

**AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
DOVER PUBLIC SCHOOL DISTRICT
COUNTY OF MORRIS, NEW JERSEY
JUNE 30, 2024**

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Dover Public 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 Dover Public School District in the County of Morris for the year ended June 30, 2024, and have issued our report thereon dated December 5, 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 Dover Public 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.

Steven D. Wielkatz

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December 5, 2024



ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING

GENERAL COMMENTS

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, 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 of the District's ACFR.

Officials Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Atilla Sabahoglu	Board Secretary/School Business Administrator	\$300,000
John Griffin	Treasurer of School Monies	\$300,000

Finding 2024-001: The surety bond coverage for both the Treasurer of School Monies and Business Administrator/Board Secretary positions were insufficient.

Recommendation: Surety bond coverage be increased for both the Treasurer of School Monies and Business Administrator/Board Secretary positions in accordance with N.J.A.C. 6A:23A-16.4.

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.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs exceeded the estimated costs. The Board made the proper adjustments 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 discrepancies with respect to signatures, certification or supporting documentation.

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

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

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

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.

Reporting of employee compensation for income tax related purposes did comply with federal and state regulations regarding the compensation which is required to be reported.

Finding 2024-002: The payroll agency account has a significant unallocated reconciled balance.

Recommendation: The district prepare an analysis of the balance in the payroll agency account on a monthly basis to ensure that all payroll deductions and withholdings are remitted in a timely manner. Prior year unallocated balances should be investigated for propriety and cancelled to the general fund if necessary.

Position Control Roster

The Position Control Roster was reviewed and compared to payroll records, employee benefit records and charges made to the general ledger to ensure proper and consistent financial reporting and that employee benefits are only offered to current employees.

Reserve for Encumbrances, Liability for 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 reserves 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.

Financial Planning, Accounting and Reporting, (continued)

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 compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, a transaction error rate of 1.78% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Finding 2024-003: There were instances in which expenditures in the following categories were not charged to the appropriate line item account in accordance with the Uniform Minimum Chart of Accounts for New Jersey Public Schools: Expenditures for textbooks, insurance premiums, and some professional service expenses were charged incorrectly and routine maintenance expenses were often charged erroneously to required maintenance.

Recommendation: Districts should reference *The Uniform Minimum Chart of Accounts for New Jersey Public Schools* and other available reference materials, such as the Budget Guidelines for the proper classifications required to be in compliance with N.J.A.C. 6A:23A-16.2.

Board Secretary's Records

The Board's Secretary's records were found to be in good order with the exception of the following:

Finding 2024-004: The 2023-2024 budget was recorded incorrectly; prior year purchase orders reflected as accounts payable were erroneously recorded as roll-over purchase orders. Auditor adjustments were necessary to reflect the correct budgetary figures.

Recommendation: The budget be recorded correctly and prior year payables be liquidated against the general ledger liability rather than against the budgetary line item.

Fixed Assets

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

Treasurer's Records

The Treasurer's records were in agreement with the records of the Board Secretary.

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 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 I SIA, Title II and Title III 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 K-3 and Schedule 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 the 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.

The study of compliance for the special projects indicated that there were no areas of noncompliance.

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 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. 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 an individual payment, contract, or agreement was 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, as 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

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.

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 financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The district/charter school/renaissance school project utilizes 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 Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. There were no guaranteed financial performance stipulations in the FSMC. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

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

The cash disbursements records reflected expenditures for program related good 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.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education/board of trustees. No exceptions were noted.

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/were not 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 did not exceed the number of valid applications 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. The required verification procedures for free and reduced price applications were completed and available for review.

School Food Service, (continued)

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The Statement of Revenues, Expenses, and Changes in 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 section entitled Enterprise Funds, Section G of the ACFR.

Student Body Activities

During our review of the student activity funds, the following exceptions were noted:

Finding 2024-005: Not all student activity accounts are reconciled on a monthly basis; deposits are not always made in a timely manner and documentation for cash receipts is not always retained for auditor review.

Recommendation: All student activity accounts be reconciled on a monthly basis, all deposits be made in a timely manner and supporting documentation be maintained for auditor review.

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 procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers with a few minor exceptions. The information that was included on the workpapers was verified on a test basis with a few 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 equivalents.

The District's 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 2023-2024 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report. The information on the DRTRS report was verified on a test basis with a few 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 of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

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 Educational Facilities

The school district adhered to all the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The school district did submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Suggestions to Management

- The district implement procedures to address the \$152,093 of student accounts receivable in the food service fund.

