.

### **IV. School Food Services**

There are none.

### **V. Student Body Activity**

There are none.

### **VI. Application for State School Aid**

There are none.

### **VII. Pupil Transportation**

There are none.

### **VIII. Facilities and Capital Assets**

There are none.

### **IX. Status of Prior Years' Audit Findings/Recommendations**

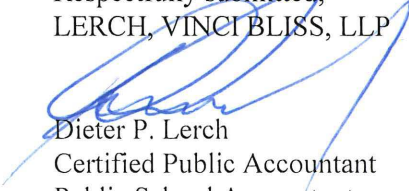
Corrective action was taken on the prior year recommendations.

**TOWN OF BOONTON SCHOOL DISTRICT  
RECOMMENDATIONS**

**ACKNOWLEDGEMENT**

We received the complete cooperation of all the officials of the school district and would like to thank the Business Office, Superintendent's Office and their staff for the courtesies extended to us.

Respectfully submitted,  
LERCH, VINCI BLISS, LLP



Dieter P. Lerch  
Certified Public Accountant  
Public School Accountant