

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

**LEONIA BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Education
Leonida Board of Education
Leonida, 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 Leonida Board of Education, State of New Jersey as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated December 12, 2024.

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 for the information 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.

Lerch, Vinci & Bliss, LLP

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


Jeffrey C. Bliss

Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
December 12, 2024

**LEONIA 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 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, Schedule of Insurance contained in the district's Annual Comprehensive Financial Report ("ACFR").

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Eric Thomasevich	School Business Administrator/Board Secretary	\$500,000
Antoinette Kelly	Treasurer of School Monies	500,000

There is an Employee Dishonesty Faithful Performance Crime Coverage policy with School Alliance Insurance Fund covering all other employees with multiple coverage of \$500,000 per employee.

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 Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did appear to include all health benefit plans offered by the school district.

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

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made the proper adjustment to the billings to sending districts for the adjustment 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

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to signatures, certifications or supporting documentation.

**LEONIA 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

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

Salary withholdings were promptly remitted by the District to the proper agencies, including health benefit withholdings due to the General Fund.

The District maintains a personnel tracking and accounting (Position Control) system.

The School Business Administrator completed and filed the required Certification of Compliance with Federal and State Law respecting the reporting of compensation for certain employees.

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 included administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23-8.3. As a result of the procedures performed, no additional testing was deemed necessary to test the propriety of expenditure classifications.

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.

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 reserve 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.

Board Secretary's Records

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

The Board Secretary's reports were presented monthly to the Board on a timely basis and were submitted to the executive county superintendent as prescribed by (N.J.S.A. 18A:17-9 and 18A:17-36).

Acknowledgement of the Board's receipt of the Board Secretary's monthly financial reports were included in the minutes.

The prescribed contractual order system was followed.

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

Financial Planning, Accounting and Reporting (Continued)

Treasurer's Records

The Treasurer performed cash reconciliations for all District accounts in accordance with N.J.S.A. 18A:17-36.

The Treasurer's bank reconciliations were in agreement with the cash balances of the Board Secretary.

The Treasurer's cash balances were in agreement with the reconciled cash balances as determined during the audit.

Acknowledgement of the Board's receipt of the Treasurer's monthly reports was included in the minutes.

Unemployment Compensation Insurance Account

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Account. The financial transactions of this account are reported in the General Fund.

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

The E.S.E.A./ESSA 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, III Immigrant 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.

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. 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 Report 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 expenditures were reviewed subsequent to the reimbursement and no exceptions were noted.

**LEONIA 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

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:39-3(A) are \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulates bidding for public school student transportation contracts under NJSA 18A:39-3 which is \$22,400 for the 2023/2024 school year.

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 District did not appoint a qualified purchasing agency for the 2023/2024 school year.

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 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 any individual payments, contracts or agreements were made for the performance of work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4, as amended.

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 examination did reveal that purchases were made through the use of state contracts.

Food Service Fund

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 student during the emergency.

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. Exceptions were not 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. Exceptions were not 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.

**LEONIA BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Food Service Fund (Continued)

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 Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP loan was subsequently forgiven and noted the FSMC refunded or credited the applicable amounts to the SFA.

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 currently maintained and properly applied in determining the cost of food and supplies used.

Net cash resources did not exceed three months average expenditures.

The district utilized 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 contract were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will breakeven. 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.

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.

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid ("ASSA").

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Fund Financial Statements Exhibits B-4 to B-6 of the ACFR.

Student Body Activities

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

Receipts tested were tested for timely deposit.

Cash disbursements tested had proper supporting documentation.

➤ **Finding 2024-1** – Our audit of the student activity accounts revealed the following:

- Monies collected were not turned over and deposited in a timely manner. Board policy requires all monies collected to be turned over and deposited within 48 hours.
- Several checks issued contained only one authorized signature and in one instance no authorized signatures. Board policy requires all checks issued to contain two authorized check signatures.

Recommendation – In accordance with Board policy:

- All monies collected be turned over and deposited in a timely manner as required.
- All checks contain the required two authorization signatures prior to issuance.

Enrichment Program

Separate revenue and expense records and billing journals were maintained for the enrichment program.

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

Application for State School Aid

Our audit procedures included a test of information reported in the October 13, 2023 Application for State School Aid (ASSA) for on-roll, private schools for the disabled, related services, 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 minor exceptions noted. 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 did maintain workpapers on the prescribed state forms or their equivalent for all reporting categories.

