

*Auditor's Management Report*

*for the*

*Borough of Keyport  
School District*

*in the*

*County of Monmouth  
New Jersey*

*for the*

*Fiscal Year Ended  
June 30, 2024*



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

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# SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Borough of Keyport  
335 Broad Street  
County of Monmouth  
Keyport, New Jersey 07735

We have audited, in accordance with U.S. generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Borough of Keyport School District in the County of Monmouth for the year ended June 30, 2024 and have issued our report dated October 16, 2024.

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

This report is intended solely for the information of the Borough of Keyport School District, County of Monmouth, New Jersey, the New Jersey Department of Education, and federal and state audit awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

CERTIFIED PUBLIC ACCOUNTANTS

PUBLIC SCHOOL ACCOUNTANT NO. 948

October 16, 2024

## **AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL AND COMPLIANCE**

### **Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator, the activities of the Borough of Keyport - Board of Education, the records of the various funds under the auspices of the Board of Education.

### **Administrative Practices and Procedures**

#### **Insurance**

Insurance coverage was carried in the amounts as detailed in the District's ACFR. (See Exhibit J-20)

#### **Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount of Bonds</u>
Anthony Rapolla	Business Administrator/Board Secretary	\$225,000.00
All Employees	All Employee Faithful Position Bond	500,000.00

Adequacy of insurance coverage is the responsibility of the Board of Education.

#### **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 the school district project.

The school district project data certification was completed by the chief school administrator. The school district project Chapter 44 data was submitted timely.

#### **Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs differed from the estimated costs. The Board made a proper adjustment to the billings to sending Districts for the difference 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**

Our audit of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certifications or supporting documentation.

## **AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL AND COMPLIANCE**

### **Payroll Accounts**

The net salaries of all employees of the Board were deposited in the Net 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 and the Board Secretary/Business Administrator.

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

### **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 and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable.

### **Classification of Expenditures**

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

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

The records maintained by the Board Secretary were in agreement with the Superintendent's cash report.

### **Treasurer's Records**

The position of the Treasurer of School Monies was abolished in April 2013. The responsibility was transferred to the Superintendent's office. The Superintendent's cash report was in agreement with the records maintained by the Board Secretary/Business Administrator.

## **AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL AND COMPLIANCE**

### **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 the projects under Titles I through VI of the Elementary and Secondary Education Act as amended and reauthorized.

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.

### **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.

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.

### **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.

The amount of the expenditure charged to the current year's Final Report(s) 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. No exceptions were noted

### **School Purchasing Programs**

### **Contracts and Agreements Requiring Advertisement for Bids**

#### **N.J.S.A. 18A:18A-3 States:**

"a. When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$29,000.00, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefor, except that the board of education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. 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 \$44,000.00. 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.



**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS – FINANCIAL AND COMPLIANCE**

**School Purchasing Programs (Continued)**

**Contracts and Agreements Requiring Advertisement for Bids (Continued)**

b. Commencing in the fifth year after the year in which P.L. 1999 c. 440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2 and shall round the adjustment to the nearest \$1,000.00. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of every year in which it is made. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (1) of subsection a. of N.J.S.A. 18A:18A-5 may be awarded for a period not exceeding 12 consecutive months."

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 therefor, except as is provided otherwise in this chapter or specifically by any other law.

The board of education may, by resolution approve by the majority of the board of education and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the board of education finds that it has had negative prior experience with the bidder."

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 18A:18A-3(a) and (c) is \$32,000.00. In accordance with N.J.S.A. 40A:11-9 (b) the bid threshold for all purchases made by the District's qualified purchasing agent is \$44,000.00. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18:39-3 is currently \$20,400.00.

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or 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 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 provisions of N.J.S.A. 18A:18A-4, amended.

**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS – FINANCIAL AND COMPLIANCE**

**School Purchasing Programs (Continued)**

**Contracts and Agreements Requiring Advertisement for Bids (Continued)**

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

The system of records did not provide for an accumulation of purchases for which the School Board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our audit did reveal however, that the District did make purchases under State contracts and cooperative purchasing agreements.

**School Food Service**

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 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. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has been met. 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 recorded as food, labor and other costs. Vendor invoices were reviewed, and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

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.

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements.

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 submitted/certified in a timely manner.

## **AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS – FINANCIAL AND COMPLIANCE**

### **School Food Service (Continued)**

Applications for free and reduced-price meals were reviewed for completeness and accuracy. The number of free and reduced-price meals claimed as served was compared to the number of valid applications /or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced-price meal and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced-price applications were completed and available for review.

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 Fund Net Assets (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.

### **Student Body Activities**

The records for the Student Body Activities were maintained in satisfactory condition.

### **Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2023 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, and low-income. 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 without exception. 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.

The district had written procedures for the recording of student enrollment.

### **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 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.

**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS – FINANCIAL AND COMPLIANCE**

**Facilities and Capital Assets**

Our procedures included a review of transfers of local funds from the general fund or from the capital reserve account and awarding of contracts for eligible facilities construction.