Follow-up on Prior Year Audit Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations including findings. Corrective action has been taken on all prior year findings with the exception of the following, which are repeated in this year's recommendations noted as current year findings "2024-002 and 2024-005:"

The district prepare an analysis of the balance in the payroll agency account on a monthly basis to ensure all payroll deductions and withholdings are remitted in a timely manner. (2024-002). Not all student activity accounts are being reconciled on a monthly basis (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 the officials of the school district and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,

Steven D. Wielkotz

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

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Certified Public Accountants
Pompton Lakes, New Jersey

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

FEDERAL

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/ Under Claim</u>
National School Lunch (High Rate)	Paid	88,658	22,908	22,908	-	0.42 \$	-
National School Lunch (High Rate)	Reduced	52,795	8,441	8,441	-	3.87	-
National School Lunch (High Rate)	Free	<u>247,556</u>	<u>26,588</u>	<u>26,588</u>	<u>-</u>	4.27	<u>-</u>
	Total	<u>389,009</u>	<u>57,937</u>	<u>57,937</u>	<u>-</u>		<u>-</u>
National School Lunch (Healthy Hunger-Free Kids Act)	HHFKA	<u>389,009</u>	<u>57,937</u>	<u>57,937</u>	<u>-</u>	0.08	<u>-</u>
School Breakfast (Severe Needs Rate)	Paid	57,431	8,408	8,408	-	0.38	-
	Reduced	26,780	2,369	2,369	-	2.43	-
	Free	<u>157,704</u>	<u>15,292</u>	<u>15,292</u>	<u>-</u>	2.73	<u>-</u>
	Total	<u>241,915</u>	<u>26,069</u>	<u>26,069</u>	<u>-</u>		<u>-</u>
School Breakfast (Regular Rate)	Paid	3,896	361	361	-	0.50	-
	Reduced	1,640	143	143	-	1.96	-
	Free	<u>4,303</u>	<u>344</u>	<u>344</u>	<u>-</u>	2.26	<u>-</u>
	Total	<u>9,839</u>	<u>848</u>	<u>848</u>	<u>-</u>		<u>-</u>
School Breakfast (Severe & Regular)	Paid	61,327	8,769	8,769	-		
	Reduced	28,420	2,512	2,512	-		
	Free	<u>162,007</u>	<u>15,636</u>	<u>15,636</u>	<u>-</u>		
	Total	<u>251,754</u>	<u>26,917</u>	<u>26,917</u>	<u>-</u>		

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

STATE

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/ Under Claim</u>
National School Lunch (High Rate)	Paid	88,658	20,608	20,608	-	0.060	\$ -
National School Lunch (High Rate)	Reduced	52,795	8,441	8,441	-	0.470	-
National School Lunch (High Rate)	Free	247,556	40,703	40,703	-	0.070	-
National School Lunch State Reimbursement National School Lunch (NJEIE)	NJEIE	<u>5,136</u>	<u>757</u>	<u>757</u>	<u>-</u>	3.85	<u>-</u>
	Total	<u>389,009</u>	<u>69,752</u>	<u>69,752</u>	<u>-</u>		<u>-</u>
State Reimbursement - National School Breakfast (High Rate)	Reduced	28,420	3,103	3,103	-	0.3000	-
State Reimbursement - National School Breakfast (NJEIE)	NJEIE	<u>3,426</u>	<u>350</u>	<u>350</u>	<u>-</u>	2.35	<u>-</u>
	Total	<u>28,420</u>	<u>3,103</u>	<u>3,103</u>	<u>-</u>		<u>-</u>
Total (Over)/Under Claim							\$ <u>-</u>

DOVER PUBLIC SCHOOL DISTRICT

Net cash resources did not exceed three months of expenditures Proprietary Funds - Food Service Year ended June 30, 2024

<u>Net Cash Resources:</u>		Food Service B - 4/5	
ACFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 18,527
B-4		Due from Other Gov'ts	132,968
B-4		Accounts Receivable	152,093
ACFR		Current Liabilities	
B-4		Less: Accounts Payable	(43,221)
B-4		Less: Due to Other Funds	
B-4		Less: Unearned Revenue	(6,074)
		Net Cash Resources	<u>\$ 254,293 (A)</u>

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	3,377,978	
B-5	Less Depreciation	(49,843)	
Adj. Tot. Oper. Exp.		<u>\$ 3,328,135</u>	(B)

Average Monthly Operating Expense:

B / 10	<u>\$ 332,814</u>	(C)
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Three times monthly Average:

3 X C	<u>\$ 998,441</u>	(D)
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TOTAL IN BOX A	\$ 254,293.00
LESS TOTAL IN BOX D	\$ 998,440.50
NET	<u>\$ (744,147.50)</u>
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

