

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

**HASBROUCK HEIGHTS BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Honorable President and Members
of the Board of Education
Hasbrouck Heights Board of Education
Hasbrouck Heights, 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 Hasbrouck Heights Board of Education as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated January 28, 2025.

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 Education, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

A handwritten signature in blue ink that reads "Lerch Vinci & Bliss, LLP".

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

A handwritten signature in blue ink that reads "Andrew Parente".

Andrew D. Parente
Public School Accountant
PSA Number CS00224600

Fair Lawn, New Jersey
January 28, 2025

**HASBROUCK HEIGHTS 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 and Treasurer of School Monies, 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 Exhibit J-20, Insurance Schedule contained in the district's Annual Comprehensive Financial Report (the "ACFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Robert Brown	Interim Business Administrator/Board Secretary	\$350,000

There is a blanket dishonesty bond covering all other employees, including faithful performance for elected officials, in the amount of \$500,000 per loss.

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 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.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any material discrepancies with respect to signatures and certifications.

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, the Board Secretary/School Business Administrator and the Superintendent.

Salary withholdings were remitted to the proper agencies including health benefit withholdings due to the General Fund.

The required certification (E-Cert1) of compliance with requirements of income tax on compensation of District Administration was filed with the New Jersey Department of Treasury by the due date.

**HASBROUCK HEIGHTS 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 (Continued)

Finding 2024-1 – Our audit of the Payroll Agency account revealed the following:

- a) An insufficient reserve balance in the payroll agency account of \$5,300.
- b) A detailed payroll agency deduction ledger or analysis was not maintained by the District.

Recommendation – Transfers be made to the payroll agency account to ensure sufficient reserve funds are available and a detailed payroll deduction ledger or analysis by deduction type be maintained by the District.

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 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.

Finding 2024-2 (ACFR Finding 2024-002) – With respect to year end accounts and encumbrances payable:

- Our audit of payments made in the General and Special Revenue Funds subsequent to June 30, 2024 revealed unrecorded liabilities that were not reflected in the District's accounting records at year end.
- Our audit of year end open purchase orders in the Special Revenue Fund revealed certain encumbrances were deemed overstated at June 30, 2024.

Recommendation – Procedures be reviewed and revised to ensure all current year liabilities are recorded at year end. In addition, open purchase orders be reviewed at year end and overstated orders be cancelled accordingly.

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 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.

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.

Board Secretary's Records

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

The prescribed contractual order system was followed.

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

Monthly Board Secretary's report and certifications were approved by the Board in a timely manner.

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

Financial Planning, Accounting and Reporting (Continued)

Finding 2024-3 (ACFR Finding 2024-001) – The year-end Board Secretary general ledger cash account balances for the governmental and enterprise funds were not in agreement with the respective year-end bank account reconciliation balances.

Recommendation – The Board Secretary general ledger cash account balances for the governmental and enterprise funds be adjusted to agree with the monthly bank reconciliations.

Finding – A tax levy receivable balance of \$3,483,865 remained uncollected at year-end. It was noted that the full amount of the receivable was received in two (2) installments in July and August, therefore no recommendation is warranted.

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

The E.S.E.A. financial exhibits are contained within the Special Revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, II, III and IV of the Elementary and Secondary Education Act, as amended and reauthorized.

IDEA Part B and Preschool

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

Other Special Federal and/or State Projects

The District's 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 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.

Finding 2024-4 (ACFR Finding 2024-003) – Our audit of the District's Extraordinary Aid application revealed the following:

- a) The students Individualized Education Plan (IEP) did not include an intensive service that would qualify the student for Extraordinary Aid.
- b) Intensive services reported as received on the student enrollment forms were not in agreement with the student's Individualized Education Plans (IEP).

Recommendation – The annual application for Extraordinary Aid be reviewed to ensure that only students with intensive services reported on their Individualized Education Plan (IEP) are included. In addition, services reported on the student enrollment form as received are in agreement with the student's (IEP).

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund.

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

The reimbursement to 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 90 day grant liquidation period required by the Office of Grants Management.

