

**AUDITORS' MANAGEMENT REPORT  
ON ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
SCHOOL DISTRICT OF THE  
BOROUGH OF BUTLER  
COUNTY OF MORRIS, NEW JERSEY  
JUNE 30, 2024**

**SCHOOL DISTRICT OF THE BOROUGH OF BUTLER**  
**COUNTY OF MORRIS, 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  
Borough of Butler School District  
County of Morris, 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 Borough of Butler School District in the County of Morris for the year ended June 30, 2024, and have issued our report thereon dated December 11, 2024.

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 Borough of Butler 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. Wielkatz*

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Licensed Public School Accountant  
No. 816

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Certified Public Accountants

Pompton Lakes, New Jersey

December 11, 2024



## **BOROUGH OF BUTLER SCHOOL DISTRICT**

### **ADMINISTRATIVE FINDINGS -FINANCIAL, COMPLIANCE AND PERFORMANCE YEAR ENDED JUNE 30, 2024**

#### **GENERAL COMMENTS**

##### **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, 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, Insurance Schedule contained in the District's Annual Comprehensive Financial Report ("ACFR").

###### **Officials Bonds (N.J.S.A. 18A:17-26,18A:17-32)**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
James Kozimor	Treasurer of School Moneys	\$250,000
Pamela Vargas	Board Secretary/School Business Administrator	205,000

There is a faithful performance of duty coverage for government employees blanket bond in the amount of \$500,000 covering all other employees.

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

## **Administrative Practices and Procedures, (continued)**

### **Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were higher 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-3.1(f)3.

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

### **Examination of Claims**

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

### **Payroll Account and Position Control Roster**

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 approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to general fund.

Payrolls were delivered to the Treasurer of School Moneys with a warrant made to their order for the full amount of each payroll.

### **Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30<sup>th</sup> for goods not yet received or services 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 priority and to determine that goods were received and services were rendered as of June 30.

### **Classification of Expenditures - General and Administrative**

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 classification to determine overall reliability and compliance with *N.J.A.C.* 6A:23A-8.3. As a result of the procedures performed, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

## **Financial Planning, Accounting and Reporting, (continued)**

### **Board Secretary's Records**

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

### **Treasurer's Records**

The Treasurer's records were found to be in good condition.

### **Elementary and Secondary Education (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 Title I, Title II, Title III and Title IV of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. indicated that there were no areas of noncompliance and/or questionable costs.

### **Other Special Federal and/or State 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 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 Report(s) for all federal awards for the school district to reimburse the State for the TPAF/FICA payments be 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.

## **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 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.”

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.

### **School Food Service**

SFAs 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 SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of Free and Reduced Price meal eligible students.

SFAs 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 Free and Reduced Price meal eligible 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 SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. 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.

#### **Finding 2024-01:**

Net cash resources did exceed three months average expenditures.

#### **Recommendation:**

That steps be taken to reduce net cash resources.

#### **Management Response:**

Steps will be taken to reduce net cash resources.

### **Student Activity Fund**

Cash receipts and disbursement records were maintained in good order.



### **Application for State School Aid**

Our audit procedures included a test of information reported in the October 13, 2023 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's procedures related to its completion. The information on the A.S.S.A. was compared to the District's workpapers without exception. The information that was included on the workpapers was verified 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 written procedures appear to be adequate for the recording of student enrollment data.

### **Pupil Transportation**

Our audit procedures included a test of on roll status reported in the October 13, 2023 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with no exceptions.

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**

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

Our procedures included a review of the SDA grant agreements, if any, for consistency with recording SDA revenue, transfer of local funds from the general fund, and awarding of contracts for eligible facilities construction.