**Testing for Lead of All Drinking Water in Educational Facilities**

The school district adhered to 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 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's Audit Findings**

In accordance with Government Auditing Standards, our procedures included a review of the prior year audit recommendations.

BOROUGH OF KEYPORT SCHOOL DISTRICT  
SCHEDULE OF MEAL COUNT ACTIVITY  
FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM- FEDERAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<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 Program	Paid	28,926	10,124	10,124		0.48	
	Reduced	9,755	3,414	3,414		4.34	
	Free	61,155	21,404	21,404		4.34	
<u>Sub-total</u>		<u>99,836</u>	<u>34,942</u>	<u>34,942</u>	<u>-0-</u>		<u>-0-</u>
National School Lunch Program	HHFKA	99,836	34,943	34,943	-0-	0.08	-0-
School Breakfast Program- Both	Paid	3,251	1,138	1,138		0.38	
-Severe	Reduced	1,687	590	590		2.73	
-Severe	Free	14,202	4,971	4,971		2.73	
<u>Sub-total</u>		<u>19,140</u>	<u>6,699</u>	<u>6,699</u>	<u>-0-</u>		<u>-0-</u>
<u>Grand Total</u>		<u>118,976</u>	<u>41,641</u>	<u>41,641</u>	<u>-0-</u>		<u>-0-</u>

**BOROUGH OF KEYPORT SCHOOL DISTRICT  
NET CASH RESOURCE SCHEDULE - FOOD SERVICE  
2023-2024**

<u>Net Cash Resources:</u>		Food Service B - 4/5
<b>CAFR</b>	<b>*</b>	<b>Current Assets</b>
B-4		Cash & Cash Equiv. \$128,395.27
B-4		Due from Other Gov'ts 21,350.43
B-4		Accounts Receivable 110.35
B-4		Prepaid Expenses
<b>CAFR</b>		<b>Current Liabilities</b>
B-4		Less Accounts Payable
B-4		Less Accruals
B-4		Less Due to Other Funds
B-4		Less Unearned Revenue (2,620.98)
<b>Net Cash Resources</b>		<b><u>\$147,235.07 (A)</u></b>

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	\$589,775.21
B-5	Less Depreciation	(11,222.00)
	<b>Adj. Tot. Oper. Exp.</b>	<b><u>\$578,553.21 (B)</u></b>

Average Monthly Operating Expense:

B / 10	<b><u>\$57,855.32 (C)</u></b>
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Three times monthly Average:

3 X C	<b><u>\$173,565.96 (D)</u></b>
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TOTAL IN BOX A	<u>\$147,235.07</u>
LESS TOTAL IN BOX D	<u>(\$173,565.96)</u>
NET	<b><u>(\$26,330.89)</u></b>

**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.

**KEYPORT SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 13, 2023**

	2024-25 Application for State School Aid (10/14/23 data)						Sample for Verification						Private School for Disabled			
	Reported as on Roll			Reported on Workpapers			Errors			Sample Selected from Workpapers			Verified per Registers on Roll			Errors per Registers on Roll
	Full	Shared		Full	Shared		Full	Shared		Full	Shared		Full	Shared		
Half Day Preschool 3 years old	42			42						7			7			
Full Day Preschool 3 years old																
Half Day Preschool 4 years old	37			37						6			6			
Full Day Preschool 4 years old																
Half Day Kindergarten	45			45						12			12			
Full Day Kindergarten	60			60						14			14			
One	45			45						12			12			
Two	44			44						10			10			
Three	43			43						12			12			
Four	41			41						14			14			
Five	59			59						18			18			
Six	49			49						14			14			
Seven	57			57						18			18			
Eight	69			69						21			21			
Nine	99			99						28			28			
Ten	57	16		57	16					18	2		18	2		
Eleven	67	5		67	5					20	1		20	1		
Twelve																
Subtotal	814	21		814	21					224	3		224	3		
Sp. Ed. - Elementary	64			64						12			12			
Sp. Ed. - Middle School	29			29						6			6			
Sp. Ed. - High School	41	18		41	18					8	1		8	1		
Subtotal	134	18		134	18					26	1		26	1		
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	948	39		948	39					250	4		250	4		
Percentage Error							0%									0%