Non-Public State Aid

Project completion reports were finalized and transmitted to the department.

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

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law".

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 transportation contracts under N.J.S.A. 18A:39-3 is currently \$20,400.

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 agency and has approved by Board resolution a bid threshold of \$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 Board Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination did not indicate that payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S. 18A:18A-4, as amended.

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

Finding 2024-5 – Our audit of purchases made through cooperative purchasing programs and state contracts for both construction services and the acquisition of equipment revealed that amounts paid per vendor invoices were not verified to supporting cooperative purchasing and state contract award documentation.

Recommendation – Amounts paid per vendor invoices through cooperative purchasing agreements and state contracts be verified to the cooperative purchasing program and state contract award documentation.

School Food Service

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

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

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

School Food Service (Continued)

The school food service program was not selected as a major federal or State program. However, the program expenditures exceeded \$100,000 in federal 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.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (ACFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

We inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to all students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs.

Finding 2024-6 – Enterprise Fund cash balances were not analyzed and allocated to each individual enterprise fund.

Recommendation – The consolidated enterprise fund cash balance be analyzed and allocated to each individual enterprise fund on a monthly basis.

Finding 2024-7 – Our audit of the Food Service and Keys Before and After School programs revealed that program sales and fees collected were not deposited in a timely manner.

Recommendation – Program fees collected in the Food Service and Keys Before and After School programs be deposited in a timely manner.

Keys Before and After School Program

The financial transactions of the Keys Before and After School Program were maintained as an Enterprise Fund. The financial accounts and records were reviewed on a test-check basis.

Student Body Activities

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

Cash receipts and cash disbursements records were maintained in good condition.

All cash disbursements had proper supporting documentation.

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 disabled, on-roll low-income and Limited English Proficient. 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 exceptions. The information on the District workpapers was verified with immaterial exceptions noted. 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.

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

Application for State School Aid (Continued)

Finding 2024-8 – Our audit of the District’s Application for State School Aid (ASSA) revealed that the number of students reported on the ASSA was not in agreement with and the number of students reported on the District workpapers for On Roll, Low Income and LEP students.

Recommendation – Internal controls be reviewed and the number of students reported on the Application for State School Aid (ASSA) be in agreement with the District workpapers.

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 with exception. 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. No exceptions were noted in our review of transportation related purchases of goods and services.

Testing for Lead of all Drinking Water in Educational Facilities

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

Follow-up Prior Year Findings

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

Suggestions to Management

- Individual funds in the District’s accounting records should be established for the Food Service, Keys Program and Summer Program Enterprise Funds.

**HASBROUCK HEIGHTS BOARD OF EDUCATION
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

NOT APPLICABLE

**HASBROUCK HEIGHTS BOARD OF EDUCATION
COMPARISON OF NET CASH RESOURCES TO THREE
MONTHS AVERAGE EXPENDITURES
FOOD SERVICE ENTERPRISE FUND
AS OF JUNE 30, 2024**