The District has adequate written procedures 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 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. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

The District had no active SDA grant funded projects in the capital projects fund during the current fiscal year.

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

- Delinquent tuition transportation and related services fees receivable be reviewed and appropriate action be taken to collect outstanding balances of record.
- Cooperative purchases program and State contract award resolutions include the amount of the approved contract award.
- District review with it's Risk Manager the need for a separate cyber security insurance policy.

**LEONIA BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

SCHEDULE OF MEAL COUNT ACTIVITY

NOT APPLICABLE

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

NET CASH RESOURCE SCHEDULE

<u>Net Cash Resources:</u>		Food Service <u>B-4/5</u>	
<u>ACFR</u>	Current Assets		
B-4	Cash & Cash Equivalents	\$	507,954
B-4	Intergovernmental Receivable		14,425
B-4	Other Accounts Receivable		36,541
<u>ACFR</u>	Current Liabilities		
B-4	Less Accounts Payable		(54,903)
B-4	Less Due to Other Funds		(158,096)
B-4	Less Unearned Revenue		(29,848)
	Net Cash Resources	\$	316,073 (A)
<u>Total Net Adjusted Operating Expenses:</u>			
	Total Operating Expenses	\$	1,104,194
	Less Depreciation		(17,866)
	Total Net Adjusted Total Operating Expenditures	\$	1,086,328 (B)
<u>Average Monthly Operating Expenses:</u>			
	Total Net Adjusted Operating Expenses (B) / 10 months	\$	108,633 (C)
<u>Three Times Monthly Average:</u>			
	3 x Average Monthly Expenses (C)	\$	325,898 (D)

TOTAL NET CASH RESOURCES	\$	316,073
LESS THREE MONTHS AVERAGE EXPENDITURES		325,898
NET OVER (UNDER)	\$	(9,825)

NET CASH RESOURCES DID NOT EXCEED THREE MONTHS OF EXPENSES

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

	2024-2025 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				Workpapers	On Roll	On Roll	On Roll	Private	Verifi-				
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	cation	Sample	Sample
															Verified	Errors
Full Day Preschool - 4 yrs	32		32		-	-	32		32		-	-				
Full Day Kindergarten	77		77		-	-	77		77		-	-				
Grade 1	79		79		-	-	79		79		-	-				
Grade 2	99		99		-	-	99		99		-	-				
Grade 3	106		106		-	-	106		106		-	-				
Grade 4	108		108		-	-	108		108		-	-				
Grade 5	114		114		-	-	114		114		-	-				
Grade 6	110		110		-	-	110		110		-	-				
Grade 7	172		172		-	-	172		172		-	-				
Grade 8	199		199		-	-	199		199		-	-				
Grade 9	162		162		-	-	162		162		-	-				
Grade 10	176		176		-	-	176		176		-	-				
Grade 11	191		191		-	-	191		191		-	-				
Grade 12	183		183		-	-	183		183		-	-				
Subtotal	1,808	-	1,808	-	-	-	1,808	-	1,808	-	-	-				
Spec Ed - Elementary	76		76		-	-	17		17		-	-	1	1	1	-
Spec Ed - Middle School	69		69		-	-	16		16		-	-	3	1	1	-
Spec Ed - High School	102		102		-	-	23		23		-	-	5	2	2	-
Subtotal	247	-	247	-	-	-	56	-	56	-	-	-	9	4	4	-
Totals	2,055	-	2,055	-	-	-	1,864	-	1,864	-	-	-	9	4	4	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%

**LEONIA 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 A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on ASSA	Reported on Workpapers	Errors	Sample Selected	Sample Verified	Errors
Full Day Kindergarten	9	9	-	2	2	-	2	2	-	1	1	-
Grade 1	6	6	-	1	1	-			-			-
Grade 2	15	15	-	3	3	-	4	4	-	1	1	-
Grade 3	14	14	-	4	4	-	2	2	-	1	1	-
Grade 4	9	9	-	2	2	-			-			-
Grade 5	10	10	-	2	2	-	3	3	-	1	1	-
Grade 6	14	14	-	3	3	-	1	1	-			-
Grade 7	20	20	-	4	4	-	1	1	-			-
Grade 8	20	20	-	4	4	-	2	2	-	1	1	-
Grade 9	22	22	-	5	5	-	3	3	-	1	1	-
Grade 10	21	21	-	5	5	-	1	1	-			-
Grade 11	23	23	-	5	5	-	1	1	-			-
Grade 12	19	21	(2)	4	4	-	2	2	-	1	1	-
Subtotal	202	204	(2)	44	44	-	22	22	-	7	7	-
Spec Ed - Elementary	12	11	1	3	3	-	3	3	-	1	1	-
Spec Ed - Middle School	7	7	-	2	2	-	1	1	-			-
Spec Ed - High School	19	17	2	4	4	-	2	2	-	1	1	-
Subtotal	38	35	3	9	9	-	6	6	-	2	2	-
Totals	240	239	1	53	53	-	28	28	-	9	9	-
Percentage Error		0.42%			0.00%			0.00%			0.00%	