**KEYPORT SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 13, 2023**

	Resident 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	Sample Errors	Reported on A.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool 4 years old	20	20		8	8		6	6		5	5	5
Full Day Kindergarten	39	39		17	17		12	12		10	10	10
One	27	27		10	10		7	7		6	6	6
Two	22	22		10	10		11	11		8	8	8
Three	23	23		14	14		5	5		4	4	4
Four	28	28		10	10		3	3		2	2	2
Five	27	27		10	10		4	4		3	3	3
Six	31	31		16	16		6	6		5	5	5
Seven	27	27		10	10		4	4		3	3	3
Eight	25	25		10	10		2	2		1	1	1
Nine	29	29		14	14		1.5	2		1	1	1
Ten	29.5	30		14	14		3	3		2	2	2
Eleven	34.5	34.5		18	18		65	65		50	50	50
Twelve	362	362		161	161							
Subtotal												
Special Ed - Elementary	41	41		18	18		10	10		8	8	8
Special Ed - Middle	16	16		9	9		5	5		3	3	3
Special Ed - High School	25	25		9	9		15	15		11	11	11
Subtotal	82	82		36	36							
Totals	444	444		197	197		80	80		61	61	61
Percentage Error			0%			0%			0%			100.00%

Transportation					Re-		
Reported on DTRS by DOE/county	Reported on DTRS by District	Errors	Tested	Verified	Reported	Calculated	
25	25		24	24	12.9	12.9	12.9
12	12		8	8	12.9	12.9	12.9
37	37		32	32	16.8	16.8	16.8
Totals							
Percentage Error		0%					

Avg. Mileage - Regular Including Grade PK students  
Avg. Mileage - Regular Excluding Grade PK students  
Avg. Mileage - Special Ed with Special Needs



**KEYPORT SCHOOL DISTRICT**  
**SCHEDULE OF AUDITED ENROLLMENTS**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**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 Application and Register	Sample Errors
Half Day Preschool 4 years old						
Full Day Kindergarten	2	2		2	2	
One						
Two						
Three						
Four	2	2		1	1	
Five	1	1		1	1	
Six	1	1		1	1	
Seven	1	1		1	1	
Eight						
Nine	1	1		1	1	
Ten						
Eleven						
Twelve	1	1		1	1	
Subtotal	9	9		8	8	
Special Ed - Elementary	2	2		1	1	
Special Ed - Middle						
Special Ed - High School	1	1		1	1	
Subtotal	3	3		2	2	
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	12	12		10	10	
Percentage Error			0%			0%

KEYPORT SCHOOL DISTRICT  
SCHEDULE OF CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2023 - 2024 Total General Fund Expenditures per the ACFR, Ex. C-1	\$	<u>22,445,939.42</u>	
Increased by:			
Transfer from General Fund to SRF for Preschool (Inclusion)		<u>44,007.00</u>	
Transfer to Food Service Fund			
Transfer from Capital Outlay to Capital Projects Fund			
Transfer from Capital Reserve to Capital Projects Fund		<u>189,930.00</u>	
Decreased by:			
On-Behalf TPAF Pension & Social Security	\$	<u>4,745,901.82</u>	
Assets acquired under Installment Purchase Contracts			
Adjusted 2023 - 2024 General Fund Expenditures			\$ <u>17,933,974.60</u>
2% of Adjusted 2023 - 2024 General Fund Expenditures			\$ <u>358,679.49</u>
Greater of line above or \$250,000.00			\$ <u>358,679.49</u>
Increased by: Allowable Adjustment			\$ <u>59,388.00</u>
Maximum Unreserved/Undesignated Fund Balance			\$ <u>418,067.49</u>

SECTION 2

Total General Fund - Fund Balances @ 6-30-24	\$	<u>9,555,909.80</u>	
Decreased by:			
Year-end Encumbrances	\$	<u>201,138.91</u>	
Legally Restricted-Excess Surplus-Designated for Subsequent Year's Expenditures	\$	<u>2,430,959.87</u>	
Other Restricted Fund Balances:			
Maintenance Reserve	\$	<u>944,461.51</u>	
Capital Reserve	\$	<u>2,502,631.13</u>	
Tuition Reserve	\$	<u>750,000.00</u>	
Assigned Fund Balance - Unreserved-Designated for Subsequent Year's Expenditures	\$	<u>224,710.13</u>	
Total Unassigned Fund Balance			\$ <u>2,502,008.25</u>

KEYPORT SCHOOL DISTRICT  
SCHEDULE OF CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SECTION 3

Fund Balance-Excess Surplus	\$ <u>2,083,940.76</u>
<u>Recapitulation of excess surplus as of June 30, 2024</u>	
Excess Surplus - Designated for Subsequent Year's Expenditures	\$ <u>2,430,959.87</u>
Excess Surplus	\$ <u>2,083,940.76</u>
Total Excess Surplus	\$ <u>4,514,900.63</u>
<u>Detail of Allowable Adjustments</u>	
Extraordinary Aid (Unbudgeted)	\$ <u>59,388.00</u>
	\$ <u>59,388.00</u>

**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS – FINANCIAL AND COMPLIANCE**

**Recommendations**

**Administrative Practices and Procedures**

None

**Financial Planning, Accounting and Reporting**

None

**School Purchasing Program**

None

**School Food Service**

None

**Student Body Activities**

None

**Application for State School Aid**

None

**Pupil Transportation**

None

**Facilities and Capital Assets**

None

**Prior Year's Findings/Recommendations**

None