NOT APPLICABLE

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

	2023-2024 Application for State School Aid						Sample for Verification						Private Schools for Disabled				
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on	Sample			
	A.S.S.A.		Workpapers				Selected from		Register		Registers			A.S.S.A. as	for		
	On Roll		On Roll		Full	Shared	Workpapers		On Roll		On Roll		Private		Verifi-	Sample	Sample
	Full	Shared	Full	Shared	Full	Shared		Full	Shared	Full	Shared	Full	Shared	Schools	cation	Verified	Errors
Half Day Preschool - 4 yrs					-							-					
Full Day Preschool - 4 yrs					-							-	-				
Full Day Kindergarten	92		91		1		45		45			-	-				
Grade 1	97		96		1		51		51			-	-				
Grade 2	101		102		(1)		53		54		(1)	-					
Grade 3	112		112		-		50		50			-	-				
Grade 4	119		119		-		56		56			-	-				
Grade 5	121		124		(3)		62		63		(1)	-					
Grade 6	104		104		-		104		102		2	-					
Grade 7	107		108		(1)		106		107		(1)	-					
Grade 8	108		109		(1)		107		109		(2)	-					
Grade 9	99		101		(2)	-	99		101		(2)	-					
Grade 10	113		112		1	-	113		112		1	-					
Grade 11	96	1	96	1	-	-	96	1	96	1	-	-					
Grade 12	120	3	119	3	1		119	3	119	3	-	-					
Subtotal	1,389	4	1,393	4	(4)	-	1,061	4	1,065	4	(4)	-					
Spec Ed - Elementary	113		122		(9)	-	24		24		-		2	1	1	-	
Spec Ed- Middle School	76		75		1	-	16		16		-		2	2	2	-	
Spec Ed - High School	79		80		(1)	-	16	2	16	2	-	-	4	4	4	-	
Subtotal	268	-	277	-	(9)	-	56	2	56	2	-	-	8	7	7	-	
Totals	1,657	4	1,670	4	(13)	-	1,117	6	1,121	6	(4)	-	8	7	7	-	
Percentage Error					-0.78%	0.00%					-0.36%	0.00%					0.00%

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on	Reported on	Errors	Sample	Verified to	Sample	Reported	Reported	Errors	Sample	Sample	Errors
	A.S.S.A as	Workpapers as					on	on				
	Low	Low		Selected from	Application	Errors	ASSA	Workpapers		Selected	Verified	
	Income	Income		Workpapers	and Register							
Full Day Preschool - 3 years												
Full Day Preschool - 4 years	14.0	7	7	3	3	-	1	4	(3)	4	4	-
Full Day Kindergarten	11.0	9	2	2	2	-	2	3	(1)	3	3	-
Grade 1	14.0	9	5	3	3	-	2	1	1	1	1	-
Grade 2	22.0	19	3	5	5	-	3	1	2	1	1	-
Grade 3	13.0	11	2	3	3	-	2	1	1	1	1	-
Grade 4	13.0	12	1	3	3	-	-	1	(1)	1	1	-
Grade 5	18.0	13	5	4	4	-	3	3	-	3	3	-
Grade 6	15.0	13	2	3	3	-	1	-	1	-	-	-
Grade 7	13.0	8	5	3	3	-	-	-	-	-	-	-
Grade 8	15.0	9	6	3	3	-	3	3	-	3	3	-
Grade 9	19.0	14	5	4	4	-	1	1	-	1	1	-
Grade 10	13.0	12	1.0	3	3	-	-	1	(1)	1	1	-
Grade 11	22.5	11	12	5	5	-	2	-	2	-	-	-
Grade 12												
Subtotal	202.5	147	55.5	44	44	-	20	19	1	19	19	-
Spec Ed - Elementary	21.0	15	6	4	4	-	-	-	-	-	-	-
Spec Ed- Middle School	20.0	19	1	4	4	-	1	-	1	-	-	-
Spec Ed - High School	24.0	16	8.0	5	5	-	1	-	1	-	-	-
	65.0	50	15.0	13	13	-	2	-	2	-	-	-
Totals	267.5	197	71	57	57	-	22	19	3	19	19	-
Percentage Error			26.36%			0.00%			13.64%			0.00%

Transportation						
	Reported on	Reported on	Errors	Tested	Verified	Errors
	DRTRS by	DRTRS by				
	DOE	District				
Regular- Public Schools	61	61	-	29	29	-
Regular - Sped.	-	-	-	-	-	-
Transported- Non- Public	9	9	-	4	4	-
Special Needs- Public	25	25	-	11	11	-
Totals	95	95	-	44	44	-
Percentage Error			0.00%			0.00%