Transportation						
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	26	26	-	8	8	-
Transported - Non-Public			-			-
Regular - Spec. Ed.	2	2	-	1	1	-
Special Needs - Public	13	13	-	4	4	-
Totals	41	41	-	13	13	-
Percentage Error		0.00%			0.00%	

**LEONIA 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	Verified to Application and Register	Sample Errors
Full Day Kindergarten	6	7	(1)	2	2	-
Grade 1	7	7	-	2	2	-
Grade 2	10	10	-	3	3	-
Grade 3	8	8	-	2	2	-
Grade 4	2	2	-	1	1	-
Grade 5	5	5	-	2	2	-
Grade 6	2	2	-	1	1	-
Grade 7	3	3	-	1	1	-
Grade 8	1	1	-			-
Grade 9	2	2	-	1	1	-
Grade 10	2	2	-	1	1	-
Grade 11	3	3	-	1	1	-
Grade 12			-			-
Subtotal	51	52	(1)	17	17	-
Spec Ed - Elementary			-			-
Spec Ed - Middle School			-			-
Spec Ed - High School	2	2	-	1	1	-
Subtotal	2	2	-	1	1	-
Totals	53	54	(1)	18	18	-
Percentage Error			-1.89%			0.00%

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

SECTION 1 - Regular District

Two Percent (2%) - Calculation of Excess Surplus

2023-2024 Total General Fund Expenditures per the ACFR	\$ 48,244,423
Increased by:	
Transfers to Special Revenue Fund	94,920
Transfers to Capital Projects Fund	630,193
Decreased by:	
Expenditures Funded by Insurance Recoveries	(457,056)
On-Behalf TPAF Pension & Social Security	<u>(8,808,848)</u>
Adjusted 2023-2024 General Fund Expenditures	<u>\$ 39,703,632</u>
2% of Adjusted 2023-2024 General Fund Expenditures	\$ 794,073
Allowable Adjustments - Extraordinary Aid	<u>97,515</u>
Maximum Unassigned Fund Balance	\$ 891,588

SECTION 2

Total General Fund - Fund Balance at June 30, 2024 \$ 7,603,558
(Per ACFR Budgetary Comparison Schedule/Statement C-1)

Decreased by:	
Restricted Fund Balances - Capital Reserve	\$ 2,434,686
Restricted Fund Balances - Capital Reserve - Designated for Subsequent Year's Expenditures	254,710
Restricted Fund Balances - Maintenance Reserve	1,047,750
Restricted Fund Balances - Maintenance Reserve - Designated for Subsequent Year	520,635
Restricted - Unemployment Compensation Reserve	182,390
Excess Surplus - Designated for Subsequent Year's Expenditures	550,000
Committed/Assigned - Year-End Encumbrances	<u>1,171,799</u>
	<u>6,161,970</u>
Total Unassigned Fund Balance	<u>1,441,588</u>
Restricted Fund Balance - Excess Surplus	<u>\$ 550,000</u>

SECTION 3

Recapitulation of Restricted Excess Surplus as of June 30, 2024	
Excess Surplus	\$ 550,000
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>550,000</u>
Total	<u>\$ 1,100,000</u>

**LEONIA BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

There are none.

III. School Purchasing Program

There are none.

IV. School Food Service

There are none.

V. Student Body Activities

1. It is recommended that in accordance with Board policy:

- All monies collected be turned over and deposited in a timely manner as required.
- All checks contain the required two authorization signatures prior to issuance.

VI. Enrichment Program

There are none.

VII. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

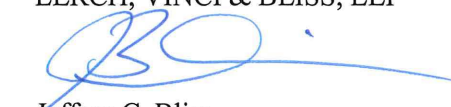
X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all items.

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


Jeffrey C. Bliss
Public School Accountant
Certified Public Accountant