SCHEDULE OF AUDITED ENROLLMENTS

**DOVER PUBLIC SCHOOL DISTRICT
BOARD OF EDUCATION**

**Application for State School Aid Summary
Enrollment as of October 13, 2023**

Year ended June 30, 2024

Enrollment Category	2024-2025 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on ASSA			Workpapers			Sample Selected from Workpapers			per Registers			Reported on ASSA as Schools	Sample for Verification	Verified	Errors
	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll	Full	Shared	On Roll				
Full Day Preschool 3yrs	19		19	19		19	19		19	19		19				
Full Day Preschool 4yrs	21		21	21		21	21		21	21		21				
Full Day Kindergarten	184		184	184		184	184		184	184		184				
One	182		182	182		182	182		182	182		182				
Two	207		207	207		207	207		207	207		207				
Three	190		190	190		190	190		190	190		190				
Four	199		199	199		199	199		199	199		199				
Five	188		188	188		188	188		188	188		188				
Six	189		189	189		189	189		189	189		189				
Seven	198		198	198		198	198		198	198		198				
Eight	219		219	219		219	219		219	219		219				
Ninth	268		268	268		268	268		268	268		268				
Tenth	247		247	247		247	247		247	247		247				
Eleven	265	35	265	265	35	265	265	35	265	35		35				
Twelve	205	19	205	205	19	205	205	19	205	19		19				
Subtotal	2,781	54	2,781	2,781	54	2,781	2,781	54	2,781	2,365		2,365				
Special Ed. Elementary	189		189	189		189	189		189	88		88	14	12	12	
Special Ed. Middle	98		98	98		98	98		98	46		46	6	5	5	
Special Ed. High School	123	13	123	123	13	123	123	13	123	63		63	16	14	14	
Subtotal	410	13	410	410	13	410	410	13	410	197		197	36	31	31	
Totals	3,191	67	3,191	3,191	67	3,191	2,978	54	2,978	2,562		2,562	36	31	31	
Percentage Error																

SCHEDULE OF AUDITED ENROLLMENTS

**DOVER PUBLIC SCHOOL DISTRICT
BOARD OF EDUCATION**

Application for State School Aid Summary
Enrollment as of October 13, 2023

Year ended June 30, 2024

Enrollment category	Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.A. as Low Income	Reported on workpapers as Low Income	Errors	Sample selected from workpapers	Verified to Application and Register	Errors	Reported on A.S.A. as LEP low Income	Reported on Workpapers LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test score and Register	Sample Errors
Full Day Preschool	118	118		15	15		84	84		21	21	
One	144	144		18	18		106	106		27	27	
Two	169	169		21	21		114	114		29	29	
Three	147	147		19	19		66	66		17	17	
Four	162	162		21	21		59	59		15	15	
Five	148	148		19	19		54	54		14	14	
Six	132	132		17	17		34	34		9	9	
Seven	135	135		17	17		46	46		12	12	
Eight	144	144		18	18		42	42		11	11	
Ninth	172	172		22	22		69	69		18	18	
Tenth	152	151	1	19	19		62	61	1	16	16	
Eleven	171	171		22	22		57	56	1	14	14	
Twelve	131	135	(5)	17	17		50	50		13	13	
Special Ed. Elementary	163	163		21	21		57	57		14	14	
Special Ed. Middle School	68	68		9	9		4	4		1	1	
Special Ed. High School	82.0	82.0		9	9		9	9		1	1	
	2237.0	2241.0	(4)	284	284		913	911	2	232	232	
	2237.0	2241.0	(4)	284	284		913	911	2	232	232	
Percentage			-0.16%						0.22%			

Category	Transportation				Re-scale			
	Reported on DRTS by DOE/county	Reported on DRTS by District	Errors	Tested	Verified	Errors	Reported	Re-scale
Regular - Public Schools, Part A - Column 1; Rows 1-5	404	404		197	197		4.1	4.1
Transported Non Public, Part A - Column 2; Rows 6-7	6	6		5		5	4.1	4.1
Regular - Special Education, Part A - Column 3; Rows 8-10	31	31		27	27		5.5	5.5
Special needs, Part B - Row 11	163	163		101	101			
Totals	604	604		330	325	5		
Percentage								1.54%