**HASBROUCK HEIGHTS 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 A.S.S.A as Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers and Register	Verified to Application Sample	Errors
Preschool-Half (4 yrs)						
Kindergarten-Full	-	5	(5)	5	5	-
Grade 1	-	1	(1)	1	1	-
Grade 2	4	5	(1)	5	5	-
Grade 3	1	3	(2)	3	3	-
Grade 4	2	2	-	2	2	-
Grade 5	1	-	1	0	-	-
Grade 6	-	1	(1)	1	1	-
Grade 7	-	1	(1)	1	1	-
Grade 8	-	-	-	0	-	-
Grade 9	1	3	(2)	3	3	-
Grade 10	1	1	-	1	1	-
Grade 11	1	1	-	1	1	-
Grade 12	1	3	(2)	3	3	-
Sub - total	12	26	(14)	26	26	-
Spec Ed - Elementary	-	-	-	-	-	-
Spec Ed - Middle	-	-	-	-	-	-
Spec Ed - High	-	-	-	-	-	-
Sub - total	-	-	-	-	-	-
Grand Total	12	26	(14)	26	26	-
Percentage Error		<u>-116.67%</u>			<u>0.00%</u>	

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

SECTION 1A - Two Percent (2%) - Calculation of Excess surplus

2023-2024 Total General Fund Expenditures per the ACFR	\$ 47,036,659
Increased by:	
Transfer from Maintenance Reserve to Capital Projects Fund	164,127
Decreased by:	
Capital Lease Proceeds	(589,639)
On-Behalf TPAF Pension & Social Security	(8,350,995)
Adjusted 2023-2024 General Fund Expenditures	<u>\$ 38,260,152</u>
2% of Adjusted 2023-2024 General Fund Expenditures	<u>\$ 765,203</u>
Enter Greater of 2% of Adjusted 2023-2024 General Fund Expenditures or \$250,000	\$ 765,203
Increased by:	
Allowable Adjustments	<u>182,970</u>
Maximum Unassigned Fund Balance	<u>\$ 948,173</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2024	\$ 4,122,294
Decreased by:	
Year End Encumbrances	187,603
Excess Surplus - Designated for Subsequent Year's Expenditures	256,441
Capital Reserve	1,630,403
Maintenance Reserve	624,852
Designated for Subsequent Year's Expenditures	<u>613,256</u>
Total Unassigned Fund Balance	<u>\$ 809,739</u>

SECTION 3

Excess Surplus	<u>\$ -</u>
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Recapitulation of Excess Surplus as of June 30, 2024

Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 256,441</u>
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Detail of Allowable Adjustments

Extraordinary Aid 2023-2024 (Net of 23/24 Appropriation)	\$ 182,970
	<u>\$ 182,970</u>

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

RECOMMENDATIONS

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Transfers be made to the payroll agency account to ensure sufficient reserve funds are available and a detailed payroll deduction ledger or analysis by deduction type be maintained by the District.
2. Procedures be reviewed and revised to ensure all current year liabilities are recorded at year end. In addition, open purchase orders be reviewed at year end and overstated orders be cancelled accordingly.
3. The Board Secretary general ledger cash account balances for the governmental and enterprise funds be adjusted to agree with the monthly bank reconciliations.
4. The annual application for Extraordinary Aid be reviewed to ensure that only students with intensive services reported on their Individualized Education Plan (IEP) are included. In addition, services reported on the student enrollment form as received are in agreement with the student's (IEP).

III. School Purchasing Program

- * 5. It is recommended that amounts paid per vendor invoices through cooperative purchasing agreements and state contracts be verified to the cooperative purchasing program and state contract award documentation.

IV. School Food Service/Keys Before and After School Program

It is recommended that:

6. The consolidated enterprise fund cash balance be analyzed and allocated to each individual enterprise fund on a monthly basis.
7. Program fees collected in the Food Service and Keys Before and After School programs be deposited in a timely manner.

V. Student Body Activities

There are none.

VI. Application for State School Aid

8. It is recommended that internal controls be reviewed and the number of students reported on the Application for State School Aid (ASSA) be in agreement with the District workpapers.

VII. Pupil Transportation

There are none.

VIII. Facilities and Capital Assets

There are none.

IX. Status of Prior Years' Audit Findings/Recommendations

There were no prior year recommendations.

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

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



Andrew D. Parente
Public School Accountant
Certified Public Accountant