### **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).

### **Follow-up on Prior Years' Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action has been taken on all prior year findings with the exception of the following, which is repeated in this year's recommendations noted as current year finding:

**2023-01:** That steps be taken to reduce net cash resources.

### **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. Wielkocz*

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

*Wielkocz & Company, LLC*

Wielkocz & Company, LLC  
Certified Public Accountants

**SCHEDULE OF AUDITED ENROLLMENTS**

**BUTLER SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2023**

2024-2025 Application for State												
School Aid				Sample for Verification						Private Schools for Disabled		
Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors Full Shared		Sample Selected from Workpapers Full Share		Verified per Registers On Roll Full Shared		Errors per Registers On Roll Full Shared		Sample for Verification Errors
Full	Shared	Full	Shared	Full	Shared	Full	Share	Full	Shared	Full	Shared	
Half Day PreK-3YR	4	-	4	-	-	1	-	1	-	-	-	-
Half Day PreK-4YR	6	-	6	-	-	1	-	1	-	-	-	-
Full Day Kindergarten	55	-	55	-	-	12	-	12	-	-	-	-
One	60	-	60	-	-	13	-	13	-	-	-	-
Two	69	-	69	-	-	15	-	15	-	-	-	-
Three	71	-	71	-	-	16	-	16	-	-	-	-
Four	54	-	54	-	-	12	-	12	-	-	-	-
Five	60	-	60	-	-	13	-	13	-	-	-	-
Six	63	-	63	-	-	14	-	14	-	-	-	-
Seven	59	-	59	-	-	13	-	13	-	-	-	-
Eight	47	-	47	-	-	10	-	10	-	-	-	-
Nine	82	-	82	-	-	18	-	18	-	-	-	-
Ten	99	-	99	-	-	22	-	22	-	-	-	-
Eleven	116	4	116	4	-	26	3	26	3	-	-	-
Twelve	80	6	80	6	-	18	5	18	5	-	-	-
Subtotal	925	10	925	10	-	205	8	205	8	-	-	-
Special Ed - Elementa	67	-	67	-	-	38	-	36	-	-	-	-
Special Ed - Middle S	50	-	50	-	-	29	-	29	-	-	-	-
Special Ed - High Sch	106	2	106	2	-	60	2	60	2	-	-	-
Subtotal	223	2	223	2	-	127	2	125	2	-	-	-
Total	1,148	12	1,148	12	-	332	10	330	10	-	-	-
Percent Error												

**SCHEDULE OF AUDITED ENROLLMENTS**

**BUTLER SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2023**

Enrollment Category	2024-2025 Application for State Resident Low Income				Sample for Verification				Resident LEP Low Income				Sample for Verification			
	Reported on		Workpapers		Sample		Verified to		Reported on		ASSA as LEP		Sample		Verified to	
	ASSA as	Low Income	Errors	Low Income	Selected from	Workpapers	Application	Errors	ASSA as LEP	Low Income	Reported on	Workpapers as	Selected from	Workpapers	Application	Errors
Full Day Kindergarten	5	5	-	5	3	3	3	-	2	2	2	2	2	2	2	-
One	15	15	-	15	8	8	8	-	7	7	7	7	6	6	6	-
Two	17	17	-	17	9	9	9	-	2	2	2	2	2	2	2	-
Three	19	19	-	19	10	10	10	-	7	7	7	7	6	6	6	-
Four	13	13	-	13	7	7	7	-	5	5	5	5	4	4	4	-
Five	18	18	-	18	9	9	9	-	5	5	5	5	4	4	4	-
Six	22	22	-	22	11	11	11	-	3	3	3	3	3	3	3	-
Seven	17	17	-	17	9	9	9	-	3	3	3	3	3	3	3	-
Eight	12	12	-	12	6	6	6	-	-	-	-	-	-	-	-	-
Nine	20	20	-	20	10	10	10	-	5	5	5	5	4	4	4	-
Ten	17	17	-	17	9	9	9	-	3	3	3	3	3	3	3	-
Eleven	19	19	-	19	10	10	10	-	3	3	3	3	3	3	3	-
Twelve	13	13	-	13	7	7	7	-	3	3	3	3	3	3	3	-
Subtotal	207	207	-	207	108	108	108	-	48	48	48	48	41	41	41	-
Special Ed - Elementary	28	28	-	28	15	15	15	-	4	4	4	4	3	3	3	-
Special Ed - Middle School	12	12	-	12	6	6	6	-	1	1	1	1	1	1	1	-
Special Ed - High School	25	25	-	25	13	13	13	-	1	1	1	1	1	1	1	-
Subtotal	65	65	-	65	34	34	34	-	6	6	6	6	5	5	5	-
Total	272	272	-	272	141	141	141	-	54	54	54	54	46	46	46	-
Percent Error	0.0				0.00%				0.00%				0.00%			