SCHEDULE OF AUDITED ENROLLMENTS

**DOVER PUBLIC SCHOOL DISTRICT
BOARD OF EDUCATION**

**Application for State School Aid Summary
Enrollment as of October 13, 2023**

Year ended June 30, 2024

Enrollment category	Resident LEP Not Low Income			Sample for Verification		
	Reported on A.S.S.A as LEP Not low Income	Reported on Workpapers LEP Not low Income	Errors	Sample Selected from Workpapers	Verified to Test score and Register	Sample Errors
Full Day Preschool	31	31		20	20	
Full Day Kindergarten	11	11		7	7	
One	13	14	(1)	8	8	
Two	5	6	(1)	3	3	
Three	8	8		5	5	
Four	5	5		3	3	
Five	6	6		4	4	
Six	8	8		5	5	
Seven	7	7		4	4	
Eight	21	21		13	13	
Ninth	15	15		10	10	
Tenth	14	14		9	9	
Eleven	5	8	(3)	3	3	
Twelve	7	7		5	5	
Special Ed. Elementary	1	1		1	1	
Special Ed. Middle School	1	1		1	1	
Special Ed. High School	157	163	(5)	101	101	
	157	163	(5)	101	101	
Percentage			-3%			

DOVER PUBLIC SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2023-24 Total General Fund Expenditures per the , Ex. ACFR C-1	\$	<u>88,061,958</u>	(B)
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	\$	<u> </u>	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$	<u> </u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$	<u> </u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$	<u>891,508</u>	(B1d)
Decreased by:			
On-Behalf TPAF Pension & Social Security	\$	<u>13,245,517</u>	(B2a)
Assets Acquired Under Capital Leases	\$	<u>742,971</u>	(B2b)
Adjusted 23-24 General Fund Expenditures [(B)+(B1's)-(B2's)]	\$	<u>74,964,978</u>	(B3)
2% of Adjusted 2023-24 General Fund Expenditures			
[(B3) times .02]	\$	<u>1,499,300</u>	(B4)
Enter Greater of (B4) or \$250,000	\$	<u>1,499,300</u>	(B5)
Increased by: Allowable Adjustment *	\$	<u>32,283</u>	(K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]	\$	<u><u>1,531,583</u></u>	(M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-24			
(Per ACFR Budgetary Comparison Schedule C-1)	\$	<u>18,676,215</u>	(C)
Decreased by:			
Year-end Encumbrances	\$	<u>2,030,771</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$	<u>-</u>	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$	<u> </u>	(C3)
Other Restricted Fund Balances****	\$	<u>13,734,119</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)-(C6)]	\$	<u><u>2,911,325</u></u>	(U1)

SECTION 3

Restricted Fund Balance - Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$	<u><u>1,379,742</u></u>	(E)
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Recapitulation of Excess Surplus as of June 30, 2024

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$	<u>-</u>	(C3)
Reserved Excess Surplus ***[(E)]	\$	<u>1,379,742</u>	(E)
Total [(C3) + (E)]	\$	<u><u>1,379,742</u></u>	(D)

DOVER PUBLIC SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION

* 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

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$		(H)
Sale & Lease-back	\$		(I)
Extraordinary Aid	\$	32,283	(J1)
Additional Nonpublic School Transportation Aid	\$	-	(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)]	\$	32,283	(K)

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

*** Amounts must agree to the June 30, 2024 ACFR and the sum of the two lines 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 an other type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

Detail of Other Reserved Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$		
Sale/Lease-back reserve	\$		
Capital Reserve	\$	12,705,547	
Maintenance Reserve	\$	1,013,643	
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	\$	14,929	
[Other Restricted Fund Balance not noted above]****	\$		
Total Other Restricted Fund Balance	\$	13,734,119	(C4)

**DOVER PUBLIC SCHOOL DISTRICT
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Recommendations:

1. Administrative Practices and Reporting

Surety bond coverage be increased for both the Treasurer of School Monies and Business Administrator/Board Secretary positions in accordance with N.J.A.C. 6A:23A-16.4.

2. Financial Planning, Accounting and Reporting

*The district prepare an analysis of the balance in the payroll agency account on a monthly basis to ensure all payroll deductions and withholdings are remitted in a timely manner. Prior year unallocated balances should be investigated for propriety and cancelled to the general fund if necessary.

Districts should reference *The Uniform Minimum Chart of Accounts for New Jersey Public Schools* and other available reference materials, such as the Budget Guidelines, for the proper classifications required to be in compliance with N.J.A.C. 6A:23A-16.2.

The budget be recorded correctly and prior payables be liquidated against the general ledger liability rather than against the budgetary line item.

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

*All student activity accounts be reconciled on a monthly basis, all deposits be made in a timely manner and supporting documentation be maintained for auditor review.

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

**DOVER PUBLIC SCHOOL DISTRICT
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Recommendations, (cont.):

10. Status of Prior Year Audit Findings/Recommendations

A review was performed on the prior year recommendation and corrective action was taken on all prior year findings, with the exception of the recommendations preceded with an “*”.