

**TOWNSHIP OF DEPTFORD  
SCHOOL DISTRICT  
COUNTY OF GLOUCESTER**

**AUDITOR'S MANAGEMENT REPORT  
ON ADMINISTRATIVE FINDINGS-  
FINANCIAL, COMPLIANCE  
AND PERFORMANCE**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2024**

**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**  
Auditor's Management Report on Administrative  
Findings - Financial, Compliance and Performance

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**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

The Honorable President and  
Members of the Board of Education  
Township of Deptford School District  
County of Gloucester, 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 Township of Deptford School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2024, which were separately issued in the Annual Comprehensive Financial Report dated January 31, 2025.

As part of our audit, we also 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 issued in conjunction with the Annual Comprehensive Financial Report of the Board of Education of the Township of Deptford School District, for the fiscal year ended June 30, 2024, and is intended for the information of the School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael P. Cragin, Jr.  
Certified Public Accountant  
Public School Accountant No. 20CS00255100

Voorhees, New Jersey  
January 31, 2025

## **ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

### **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.

### **ADMINISTRATIVE PRACTICES AND PROCEDURES**

#### **Insurance**

Fire insurance coverage was carried in the amounts as detailed on exhibit J-20, insurance schedule, contained in the School District's Annual Comprehensive Financial Report (ACFR).

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

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Amount</u></b>
Ron Latham	Board Secretary / School Business Administrator	\$ 718,000.00

There is a Public Employee's Faithful Performance Blanket Position Bond with Dalton Company covering all other employees with multiple coverage of \$5,000,000.00.

#### **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 under 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 actual costs were less than estimated costs. The School District made a proper adjustment to the billings to sending districts for the decrease 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**

Sampled claims paid during the fiscal year under audit did not indicate any reportable noncompliance with respect to signatures, certification, or supporting documentation.

**FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)****Payroll Account**

The net salaries of sampled employees of the School District were deposited in the net payroll account. Employees' payroll deductions and the employer's share of fringe benefits were deposited in the payroll agency account.

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

Sampled salary withholdings were promptly remitted to the proper agencies, including health benefit premium withholdings due to the general fund.

Sampled payrolls were delivered to the Board Secretary / School Business Administrator who then deposited with warrants in separate bank accounts for net payroll and withholdings.

**Employee Position Control Roster**

A sample of the Employee Position Control Roster indicated that it was in satisfactory condition and was approved by the county office submission with the 2023-2024 budget review checklist.

**Encumbrances and Accounts Payable**

A sample of outstanding issued purchase orders was made as of June 30 for proper classification of orders as encumbrances and accounts payable. Our sample indicated the following reportable noncompliance with respect to classification of orders.

***Finding No. 2024-001 (ACFR Finding No. 2024-001)***

During our audit, we noted that the internal controls over recording and monitoring of the purchase order / accounts payable accounting system were insufficient to provide an accurate list of purchase orders as of June 30, 2024.

***Recommendation***

That the School District improve their internal controls over recording and monitoring of the purchase order / accounts payable accounting system to ensure that the School District is in compliance with School District Audit Program.

**Travel**

Our procedures performed on travel expenditures during the fiscal year under audit did not indicate any reportable noncompliance.

**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 randomly sampled expenditure transactions. We also tested the coding of all expenditures included in our compliance and single audit sampling procedures. In addition, a sample was selected that specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. Our samples did not indicate any reportable noncompliance with respect to classification of expenditures.

**Board Secretary's Records**

Our audit of the financial and accounting records maintained by the Board Secretary indicated that they were in satisfactory condition.

**Board Designee's Records**

Our audit of the financial and accounting records maintained by the Board Designee indicated that they were in satisfactory condition.

**FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)****Pupil Transportation**

Our audit procedures included a sample of on-roll status reported in the 2023-24 District Report of Transported Resident Students (DRTRS). The information that was reported on the DRTRS was verified to the DRTRS Eligibility Summary Report without material exceptions. The results of our procedures are presented in the schedule of audited enrollments. The audit indicated the following reportable noncompliance.

