

**CLIFTON BOARD OF EDUCATION
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2024**

**CLIFTON BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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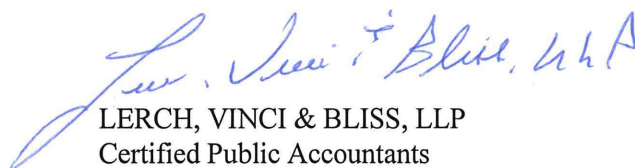
INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and
Members of the Board of Trustees
Clifton Board of Education
Clifton, New Jersey

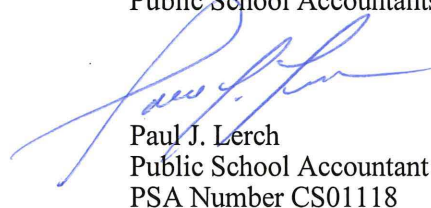
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Clifton Board of Education as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated December 6, 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.



LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants



Paul J. Lerch
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
December 6, 2024

**CLIFTON BOARD OF EDUCATION
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, Board Treasurer Designee/Chief School Administrator, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule (Exhibit J-20), contained in the District's ACFR.

Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael Ucci	Board Secretary/Business Administrator	\$605,000
Ahmed Shehata, MBA, MPA	Assistant Superintendent for Business/ Board Secretary	\$10,000

There is a Public Employees' Faithful Performance Blanket Position Bond with National Union Fire Insurance covering all other employees with multiple coverage of \$500,000.

P.L. 2020, c44

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 of audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

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

The school district data certification was completed by the chief school administrator. The school district Chapter 44 data 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 the adjustment in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any discrepancies with respect to signatures, certification and approvals of supporting documentation.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Financial Planning, Accounting and Reporting (Continued)

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

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

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.

The Board has implemented and maintains a personnel tracking and accounting (Position Control) system.

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.

Finding 2024-1 – Our audit of accounts payable revealed that the monthly general ledger balances were not in agreement with the detailed accounts payable listing for the General, Special Revenue and Capital Projects Funds.

Recommendation – Monthly reconciliation procedures be reviewed and revised to ensure accounts payable general ledger balances are in agreement with the detailed report for all funds.

Travel

The District had an approved Board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

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:23A-8.3. As a result of the procedures performed, no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed the following items:

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

The Board Secretary's and Chief School Administrator's reports were presented monthly to the Board and were submitted to the executive county superintendent as prescribed (N.J.S.A. 18A:17-9 and 18A:17-36)..

The Board Secretary did file other financial reports with the Board which contained schedules similar to those reported in the State prescribed report.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

The pre-numbered contractual order system was followed.

On July 17, 2023, the accounting system had a security breach halting all fiscal operations until August 2023. This impacted payroll, accounts payable, record keeping for the year end close out, etc. After the security breach was overcome, all financial data had to be manually entered from May 1, 2023. This had a significant impact on record keeping for all close out procedures and financial reporting operations. In collaboration with the district insurance carrier, legal counsel and auditors a corrective action plan was drawn up. Through the corrective action plan the technology department implemented a cloud based server for all sensitive financial data as well as other risk mitigating factors.

Board Treasurer Designee/Chief School Administrator's Records

The following items were noted during our review of the records of the Board Treasurer Designee/Chief School Administrator.

The Board Treasurer Designee/Chief School Administrator did perform cash reconciliations for the general operating account and payroll accounts (N.J.S.A. 18A:17-9).

All cash receipts were promptly deposited.

The Board Treasurer Designee/Chief School Administrator's records were in agreement with the Board Secretary's records.

Unemployment Compensation Insurance Trust Fund

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the General Fund.

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 Fund of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, II, III and Title IV of the Elementary and Secondary Education Act.

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.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Financial Planning, Accounting and Reporting (Continued)

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 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.

Nonpublic State Aid

Project completion reports were finalized and transmitted to the Department by the due date.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursements filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

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

The 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 subsequent 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

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.

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 \$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 School Business Administrator as the qualified purchasing agent and established the bid threshold at \$44,000.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the 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 goods or service, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination did indicate that individual payments, contracts, or agreements were made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, amended.

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

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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 the district purchase items through the use of State contracts.

Food Service Fund

School Food Authorities (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 all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

The financial transactions and records of the school food service fund were reviewed. The financial accounts, were reviewed on a test-check basis. Cash receipts and bank records were reviewed for timely deposit.

The district utilized 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 contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which does not guarantee that the food service program will return a profit.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursement records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

Net cash resources did not exceed three months average expenditures.

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.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications/or to the list of directly certified students 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. Sites approved to participated in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review.

U.S.D.A. commodities were received and a separate inventory were maintained on a first-in, first-out basis.

The Statement of Revenues, Expenses, and Changes in Fund 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 ACFR.

**CLIFTON BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Student Activity/Athletic Accounts

The Board has a policy which clearly established the regulation of student activity and athletic accounts.

Cash reports and cash disbursements were maintained in satisfactory condition.

Finding – 2024-2 – Our audit indicated that supplies purchased for the student activities account were paid on a employees personal credit card delivered to personal addresses rather than respective schools.

Recommendation – Procedures be reviewed and revised to ensure any supplies purchased through the student activity accounts be paid through the student activity bank account and be delivered to the respective schools.

Summer Enrichment and ONE Clifton League Programs

Separate revenue and expense records and billing journals were maintained.

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, related services and bilingual education. 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 information that was included on the workpapers was verified with minor exceptions. 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 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 with no exception. The information that was included in the district workpapers was verified with minor exceptions. 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 contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

The District had no SDA grant projects during the current year.

Testing for Lead of all Drinking Water in Education Facilities

The school district adhered to all requirements of N.J.A.C. 26-12 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).

Follow-up on Prior Year Findings

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

Suggestions to Management

- Old reconciling items on the District's bank reconciliations be reviewed and cleared of record.
- Review the Payroll Agency account to ensure adequate funding.
- Interfund balances between various funds be reviewed and liquidated before year end.
- Treasurer designee be covered by a surety bond in accordance with the New Jersey Administrative Code.
- Administrators receiving overtime wages not approved in the respective employment contracts be approved by the Board resolution.

**CLIFTON BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Program</u>	<u>Meals Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Under (Over) Claim</u>
National School Lunch (High Rate)	Paid	300,380	103,777	101,224	(2,553)	\$ 0.42	\$ (1,072)
	Reduced	126,943	43,941	43,917	(24)	3.87	(93)
	Free	<u>596,604</u>	<u>208,472</u>	<u>208,214</u>	<u>(258)</u>	4.27	<u>(1,102)</u>
	Total Lunch	<u>1,023,927</u>	<u>356,190</u>	<u>353,355</u>	<u>(2,835)</u>		<u>(2,267)</u>
National School Lunch	HHFKA-PB Lunch Only	<u>1,023,927</u>	<u>356,190</u>	<u>353,355</u>	<u>(2,835)</u>	0.08	<u>(227)</u>
School Breakfast (Severe Needs Rate)	Paid	48,936	17,585	17,091	(494)	0.38	(188)
	Reduced	30,090	10,780	10,780	-	2.43	-
	Free	<u>200,159</u>	<u>71,206</u>	<u>71,189</u>	<u>(17)</u>	2.73	<u>(46)</u>
	Total Breakfast	<u>279,185</u>	<u>99,571</u>	<u>99,060</u>	<u>(511)</u>		<u>(234)</u>
Seamless Summer Option (SSO)	Breakfast	25,368	25,368	25,368	-	2.77	-
	Lunch	29,362	29,362	29,362	-	4.87	-
	Supplement	<u>54,730</u>	<u>54,730</u>	<u>54,730</u>	<u>-</u>	0.10	<u>-</u>
	Total SSO	<u>109,460</u>	<u>109,460</u>	<u>109,460</u>	<u>-</u>		<u>-</u>
School Snacks (At Risk/Area Eligible)	Free	<u>29,363</u>	<u>29,363</u>	<u>29,363</u>	<u>-</u>	1.17	<u>-</u>
	Total Snacks	<u>29,363</u>	<u>29,363</u>	<u>29,363</u>	<u>-</u>		<u>-</u>
Child and Adult Care Program (CACFP)	Breakfast	161,177	161,177	161,177	-	2.28	-
	Lunch	161,177	161,177	161,177	-	4.25	-
	Snack	139,141	139,141	139,141	-	1.17	-
	Supper	<u>25,601</u>	<u>25,601</u>	<u>25,601</u>	<u>-</u>	4.25	<u>-</u>
	Total CACFP	<u>487,096</u>	<u>487,096</u>	<u>487,096</u>	<u>-</u>		<u>-</u>
Cash-in-Lieu USDA Commodities (CACFP)		<u>186,778</u>	<u>186,778</u>	<u>186,778</u>	<u>-</u>	0.295	<u>-</u>
Grand Totals		<u>3,139,736</u>	<u>1,624,648</u>	<u>1,618,467</u>	<u>(6,181)</u>		<u>\$ (2,728)</u>

