

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

**AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS**  
**- FINANCIAL, COMPLIANCE AND PERFORMANCE**

**SCHOOL DISTRICT OF THE BOROUGH OF HO-HO-KUS**  
**COUNTY OF PASSAIC, NEW JERSEY**

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**REPORT OF INDEPENDENT AUDITORS**

Honorable President and  
Members of the Board of Education  
Borough of Ho-Ho-Kus School District  
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Borough of Ho-Ho-Kus School District in the County of Bergen, for the year ended June 30, 2024, and have issued our report thereon dated November 15, 2024.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of the Borough of Ho-Ho-Kus Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

*Steven D. Wielkatz*

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

*Wielkatz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

November 15, 2024



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

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, the activities of the Board of Education, 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 ACFR.

**Officials Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Cheryl Jiosi	Board Secretary/School Business Administrator	\$225,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond with The Selective Insurance Co. covering all other employees with multiple coverage of \$100,000.00.

**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 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.

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

### **Examination of Claims**

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to each of signature, certification or proper documentation.

**Finding 2024-001:** Updated Political Disclosure Forms were not received from all vendors required to submit them.

**Recommendation:** That updated Political Disclosure forms be received from all vendors required to submit them.

### **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.

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 E-Cert (Certification of Compliance with Federal and State Law Respecting the Reporting of Compensation for Certain Employees) was not filed in a timely manner.

**Recommendation:** That the E-Cert be filed in a timely manner.

### **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.

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

### **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.

### **Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, a transaction error rate of 0.00% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

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

The Board Secretary's records were examined and found to be in good order.

### **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**

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

### **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 Title II of the Elementary and Secondary Education Act as amended.

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

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

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

The district's Special Projects were approved as listed on Schedule A and Schedule B located in the ACFR.

Our audit of the federal and state funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the aforementioned special projects.

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 district employees who are members of the Teachers Pension and Annuity Fund. 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."

### **School Purchasing Programs, (continued)**

Effective July 1, 2020 and thereafter, the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$22,400.

The board of education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

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

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

### **School Food Service**

The financial transactions and statistical records of the School Food Service Fund were maintained in satisfactory condition. The financial accounts, milk count records and eligibility applications were reviewed on a test-check basis.

The number of milks claimed for reimbursement was verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed.

Cash receipts and bank records were reviewed for timely deposit.

Expenditures were separately recorded as food, labor and other cost. Vendor invoices were reviewed and costs verified.

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

Net cash resources did exceed three months average expenditures. No comment is being made due to COVID adjustments.

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

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the ACFR.



### **Student Activity Fund**

A cash receipts and disbursements record is maintained in satisfactory condition.

Cash disbursements had proper signatures and 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, 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 exceptions noted below. The information that was included on the workpapers was verified without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

### **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 without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures 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 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).

### **Follow-up on Prior Year Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings.

### **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

*Wielkotz & Company, LLC*

WIELKOTZ & COMPANY, LLC  
Certified Public Accountants  
Pompton Lakes, New Jersey

**SCHEDULE OF AUDITED ENROLLMENTS**

**BOROUGH OF HO-HO-KUS SCHOOL DISTRICT**  
**Application for State School Aid Summary**  
**Enrollment as of October 15, 2023**

Enrollment Category	2024 - 2025 Application for State School Aid			Sample for Verification			Private School for Disabled				
	Reported on ASSA on Roll	Reported on ASSA on Roll	Errors	Sample Selected from Workpapers		Verified per Registers on Roll	Errors	Reported on ASSA as Private School	Sample Verification	Sample Verified	Errors
				Full	Full						
Half Day Preschool - 3YR	3	3	0	3	3	3	0				
Half Preschool-4YR	3	3	0	3	3	3	0				
Full Day Kindergarten	64	64	0	64	64	64	0				
One	51	51	0	51	51	51	0				
Two	56	56	0	56	56	56	0				
Three	66	66	0	66	66	66	0				
Four	45	45	0	45	45	45	0				
Five	48	48	0	48	48	48	0				
Six	53	53	0	53	53	53	0				
Seven	54	54	0	54	54	54	0				
Eight	47	47	0	47	47	47	0				
Subtotal	490	490	0	490	490	490	0				
Special Ed. Elementary	40	40	0	15	15	15	0	2	3	3	-1
Special Ed. Middle School	25	25	0	9	9	9	0	7	6	6	1
Special Ed. High School			0	0	0	0	0	3	3	3	0
Subtotal	65	65	0	24	24	24	0	12	12	12	0
Totals	555	555	0	514	514	514	0	12	12	12	0
Percentage Error			0.00%				0.00%				0.00%