***Finding No. 2024-003 (ACFR Finding 2024-003)***

Several differences were identified between the School District's supporting documentation and the submitted DRTRS report.

***Recommendation***

That the submitted DRTRS report agrees to the School District's supporting documentation.

We performed procedures over transportation related contracts and purchases. It appears the School District complied with proper bidding procedures and award of contracts.

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

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 , II, III, and IV of the Every Student Succeeds Act.

The audit of compliance for E.S.E.A. did not indicate any reportable noncompliance.

**Other Special Federal and / or State Projects**

The School District's other special projects were approved as listed on exhibits K-3 and K-4 located in the ACFR.

Our audit of the federal and state funds on a sample 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 other special projects.

The audit of compliance for other special projects indicated the following reportable noncompliance.

***Finding No. 2024-004 (ACFR Finding 2024-004)***

The supporting documentation for expenses that the School District incurred did not agree to amounts requested for reimbursement.

***Recommendation***

That applications for reimbursement for the Additional or Compensatory Special Education & Related Services grant are reviewed to ensure that supporting documentation agrees to amounts requested for reimbursement.

**TPAF Reimbursement**

Our audit procedures included a sample of the biweekly reimbursements filed with the Department of Education for School District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

**FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)****TPAF Reimbursement to the State for Federal Salary Expenditures**

The amount of the expenditure charged to the current year's final reports for all federal awards for the School District to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the School District for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management and N.J.S.A. 18A:66-90. The expenditure was inspected 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-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and the school contracts in general, are available on the following website:

[https://nj.gov/dca/dlgs/programs/NJ\\_LAPL.shtml](https://nj.gov/dca/dlgs/programs/NJ_LAPL.shtml)

Current statute is posted on the New Jersey Legislature website at:

<http://www.njleg.state.nj.us/>

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000.00 (with a Qualified Purchasing Agent) and \$32,000.00 (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 \$20,200.00 for 2023-2024.

The School District's 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.

Based on the results of our audit, we did not note any individual payments, contracts, or agreements 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.

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

**SCHOOL FOOD SERVICE**

The school food service program was not selected as a major federal and / or State program. However, the program expenditures exceeded \$100,000.00 in federal and / or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

The statement of revenues, expenses, and changes in fund net position (ACFR exhibit B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

Net cash resources did exceed three months average expenditures.

***Finding No. 2024-002 (ACFR Finding No. 2024-002)***

The School District's net cash resources exceeded 3 months average expenditures for its nonprofit school food service.

***Recommendation***

That the School District ensure that its net cash resources does not exceed 3 months average expenditures for its nonprofit school food service.

## **STUDENT BODY ACTIVITIES**

Our audit of the financial and accounting records for student activities indicated that they were in satisfactory condition.

## **APPLICATION FOR STATE SCHOOL AID**

Our audit procedures included a sample of information reported in the October 13, 2023 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low-income, and bilingual. We also performed an inspection of the School District procedures related to its completion. The information on the A.S.S.A. was compared to the School District workpapers without exception. The information that was included on the workpapers was verified and indicated the following reportable noncompliance. The results of our procedures are presented in the schedule of audited enrollments and the following was noted:

### ***Finding No. 2024-005 (ACFR Finding 2024-005)***

That the School District's workpapers and corresponding documentation agree with the submitted Application for State School Aid (A.S.S.A.) report.

### ***Recommendation***

That the School District's workpapers and corresponding documentation agree with the submitted A.S.S.A. report.

The School District maintained workpapers on the prescribed State forms or their equivalent.

The School District has adequate written procedures for the recording of student enrollment data.

## **FACILITIES AND CAPITAL ASSETS**

Our audit of the financial and accounting records for facilities and capital assets indicated that they were in satisfactory condition.