**CLIFTON BOARD OF EDUCATION
FOOD SERVICE ENTERPRISE FUND
CALCULATION OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Current Assets

Cash and Cash Equivalents	\$ 1,086,623
Due from Other Governments	466,976
Accounts Receivable	344,951

Current Liabilities

Accounts Payable	(249,491)
Due to Other Funds	(415,714)
Unearned Revenue	(45,282)

Net Cash Resources	\$ 1,188,063
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Adjusted Total Operating Expense:

Total Operating Expenses	\$ 9,726,306
Less Depreciation	(372,843)

Adjusted Total Operating Expense	\$ 9,353,463
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<u>Average Monthly Operating Expense:</u>	\$ 935,346
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<u>Three Times Monthly Average:</u>	\$ 2,806,039
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Total Net Cash Resources	\$ 1,188,063
Three Times Monthly Average	2,806,039

Excess/(Deficit) Cash Resources	\$ (1,617,976)
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**CLIFTON BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 13, 2023
SCHEDULE OF AUDITED ENROLLMENTS**

	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	Sample	Sample				
	A.S.S.A.		Workpapers				Selected from		Register		Registers									
	On Roll		On Roll				Workpapers		On Roll		On Roll		On Roll		A.S.S.A. as	for	Verified	Errors		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	Verifi-						
Half Day Preschool 3 Years Old	4		4		-	-	4		4		-									
Half Day Preschool 4 Years Old																				
Full Day Preschool 3 Years Old	60		53		7	-	25		25		-									
3yr Pre-School Sent (State Paid)	89		104		(15)															
Full Day Preschool 4 Years Old	189		229		(40)	-	45		45		-									
4yr Pre-school Sent (State Paid)	186		156		30															
Half Day Kindergarten																				
Full Day Kindergarten	657		657		-	-	130		130		-									
Grade 1	623		623		-	-	104		104		-									
Grade 2	656		656		-	-	64		63		1									
Grade 3	603		603		-	-	80		81		(1)									
Grade 4	593		593		-	-	34		35		(1)									
Grade 5	599		599		-	-	100		100		-									
Grade 6	631		631		-	-	289		289		-									
Grade 7	650		650		-	-	333		334		(1)									
Grade 8	670		670		-	-	323		323		-									
Grade 9	647		647		-	-	647		649		(2)									
Grade 10	705		705		-	-	705		704		1									
Grade 11	675		675		-	-	675		677		(2)									
Grade 12	625		625		-	-	625		629		(4)									
Subtotal	8,862	-	8,880	-	(18)	-	4,183	-	4,192	-	(9)	-								
Sp Ed - Elementary	1,022		1,015		7	-	37		37	-	-		15	4	4	-				
Sp Ed - Middle School	427		427		-	-	15		15	-	-		15	4	4	-				
Sp Ed - High School	491		491		-	-	18		18		-		44	13	13	-				
Subtotal	1,940	-	1,933	-	7	-	70	-	70	-	-		74	21	21	-				
Totals	10,802	-	10,813	-	(11)	-	4,253	-	4,262	-	(9)	-	74	21	21	-				
Percentage Error							-0.10%						-0.21%						0.00%	

**CLIFTON BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 13, 2023
SCHEDULE OF AUDITED ENROLLMENTS**

Half Day Preschool 3 Years Old
Half Day Preschool 4 Years Old
Full Day Preschool 3 Years Old
Full Day Preschool 4 Years Old
Half Day Kindergarten

Full Day Kindergarten

	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	Sample Errors
Grade 1	428	436	(8)	5	5	-
Grade 2	442	442	-	5	5	-
Grade 3	437	435	2	5	5	-
Grade 4	392	392	-	4	4	-
Grade 5	385	385	-	4	4	-
Grade 6	394	393	1	4	4	-
Grade 7	426	425	1	5	5	-
Grade 8	449	448	1	5	5	-
Grade 9	468	467	1	5	5	-
Grade 10	401	403	(2)	4	4	-
Grade 11	456	456	-	5	5	-
Grade 12	395	396	(1)	4	4	-
Subtotal	389	387	2	4	4	-
	5,462	5,465	(3)	59	59	-

Sp Ed - Elementary

Sp Ed - Middle School

Sp Ed - High School

Sp Ed - Elementary	674	585	89	6	6	-
Sp Ed - Middle School	317	311	6	3	3	-
Sp Ed - High School	332	321	11	4	4	-
Subtotal	1,323	1,217	106	13	13	-
Totals	6,785	6,682	103	72	72	-

Percentage Error 1.52% 0.00%

Resident LEP Low Income			Sample for Verification		
Reported on ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Errors
62	62	-	5	5	-
79	79	-	6	6	-
83	84	(1)	7	7	-
69	69	-	6	6	-
65	65	-	5	5	-
47	47	-	4	4	-
32	32	-	2	2	-
47	47	-	4	4	-
58	58	-	5	5	-
52	52	-	4	3	1
65	65	-	5	5	-
75	75	-	6	6	-
27	27	-	2	2	-
761	762	(1)	61	60	1
50	46	4	3	3	-
4	3	1	1	1	-
2	2	-	1	1	-
56	51	5	5	5	-
817	813	4	66	65	1

0.49% 1.52%

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	2,256	2,256	-	51	49	2
Transported - Non Public	103	103	-	2	2	-
AIL Non-Public	-	-	-	-	-	-
Regular - Special Ed	696	696	-	16	15	1
Special Needs	88	88	-	2	2	-
	3,143	3,143	-	71	68	3

Percentage Error 0.00% 4.23%

**CLIFTON BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 13, 2023
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as NOT Low Income	Reported on Workpapers as NOT low Income	Errors	Sample Selected From Workpapers	Verified to Application	Errors
Full Day Kindergarten	24	24	-	6	6	-
Grade 1	18	18	-	5	5	-
Grade 2	14	14	-	4	4	-
Grade 3	19	19	-	5	5	-
Grade 4	10	10	-	3	3	-
Grade 5	9	9	-	1	1	-
Grade 6	1	1	-	1	1	-
Grade 7	10	10	-	3	3	-
Grade 8	13	13	-	4	4	-
Grade 9	20	19	1	5	5	-
Grade 10	17	17	-	5	5	-
Grade 11	16	16	-	4	4	-
Grade 12	5	5	-	1	1	-
Subtotal	176	175	1	47	47	-
Sp Ed - Elementary	10	10	-	3	3	-
Sp Ed - Middle School	2	2	-	1	1	-
Sp Ed - High School	1	1	-	1	1	-
Subtotal	13	13	-	5	5	-
Totals	189	188	1	52	52	-
Percentage Error			<u>0.53%</u>			<u>-</u>

**CLIFTON BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

2023-2024 Total General Fund Expenditures per the ACFR	\$ 266,822,840
Increased by:	
Transfers to Special Revenue Fund	2,973,563
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>46,653,256</u>
Adjusted 2023-2024 General Fund Expenditures	<u>223,143,147</u>
2% of Adjusted 2023-2024 General Fund Expenditures	4,462,863
Increased by: Allowable Adjustment	<u>1,801,761</u>
Maximum Unassigned Fund Balance	<u>\$ 6,264,624</u>
 Total General Fund - Fund Balance at June 30, 2024 (Per ACFR Budgetary Comparison Schedule/Statement)	 \$ 44,170,726
Decreased by:	
Year End Encumbrances	5,412,061
Capital Reserve	19,857,570
Capital Reserve - Designated for Subsequent Year's Expenditures	7,971,500
Maintenance Reserve	3,457,469
Unemployment Reserve	241,109
Assigned Fund Balances - Designated for Subsequent Year's Expenditures	<u>966,393</u>
Total Unassigned Fund Balance	<u>\$ 6,264,624</u>
 Restricted Fund Balance - Excess Surplus	 <u><u>\$ -</u></u>
 <u>Detail of Allowable Adjustments</u>	
Additional Nonpublic School Transportation Aid	\$ 349,582
Extraordinary Aid	<u>1,452,179</u>
Total Adjustment	<u>\$ 1,801,761</u>

**CLIFTON BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Monthly reconciliation procedures be reviewed and revised to ensure accounts payable general ledger balances are in agreement with the detailed report for the all Funds.

III. School Purchasing Program

There are none.

IV. Food Service Fund

There are none.

V. Student Activity/Athletic Accounts

2. It is recommended that procedures be reviewed and revised to ensure any supplies purchased through the student activity accounts be paid through the student activity bank account and be delivered to the respective schools.

VI. Application for State School Aid

There are none.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

There are none.

IX. Miscellaneous

There are none.

X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all except these denoted with an asterisk (*).

ACKNOWLEDGEMENT

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.

Respectfully submitted,
LERCH, VINCI & BLISS, LLP



Paul J. Lerch
Certified Public Accountant
Public School Accountant