**SCHEDULE OF AUDITED ENROLLMENTS (cont.)**

**BOROUGH OF HO-HO-KUS SCHOOL DISTRICT**  
**Application for State School Aid Summary**  
**Enrollment as of October 15, 2023**

Enrollment Category	Residential Low Income			Sample for Verification			Residential LEP Low Income			Sample for Verification		
	Reported on as Low Income	Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Errors	Reported on ASSA as Low Income	Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Errors
Full Day Kindergarten	0	0	0	0	0	0	0	0	0	0	0	0
One	0	0	0	0	0	0	0	0	0	0	0	0
Two	0	0	0	0	0	0	0	0	0	0	0	0
Three	0	0	0	0	0	0	0	0	0	0	0	0
Four	0	0	0	0	0	0	0	0	0	0	0	0
Five	0	0	0	0	0	0	0	0	0	0	0	0
Six	0	0	0	0	0	0	0	0	0	0	0	0
Seven	0	0	0	0	0	0	0	0	0	0	0	0
Eight	0	0	0	0	0	0	0	0	0	0	0	0
Nine	0	0	0	0	0	0	0	0	0	0	0	0
Ten	0	0	0	0	0	0	0	0	0	0	0	0
Eleven	0	0	0	0	0	0	0	0	0	0	0	0
Twelve	1	1	0	1	1	0	0	0	0	0	0	0
Subtotal	1	1	0	1	1	0	0	0	0	0	0	0
Special Ed. Elementary	0	0	0	0	0	0	0	0	0	0	0	0
Special Ed. Middle School	0	0	0	0	0	0	0	0	0	0	0	0
Special Ed. High School	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0
Totals	1	1	0	1	1	0	0	0	0	0	0	0
Percentage Error			0.00%			0.00%			0.00%			0.00%

SCHEDULE OF AUDITED ENROLLMENTS (cont.)

BOROUGH OF HO-HO-KUS SCHOOL DISTRICT  
Application for State School Aid Summary  
Enrollment as of October 15, 2023

<u>Enrollment Category</u>	<u>Residential LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Errors</u>
Full Day Kindergarten	0	0	0	0	0	0
One	0	0	0	0	0	0
Two	0	0	0	1	1	0
Three	1	1	0	1	1	0
Four	1	1	0	0	0	0
Five	0	0	0	0	0	0
Six	0	0	0	0	0	0
Seven	0	0	0	0	0	0
Eight	0	0	0	0	0	0
Subtotal	2	2	0	2	2	0
Special Ed. Elementary	0	0	0	0	0	0
Special Ed. Middle School	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Totals	2	2	0	2	2	0
Percentage Error			0.00%			0.00%

SCHEDULE OF AUDITED ENROLLMENTS (cont.)

BOROUGH OF HO-HO-KUS SCHOOL DISTRICT  
Application for State School Aid Summary  
Enrollment as of October 15, 2023

	Reported on DRTRS by DOE/County	Transportation			
		Reported on DRTRS by District	Errors	Tested	Verified
Regular - Public Schools, col. 1	217	217	0	104	104
Regular Special Ed, col. 4	46	46	0	22	22
Transported - Non-Public, col. 2	9	9	0	20	20
Nonpublic ALL, col. 3	42	42	0	10	10
Special Ed. Special, col. 6	21	21	0	4	4
Totals	335	335	0	160	160
Percentage Error			0.00%		0.00%

	Reported	Re- Calculated
Reg. Avg.(Mileage) = Regular Including Grade PK Students (Part A)	4.9	4.9
Spec. Avg. = Special Ed with Special Needs	10.9	10.9

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

**REGULAR DISTRICT**

**SECTION 1**

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

2023-24 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ 21,023,719.15	(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	\$ 2,967,950.19	(B2a)
Assets Acquired Under Capital Leases	\$ _____	(B2b)
Adjusted 23-24 General Fund Expenditures [(B)+(B1s)-(B2s)]	<u>\$ 18,055,768.96</u>	(B3)
2% of Adjusted 2023-24 General Fund Expenditures		
[(B3) times .04]	<u>\$ 361,115.38</u>	(B4)
Enter Greater of (B4) or \$250,000	<u>\$ 361,115.38</u>	(B5)
Increased by: Allowable Adjustment*	<u>\$ 124,051.00</u>	(K)
Maximum Unassigned/Undesignated Fund Balance [(B5)+(K)]		\$ <u>485,166.38</u> (M)