## **MISCELLANEOUS**

### **Continuing Disclosure Agreements**

The School District complied with its most recent continuing disclosure agreements made in relation to prior year bond issuances.

### **Testing for Lead of All Drinking Water in Education Facilities**

The School District complied with all the requirements of N.J.A.C. 6A: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).

## **FOLLOW-UP ON PRIOR YEAR'S FINDINGS**

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. Corrective action has not been taken on the prior year findings. As a result, finding number 2023-001 is repeated in this year's recommendations as current year finding 2024-001, finding number 2023-005 is repeated in this year's recommendations as current year finding 2024-002 and finding number 2023-006 is repeated in this year's recommendations as current year finding 2024-005.

There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2024.



**ACKNOWLEDGMENT**

We received the complete cooperation of all of the officials of the School District and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael P. Cragin, Jr.  
Certified Public Accountant  
Public School Accountant No. 20CS00255100

**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**  
Schedule of Net Cash Resources  
Net Cash Resources Did Exceed Three Months of Expenditures  
Proprietary Funds - Food Service Fund  
For the Fiscal Year Ended June 30, 2024

<b><u>Net Cash Resources:</u></b>		<b>Food Service B - 4/5</b>	
<b>ACFR</b>	<b>Current Assets</b>		
B-4	Cash & Cash Equivalents	\$ 1,579,602.81	
B-4	Due from Other Governments	51,415.48	
B-4	Due from Other Funds		
B-4	Accounts Receivable	19,970.20	
B-4	Investments		
<b>ACFR</b>	<b>Current Liabilities</b>		
B-4	Less Accounts Payable	(20,357.92)	
B-4	Less Accruals	(1,431.75)	
B-4	Less Due to Other Funds	(512,185.79)	
B-4	Less Unearned Revenue	(33,640.89)	
	<b>Net Cash Resources</b>	<b><u>\$ 1,083,372.15</u></b>	<b>(A)</b>

**Net Adjusted Total Operating Expense:**

B-5	Total Operating Expenditures	\$ 1,819,509.95	
B-5	Less Depreciation	(12,871.62)	
	<b>Adjusted Total Operating Expense</b>	<b><u>\$ 1,806,638.33</u></b>	<b>(B)</b>

**Average Monthly Operating Expense:**

B / 10	<b><u>\$ 180,663.83</u></b>	<b>(C)</b>
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**Three Times Monthly Average:**

3 X C	<b><u>\$ 541,991.50</u></b>	<b>(D)</b>
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TOTAL IN BOX A	\$ 1,083,372.15
LESS TOTAL IN BOX D	\$ 541,991.50
NET	<b><u>\$ 541,380.65</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.

## TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 2023

	2024 -2025 Application for State School Aid						Sample for Verification						Private Schools for the 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 Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool																	
Full Day Preschool	261		261				164		164								
Half Day Kindergarten																	
Full Day Kindergarten	255		255				176		176								
One	269		269				67		67								
Two	258		258				78		78								
Three	242		242				63		63								
Four	262		262				62		62								
Five	248		248				71		71								
Six	256		256				256		256								
Seven	253		253				253		253								
Eight	253		253				252		252								
Nine	229		229				229		229								
Ten	240		240				238		238								
Eleven	237		237				233		233								
Twelve	189		189				186		186								
Post-Graduate																	
Adult H.S. (15+CR.)																	
Adult H.S. (1-14CR.)																	
Subtotal	3,452	-	3,452	-	-	-	2,328	-	2,328	-	-	-	-	-	-	-	-
Special Education-Elementary	348		348				26		26				11	9	9		
Special Education-Middle School	180		180				13		13				7	6	6		
Special Education-High School	219		219				6		16				23	20	17	3	
Subtotal	747	-	747	-	-	-	45	-	55	-	-	-	41	35	32	3	
Co. Voc. - Regular																	
Co. Voc. Ft. Post Sec.																	
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	4,199	-	4,199	-	-	-	2,373	-	2,383	-	-	-	41	35	32	3	

## TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 2023

	Resident 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 Application, Test Score and Register	Sample Errors
Half Day Preschool												
Full Day Preschool	44	44		13	12	1						
Half Day Kindergarten												
Full Day Kindergarten	49	49		14	14		10	10		8	8	
One	11	11		4	3	1	9	9		9	8	1
Two	15	15		5	4	1	6	6		6	6	
Three	15	15		6	6		3	3		3	3	
Four	22	22		7	7		4	4		1	1	
Five	16	16		5	4	1	1	1				
Six	67	67		22	18	4						
Seven	67	67		23	18	5						
Eight	73	73		25	22	3	6	6		5	5	
Nine	56	56		22	17	5	1	1				
Ten	65	65		25	23	2	4	4		1	1	
Eleven	43	43		16	15	1						
Twelve	51	51		18	18		2	2		2	2	
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14CR.)												
Subtotal	594	594	-	205	181	24	46	46	-	35	34	1
Special Education-Elementary	158	31	127	10	9	1	2	2				
Special Education-Middle School	84	62	22	22	20	2						
Special Education-High School	103	75	28	27	22	5						
Subtotal	345	168	177	59	51	8	2	2	-			-
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Totals	939	762	177	264	232	32	48	48	-	35	34	1
Percentage Error			0			12.12%						2.86%
Transportation												
	Reported on DRTS by DOE/County	Reported on DRTS by District	Errors	Tested	Verified	Errors				Reported	Re- Calculated	
Reg. - Public Schools, Col. 1	2,079	2,079		249	211	38	Reg. Avg. (Mileage) = Regular Including Grade PK students (Par					3.6
Reg. - SpEd, Col. 4	46	46		6	4	2	Reg. Avg. (Mileage) = Regular Excluding Grade PK students (Pa					3.6
Transported - Non-Public, Col. 3	108	108		12	12		Spec. Avg. (Mileage) = Special Ed. with Special Needs					4.4
Special Needs, Col. 6	105	98	7	12	11	1						
Totals	2,338	2,331	7	279	238	41						

## TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 2023

	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 to Test Score and Register	Sample Errors
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	6	6		6	6	
One	4	4		3	3	
Two	3	3		3	3	
Three	3	3		2	2	
Four	2	2		1	1	
Five	2	2		1	1	
Six	2	2		1	1	
Seven	2	2		2	2	
Eight	1	1				
Nine	1	1		1	1	
Ten	2	2		2	2	
Eleven	3	3		3	3	
Twelve	3	3		3	3	
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14CR.)						
Subtotal	34	34	-	28	28	-
Special Education-Elementary	1	1				
Special Education-Middle School						
Special Education-High School						
Subtotal	1	1	-	-	-	-
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Subtotal	-	-	-	-	-	-
Totals	35	35	-	28	28	-

**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 2023

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Military Connected Students			
Reported on A.S.S.A. as Military Connected <u>Students</u>	Sample for <u>Verification</u>	Sample <u>Verified</u>	Sample <u>Errors</u>
-	-	-	-

## **EXCESS SURPLUS CALCULATION**

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

#### **SECTION 1**

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

2023-24 Total General Fund Expenditures Reported on ACFR Exhibit C-1	\$ 96,025,081.12	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund		(B1a)
Transfer from Capital Reserve to Capital Projects Fund		(B1b)
Transfer from General Fund to SRF for PreK-Regular		(B1c)
Transfer from General Fund to SRF for PreK-Inclusion		(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	17,140,098.15	(B2a)
Assets Acquired Under Leases & SBITA's	1,429,238.85	(B2b)
Adjusted 2023-24 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ 77,455,744.12	(B3)
2% of Adjusted 2023-24 General Fund Expenditures [(B3) times .02]	\$ 1,549,114.88	(B4)
Enter Greater of (B4) or \$250,000	1,549,114.88	(B5)
Increased by: Allowable Adjustment *	624,632.00	(K)
Maximum Unassigned Fund Balance [(B5) + (K)]	\$ 2,173,746.88	(M)

#### **SECTION 2**

Total General Fund - Fund Balances at June 30, 2024 (Per ACFR Budgetary Comparison Schedule, Ex. C-1)	\$ 23,074,556.33	(C)
Decreased by:		
Year-End Encumbrances	2,622,304.58	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures		(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	5,866,184.87	(C3)
Other Restricted Fund Balances ****	6,624,387.62	(C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	408,135.13	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ 7,553,544.13	(U1)

#### **SECTION 3**

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$ 5,379,797.25	(E)
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##### **Recapitulation of Excess Surplus as of June 30, 2024**

Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ 5,866,184.87	(C3)
Restricted - Excess Surplus *** [(E)]	5,379,797.25	(E)
Total Excess Surplus [(C3)+(E)]	\$ 11,245,982.12	(D)

**EXCESS SURPLUS CALCULATION (CONT'D)****REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT****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**

Federal Impact Aid		(H)
Sale & Lease-back		(I)
Extraordinary Aid	\$ 611,311.00	(J1)
Additional Nonpublic School Transportation Aid	13,321.00	(J2)
Current Year School Bus Advertising Revenue Recognized		(J3)
Family Crisis Transportation Aid		(J4)
Supplemental Stabilization Aid & Maintenance of Equity Aid		(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	\$ 624,632.00	(K)

\*\* This amount represents the June 30, 2024 Excess Surplus (C3 above) and must be included in the Audit Summary Line 90031.

\*\*\* Amounts must agree to the June 30, 2024 ACFR and must agree to Audit Summary Line 90030.

\*\*\*\* Amount for Other Restricted 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	\$ 5,852,794.00
Maintenance reserve	
Emergency reserve	
Tuition reserve	
School bus advertising 50% fuel offset reserve - current year	
School bus advertising 50% fuel offset reserve - prior year	
Impact Aid General Fund Reserve (Sections 8002 and 8003)	
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	
Other state/government mandated reserves	
Restricted for Unemployment	771,593.62
[Other Restricted Fund Balance not noted above]****	

Total Other Restricted Fund Balance \$ 6,624,387.62 (C4)



**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**  
Audit Recommendations Summary  
For the Fiscal Year Ended June 30, 2024

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Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

That the School District improve their internal controls over recording and monitoring of the purchase order / accounts payable accounting system to ensure that the School District is in compliance with School District Audit Program.

That the submitted DRTRS report agrees to the School District's supporting documentation.

That the School District improve their internal controls over recording and monitoring of the purchase order / accounts payable accounting system to ensure that the School District is in compliance with School District Audit Program.

3. School Purchasing Programs

None

4. School Food Service

That the School District ensure that its net cash resources does not exceed 3 months average expenditures for its nonprofit school food service.

5. Student Body Activities

None

6. Application for State School Aid

That the School District's workpapers and corresponding documentation agree with the submitted A.S.S.A. report.

7. Facilities and Capital Assets

None

8. Miscellaneous

None

**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**  
Audit Recommendations Summary  
For the Fiscal Year Ended June 30, 2024

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Recommendations (Cont'd):

9. Follow-Up on Prior Year Findings

A review was performed on the prior year recommendations and corrective action was not taken on prior year findings. As a result they are repeated in this year's recommendations:

That the School District improve their internal controls over recording and monitoring of the purchase order / accounts payable accounting system to ensure that the School District is in compliance with School District Audit Program.

That the School District ensure that its net cash resources does not exceed 3 months average expenditures for its nonprofit school food service.

That the School District's workpapers and corresponding documentation agree with the submitted Application for State School Aid (A.S.S.A.) report.