SCHEDULE OF AUDITED ENROLLMENTS

**BUTLER SCHOOL DISTRICT**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2023**

Enrollment Category	2024-2025 Application for State Resident LEP NOT Low Income				Sample for Verification			
	Reported on ASSA as	Reported on Workpapers	Sample Selected from	Verified to	Errors	Workpapers	and Register	Error
	NOT Low Income	as NOT Low Income	Workpapers	Application				
Full Day Kindergarten	3	3	-	2	2	-	-	-
	2	2	-	2	2	-	-	-
	1	1	-	1	1	-	-	-
	1	1	-	1	1	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	1	1	-	1	1	-	-	-
	1	1	-	1	1	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	1	1	-	1	1	-	-	-
	1	1	-	1	1	-	-	-
Subtotal	10	10	-	9	9	-	-	-
Special Ed - Elementary	-	-	-	-	-	-	-	-
Special Ed - Middle School	-	-	-	-	-	-	-	-
Special Ed - High School	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Total	10	10	-	9	9	-	-	-
Percent Error	0%				0%			
Regular - Public Schools, col. 1 (A-2,3)	Reported on DRTS by DOE/county	Reported on DRTS by District	Errors	Tested	Verified	Errors		
	56	56	-	43	43	-		
	52	52	-	40	40	-		
	4	4	-	3	3	-		
	45	45	-	39	39	-		
	157	157	-	125	125	-		
	0%							0%
	Percentage Error							

# Net Cash Resource Schedule

## Butler Borough Public School District

### Net cash resources did exceed three months of expenditures Proprietary Funds - Food Service FYE 2024

<u>Net Cash Resources:</u>		Food Service B - 4/5	
<b>ACFR</b>	<b>*</b>	<b>Current Assets</b>	
B-4		Cash & Cash Equiv.	182,015
B-4		Due from Other Gov'ts	32,624
B-4		Accounts Receivable	6,392
B-4		Investments	-
<b>ACFR</b>		<b>Current Liabilities</b>	
B-4		Less Accounts Payable	(18,072)
B-4		Less Accruals	-
B-4		Less Due to Other Funds	-
B-4		Less Deferred Revenue	(9,570)
		<b>Net Cash Resources</b>	<b><u>193,389</u></b> (A)

#### Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	520,065	
B-5	Less Depreciation	(14,945)	
	<b>Adj. Tot. Oper. Exp.</b>	<b><u>505,120</u></b>	(B)

#### Average Monthly Operating Expense:

B / 10	<b><u>50,512</u></b>	(C)
--------	----------------------	-----

#### Three times monthly Average:

3 X C	<b><u>151,536</u></b>	(D)
-------	-----------------------	-----

TOTAL IN BOX A	\$ 193,389.00
LESS TOTAL IN BOX D	\$ 151,536.00
NET	<b><u>\$ 41,853.00</u></b>

From above:

**A is greater than D, cash exceeds 3 X average monthly operating expenses.**  
**D is greater than A, cash does not exceed 3 X average monthly operating expenses.**

\* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

## **EXCESS SURPLUS CALCULATION -**

### **REGULAR DISTRICTS/CHARTER SCHOOL/RENAISSANCE SCHOOL PROJECT**

#### **SECTION 1**

##### **A. 2% Calculation of Excess Surplus**

2023-24 Total General Fund Expenditures per the ACFR, Ex.C-1	\$	<u>33,367,751</u>	(B)
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	\$	<u>-</u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$	<u>861,743</u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$	<u>-</u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$	<u>-</u>	(B1d)
Decreased by:			
On-Behalf TPAF Pension & Social Security	\$	<u>6,013,968</u>	(B2a)
Assets Acquired Under Financed Purchases	\$	<u>317,999</u>	(B2b)
Adjusted 2023-24 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$	<u>27,897,527</u>	(B3)
2% of Adjusted 2023-24 General Fund Expenditures			
[(B3) times .02]	\$	<u>557,951</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>557,951</u>	(B5)
Increased by: Allowable Adjustment *	\$	<u>102,228</u>	(K)
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]	\$	<u><u>660,179</u></u>	(M)

#### **SECTION 2**

Total General Fund - Fund Balances @ 6-30-24			
(Per ACFR Budgetary Comparison Schedule C-1)	\$	<u>8,079,600</u>	(C)
Decreased by:			
Year-end Encumbrances	\$	<u>103,105</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$	<u>-</u>	(C2)
Legally Restricted- Excess Surplus - Designated for Subsequent Year's Expenditures **	\$	<u>1,600,000</u>	(C3)
Other Restricted Fund Balances****	\$	<u>4,116,316</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$	<u>-</u>	(C5)
Total Unassigned Fund Balance			
[(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$	<u><u>2,260,179</u></u>	(U1)

#### **SECTION 3**

Restricted Fund Balance - Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$	<u><u>1,600,000</u></u>	(E)
--	----	-------------------------	-----

**Recapitulation of Excess Surplus as of June 30, 2024**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$	1,600,000	(C3)
Reserved Excess Surplus ***[(E)]	\$	1,600,000	(E)
Total Excess Surplus [(C3) + (E)]	\$	3,200,000	(D)

**Footnotes:**

- \* 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

**Detail of Allowable Adjustments**

Impact Aid			\$	-	(H)
Sale & Lease-back			\$	-	(I)
Extraordinary Aid			\$	78,568	(J1)
Additional Nonpublic School Transportation Aid			\$	23,660	(J2)
Current Year School Bus Advertising Revenue Recognized			\$	-	(J3)
Family Crises Transportation Aid			\$	-	(J4)
Supplemental Stabilization Aid & Maintenance of Equity Aid			\$	-	(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]			\$	102,228	(K)

- \*\* This amount represents the June 30, 2024 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.
- \*\*\* Amount must agree to the June 30, 2024 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 another type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Administration and Finance prior to September 30.



**Detail of Other Restricted Fund Balance**

Statutory restrictions:

Approved unspent separate proposal	\$ -
Sale/Lease-back reserve	\$ -
Capital reserve	\$ 3,126,547
Maintenance reserve	\$ 822,880
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	\$ 166,889
[Other Restricted Fund Balance not noted above]****	\$ -
Total Other Restricted Fund Balance	\$ 4,116,316 (C4)

**BOROUGH OF BUTLER  
BOARD OF EDUCATION**

**AUDIT FINDINGS & RECOMMENDATIONS SUMMARY  
OR THE FISCAL YEAR ENDED JUNE 30, 2024**

**RECOMMENDATIONS:**

**1. Administrative Practices and Procedures**

None

**2. Financial Planning, Accounting and Reporting**

None

**3. School Purchasing Programs**

None

**4. School Food Service**

**2024-01:** \*That steps be taken to reduce net cash resources.

**5. Student Activity Fund**

None

**6. Application for State School Aid**

None

**7. Pupil Transportation**

None

**8. Facilities and Capital Assets**

None

**9. Miscellaneous**

None

**10. Follow-up on Prior Year Findings**

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings except those denoted with an asterisk (\*).