**SECTION 2**

Total General Fund - Fund Balances @ 6-30-24		
(Per ACFR Budgetary Comparison Schedule C-1)	\$ 2,971,193.94	(C)
Decreased by:		
Year End Encumbrances	\$ 137,950.29	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted Excess Surplus - Designated for Designated for Subsequent Year's Expenditures**	<u>\$ 377,779.00</u>	(C3)
Other Restricted Fund Balances****	<u>\$ 1,618,290.01</u>	(C4)
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	<u>\$ 204,474.00</u>	(C5)
Total Unassigned/Undesignated Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		\$ <u>632,700.64</u> (U1)

### **SECTION 3**

Restricted Fund Balance - Excess Surplus\*\*\*[(U1)-(M)] IF NEGATIVE ENTER -0- \$ 147,534.26 (E)

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

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>377,779.00</u> (C3)
Reserved Excess Surplus***[(E)]	\$ <u>147,534.26</u> (E)
Total [(C3)+(E)]	\$ <u>525,313.26</u> (D)

#### **Footnotes:**

- \* Allowable Adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

(H) Federal Impact Aid. The passage of P.L. 2015, c. 46 amended N.J.S.A. 18A:7-F-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, effective for the year ending June 30, 2015 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), Extraordinary Aid;

(J1) Extraordinary Aid;

(J2) Additional Nonpublic School Transportation Aid

(J3) Current Year School Bus Advertising Revenue Recognized

(J4) Family Crisis Transportation Aid.

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

#### **Detail of Allowable Adjustments**

Impact Aid	\$ _____ (H)
Sale & Lease-back	\$ _____ (I)
Extraordinary Aid	\$ <u>102,779.00</u> (J1)
Additional Nonpublic School Transportation Aid	\$ <u>21,272.00</u> (J2)
Current Year School Bus Advertising Revenue Recognized	_____ (J3)
Family Crisis Transportation Aid	\$ _____ (J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>124,051.00</u> (K)

- \*\* This amount represents the June 30, 2023 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 of Other Reserved Fund Balance 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 Restricted Fund Balance**

Statutory restrictions:

Approved unspent separate proposal

Sale/lease-back reserve

Capital reserve

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 General Fund Reserve (Sections 8007 and 8008)

Other state/government mandated reserve

Reserve for Unemployment Fund

[Other Restricted Fund Balance not noted above]\*\*\*\*

\$	
\$	
\$	1,020,866.19
\$	576,350.90
\$	
\$	
\$	
\$	
\$	
\$	
\$	
\$	21,072.92
\$	

Total Other Restricted Fund Balance

\$ 1,618,290.01 (C4)

# NET CASH RESOURCE SCHEDULE HO-HO-KUS BoE

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

<u>Net Cash Resources:</u>		Food Service B - 4/5	
<b>ACFR</b>	*	<b>Current Assets</b>	
B-4		Cash & Cash Equiv.	\$ 8,897.23
B-4		Due from Other Gov'ts	334.94
B-4		Accounts Receivable	
B-4		Investments	
<b>ACFR</b>		<b>Current Liabilities</b>	
B-4		Less Accounts Payable	
B-4		Less Accruals	
B-4		Less Due to Other Funds	(7,709.60)
B-4		Less Deferred Revenue	
		<b>Net Cash Resources</b>	<b>\$ 1,522.57 (A)</b>

**Net Adj. Total Operating Expense:**

B-5	Tot. Operating Exp.	4,755.82	
B-5	Less Depreciation	(1,204.12)	
	Adj. Tot. Oper. Exp.	<b>\$ 3,551.70 (B)</b>	

**Average Monthly Operating Expense:**

B / 10	<b>\$ 355.17 (C)</b>
--------	----------------------

**Three times monthly Average:**

3 X C	<b>\$ 1,065.51 (D)</b>
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TOTAL IN BOX A	\$ 1,522.57
LESS TOTAL IN BOX D	\$ (1,065.51)
NET	<b>\$ 457.06</b>

From above:

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

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

SOURCE - USDA resource management comprehensive review form

**BOROUGH OF HO-HO-KUS  
BOARD OF EDUCATION**

**AUDIT RECOMMENDATIONS SUMMARY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**1. Administrative Practices and Procedures**

None

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

**2024-001:** That updated Political Disclosure Forms be received from all vendors required to submit them.

**2024-002:** That the E-cert be filed in a timely manner.

**3. School Purchasing Programs**

None

**4. School Food Service**

None

**5. Student Activity Fund**

None

**6. Application for State School Aid**

None

**7. Pupil Transportation**

None

**8. Facilities and Capital Assets**

None

**9. Miscellaneous**

None

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

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings.