

**PASSAIC PUBLIC SCHOOLS  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2024**

**PASSAIC PUBLIC SCHOOLS  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Honorable President and Members  
of the Board of Education  
Passaic Public Schools  
663 Main Avenue  
Passaic, New Jersey 07055

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 financial statements of the Passaic Public Schools as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated January 16, 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 of the Board of Education's management, the Board of Trustees and 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,

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

  
Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
January 16, 2025

**PASSAIC PUBLIC SCHOOLS  
ADMINISTRATION 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 the Schedule of Insurance reported on Exhibit J-20 in the District's Annual Comprehensive Financial Report (the "ACFR").

**Officials Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Kevin Lomski	School Business Administrator/Board Secretary (November 27, 2023 to June 30, 2024)	\$150,000
Dr. Edward Izbicki	Interim School Business Administrator/Board Secretary (July 1, 2023 to September 30, 2023)	150,000
Ryan Aaron Bowman	Assistant Board Secretary/Assistant School Business Administrator (July 1, 2023 to November 21, 2023)	150,000
Lillian D'Elia	Comptroller Acting School Business Administrator/Board Secretary (October 1, 2023 to November 23, 2023)	150,000
Paul Gabarini	Treasurer of School Monies	1,100,000

There is Public Employee Dishonesty with Faithful Performance coverage with the New Jersey School Boards Association Insurance Group covering all other employees with multiple coverage of \$500,000.

**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 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 submitted the Chapter 44 data in a timely manner.

**Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made a proper adjustment to the billings to sending Districts for the adjustment in per pupil costs in accordance with N.J.A.C. 6:A:23.3(f)3.

**PASSAIC PUBLIC SCHOOLS  
ADMINISTRATION FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**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, certification and proper itemization.

**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 payroll taxes were deposited into the payroll agency account.

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

Salary withholdings tested were promptly remitted to the proper agencies, including employee health benefit contribution withholdings due to the General Fund.

The District filed the required Certification (ECERTI) of Compliance with Federal and State Law regarding the reporting of compensation for certain employees.

The District has implemented and maintains a personnel tracking and accounting (position control) system.

**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. 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 2024-01** – Our audit noted that in certain instances the balances reported in the District's general ledger for accounts payable were not in agreement with the subsidiary accounts payable report.

**Recommendation** – General ledger balances for accounts payable be periodically reconciled with the subsidiary reports to ensure that the balances are in agreement.

**Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(g) 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-2.4.

**Board Secretary's Records**

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

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

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21) and agendas made available for audit.

**PASSAIC PUBLIC SCHOOLS  
ADMINISTRATION 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 the general operating account, payroll account and the payroll agency account on a monthly basis.

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

**Elementary and Secondary Education Act of (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 Titles I and III of the Elementary and Secondary Education Act, as amended and reauthorized.

Our examination 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 contained in the ACFR represent a true statement of the financial position pertaining to the aforementioned special projects.

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

The District's Special Projects were approved as listed on Exhibit K-3 and Exhibit 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 District filed its nonpublic state aid project completion reports by the due date.

The School District's accounting records for Preschool Education Aid were maintained in accordance with N.J.A.C. 6:23-5.5(c) which states that the District must maintain separate program school accounts in the Special Revenue Fund section of the District's budget.

The State Department of Education issued a grant monitoring report for the District's Additional or Compensatory Special Education and Related Services ("ACSERS") grant for fiscal years 2023 and 2024. The report included a finding for fiscal year 2023 regarding the adequacy of supporting documentation which resulted in questioned costs of \$34,218. There were no findings noted for the fiscal year 2024 grant program.

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.

**Teacher's Pension and Annuity Fund (TPAF)**

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 ("TPAF").

The reimbursement to the State for the amount of the expenditure charged to the current year's Final Reports for all federal awards for the school district to reimburse the State for the TPAF/Social Security 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 subsequent to the end of the 60 day grant liquidation period, but prior to the 90 days required by N.J.S.A 18A:66-90. Accordingly, the expenditure was made in accordance with state law (90 days) and properly reported in the current year's Final Reports for all federal awards.

**PASSAIC PUBLIC SCHOOLS  
ADMINISTRATION 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: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 has appointed the School Business Administrator as the Qualified Purchasing Agent.

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 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.

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, however, that purchases were made through the use of State contracts.

**School Food Service**

The financial transactions and statistical records of the School Food Services were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

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

U.S.D.A. Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis.

The June 30, 2024 net cash resources exceeded the three-month average of food service expenses. The District has implemented a multi-year fiscal plan which is anticipated to eliminate the excess by the 2025/26 school year.

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education.

The number of meals claimed for reimbursement was verified against meal count records. Reimbursement claims were submitted/certified in a timely manner.

The District operates the Child Nutrition Program under the Community Eligibility Provision (CEP). To be eligible for the CEP, schools must have a minimum of forty percent of identified students directly certified for free meals in the prior school year; agree to serve free lunches and breakfasts to all students; and agree to cover with non-federal funds any costs of providing free meals to all students that exceed the Federal reimbursement. Reimbursement is based on meals claimed.

**PASSAIC PUBLIC SCHOOLS  
ADMINISTRATION FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Food Service (Continued)**

The school district maintains the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool at least annually.

Exhibits reflecting Child Nutrition Program operations are included in the section, of the District's ACFR entitled Enterprise Funds (Exhibits B-4, B-5 and B-6). Program and non-program revenue and cost of goods sold are shown separately on ACFR Exhibit B-5. In addition, ACFR Exhibit G-2 details the operations of the Food Service Enterprise Fund by program type.

**Student Body Activities**

The Board has a policy which clearly established the regulation of student activity and athletic funds.

Cash receipts and disbursements records for certain schools were maintained in good condition.

**Scholarship**

Cash receipts and disbursement records for the District's scholarship fund were maintained in good 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, limited English proficient 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 with immaterial exceptions noted. The information that was included on the workpapers was verified with immaterial exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

The district maintains workpapers in the prescribed state forms or their equivalents. 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 2023-24 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with an immaterial exception. The information that was included on the workpapers was verified without exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

**Facilities and Capital Assets**

The District is designated as a School Based Budget District and as a result all major construction related expenditures are financed by the State of New Jersey. This grant activity is reported in the District's financial statements as on behalf State Aid revenue and expenditures in the District's Capital Projects Fund.

**Finding 2024-02 – (ACFR Finding 2024-001)** - Our audit noted that the transportation application Form B6T for non-public school students and the B8T certification forms were not retained by the District and made available for audit.

**Recommendation** - B6T forms and B8T certifications be obtained for all students categorized as non-public or other students on the District Report of Transported Resident Students ("DRTRS"). In addition, the required forms and certifications be retained by the District and made available for audit.



**PASSAIC PUBLIC SCHOOLS  
ADMINISTRATION FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Facilities and Capital Assets (Continued)**

**Finding 2024-03** – Our audit of the District’s capital asset accounting records noted that depreciation was not recorded on certain capital assets.

**Recommendation** – Internal control procedures be reviewed and enhanced to ensure that capital assets report depreciation expense in the capital asset accounting records.

**Miscellaneous**

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

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

**Suggestions to Management**

- The District periodically reconcile the vendor payment report to the check registers.

**PASSAIC PUBLIC SCHOOLS  
SCHEDULE OF MEAL COUNT ACTIVITY  
FOOD SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Program</u>	<u>Meals Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>
National School Lunch Regular Rate	Free	<u>1,583,241</u>	<u>563,008</u>	<u>563,008</u>	<u>-</u>
National School Breakfast Severe Need	Free	<u>1,181,065</u>	<u>426,695</u>	<u>426,695</u>	<u>-</u>
After School Snack	Free	<u>223,492</u>	<u>71,522</u>	<u>71,522</u>	<u>-</u>

**PASSAIC PUBLIC SCHOOLS  
FOOD SERVICE ENTERPRISE FUND  
CALCULATION OF NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Current Assets**

Cash and Cash Equivalents	\$ 5,613,720
Intergovernmental Receivables	866,668

**Current Liabilities**

Less:

Accounts Payable	(457,751)
Accrued Salaries, Wages and Benefits	(110,439)
Due to Other Funds	<u>(321,187)</u>

<b>Net Cash Resources</b>	<b><u>\$ 5,591,011</u></b>
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**Adjusted Total Operating Expenses:**

Total Operating Expenses	\$ 12,647,354
Less Depreciation	<u>(86,305)</u>
<b>Adjusted Total Operating Expenses</b>	<b><u>\$ 12,561,049</u></b>

<b><u>Average Monthly Operating Expenses:</u></b>	<b><u>\$ 1,256,105</u></b>
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<b><u>Three Times Monthly Average:</u></b>	<b><u>\$ 3,768,315</u></b>
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Total Net Cash Resources	\$ 5,591,011
Three Times Monthly Average	<u>3,768,315</u>

<b>Amount Above Allowable Net Cash Resources</b>	<b><u>\$ 1,822,696</u></b>
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**PASSAIC BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2023**

	2024-2025 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool 3 yrs	350		350				152		152							
Full Day Preschool 4 yrs	496		496				136		136							
Full Day Kindergarten	604		604				28		28							
Grade 1	716		716				158		158							
Grade 2	642		642				53		53							
Grade 3	696		696				54		54							
Grade 4	670		670				46		46							
Grade 5	660		660				106		106							
Grade 6	692		692				121		121							
Grade 7	707		707				175		175							
Grade 8	764		764				74		74							
Grade 9	766		766				491		491							
Grade 10	811		811				129		129							
Grade 11	767		767				128		128							
Grade 12	677		677				418		418							
Subtotal	10,018	-	10,018	-	-	-	2,269	-	2,269	-	-	-	-		-	-
Special Ed - Elementary	773		773				45		45				27	8	8	
Special Ed - Middle	369		369				22		22				18	5	5	
Special Ed - High	574		574				33		29		4		95	29	29	
Subtotal	1,716	-	1,716	-	-	-	100	-	96	-	4	-	140	42	42	-
Totals	11,734	-	11,734	-	-	-	2,369	-	2,365	-	4	-	140	42	42	-
Percentage Error					0.00%	0.00%					0.17%	0.00%				0.00%

**PASSAIC BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2023**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on	Reported on	Errors	Sample	Verified to	Sample	Reported on	Reported on	Errors	Sample	Verified to	Errors
	A.S.S.A as Low Income	Workpapers as Low Income		Selected from Workpapers	Application and Register		A.S.S.A as LEP Low Income	Workpapers as LEP Low Income		Selected from Worpapers	Test Score and Register	
Full Day Kindergarten	427	428	(1)	4	4		191	191		5	5	
Grade 1	499	501	(2)	5	5		213	213		6	5	1
Grade 2	486	488	(2)	5	5		243	243		7	6	1
Grade 3	520	522	(2)	5	5		239	239		7	7	
Grade 4	507	509	(2)	5	5		219	219		6	6	
Grade 5	467	469	(2)	4	4		158	158		4	4	
Grade 6	516	518	(2)	5	5		141	141		4	4	
Grade 7	520	522	(2)	5	5		157	157		5	5	
Grade 8	549	551	(2)	5	5		155	155		5	5	
Grade 9	489	491	(2)	5	5		113	113		3	3	
Grade 10	478	480	(2)	5	5		96	96		3	3	
Grade 11	466	468	(2)	4	4		66	66		2	2	
Grade 12	391	392	(1)	4	4		47	47		1	1	
Subtotal	6,315	6,339	(24)	61	61	-	2,038	2,038	-	58	56	2
Special Ed - Elementary	546	548	(2)	5	5		240	238	2	7	7	
Special Ed - Middle	283	280	3	3	3		144	144		4	4	
Special Ed - High	374	371	3	4	4		77	77		2	2	
Subtotal	1,203	1,199	4	12	12	-	461	459	2	13	13	-
DCF Regional Day School	1	1										
Train Sch/Secure Care	2	2										
Juvenile Detention Ctr	3	3										
Totals	7,524	7,544	(20)	73	73	-	2,499	2,497	2	71	69	2
Percentage Error			-0.27%			0.00%			0.08%			2.82%

	Transportation					
	Reported on	Reported on	Errors	Tested	Verified	Errors
	DRTRS by DOE/County	DRTRS by District				
Reg. - Public Schools	784	784		34.0	34.0	-
Transported - Non - Public	75	75		3.0	-	3.0
Special Ed. - w/o Spec Needs	1	1		1.0	1.0	-
Special Ed - w/ Spec Needs	729	729		32.0	31.0	1.0
	1,589	1,589	-	70.0	66.0	4.0
Percentage Error			0%			6%

**PASSAIC BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 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	Errors
Full Day Kindergarten	138	138		5	5	
Grade 1	148	148		6	6	
Grade 2	134	134		5	5	
Grade 3	152	152		6	6	
Grade 4	128	128		5	5	
Grade 5	118	118		4	4	
Grade 6	110	110		4	4	
Grade 7	110	110		4	4	
Grade 8	115	115		4	4	
Grade 9	144	144		5	5	
Grade 10	146	146		6	6	
Grade 11	111	111		4	4	
Grade 12	119	119		5	5	
Subtotal	1,673	1,673	-	63	63	-
Special Ed - Elementary	84	84		3	3	
Special Ed - Middle	61	61		2	2	
Special Ed - High	42	42		2	2	
Subtotal	187	187	-	7	7	-
Totals	1,860	1,860	-	70	70	-
Percentage Error			0.00%			0.00%

**PASSAIC PUBLIC SCHOOLS**  
**SCHEDULE OF YEAR-END ENCUMBRANCES - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Decsription	Total by Category	Amount Encumbered	Balance of Encumbrances
Unaudited	<u>\$ 637,593</u>	<u>\$ 637,593</u>	<u>\$ 637,593</u>
Fund Balance, Encumbrances, June 30, 2024 Assigned			<u>\$ 637,593</u>

**PASSAIC PUBLIC SCHOOLS  
EXCESS SURPLUS CALCULATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total General Fund Budgetary Expenditures	\$	362,649,913	
Adjustments			
Transfers to Special Revenue Fund		2,572,740	
Capital Reserve Transfer to Capital Projects		162,248	
Expenditures Allocated to Restricted Federal Sources as reported on Exhibit D-2		<u>(10,000,572)</u>	
Adjusted General Fund Budgetary Expenditures			\$ 355,384,329
Decreased by:			
On-Behalf TPAF Pension and Social Security			<u>(62,551,644)</u>
Adjusted General Fund Budgetary Expenditures			<u>\$ 292,832,685</u>
2% of Adjusted General Fund Budgetary Expenditures			5,856,654
Allowable Adjustments			
Extraordinary Aid			<u>1,453,147</u>
Maximum Unreserved/Undesignated Fund Balance			7,309,801
Total General Fund - Fund Balances at June 30, 2024 (Budgetary Basis)	\$	115,646,376	
Decreased by:			
Encumbrances	\$	637,593	
Other Restricted Fund Balances			
Capital Reserve		23,523,493	
Maintenance Reserve		11,119,400	
Emergency Reserve		1,000,000	
Excess Surplus - Designated for Subsequent Year's Budget		16,095,996	
Assigned - Designated for Subsequent Year's Budget		<u>33,246,176</u>	
		<u>85,622,658</u>	
Total Unassigned Fund Balance			<u>30,023,718</u>
Excess Surplus, June 30, 2024			<u>\$ 22,713,917</u>
<b><u>Analysis of Excess Surplus</u></b>			
Excess Surplus	\$	22,713,917	
Excess Surplus - Designated for Subsequent Year's Budget		<u>16,095,996</u>	
	\$	<u>38,809,913</u>	



**PASSAIC PUBLIC SCHOOLS  
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**

- \* 1. It is recommended that general ledger balances for accounts payable be periodically reconciled with the subsidiary reports to ensure that the balances are in agreement.

**III. School Purchasing System**

There are none.

**IV. Food Services Fund**

There are none.

**V. Student Body Activities**

There are none.

**VI. Scholarship**

There are none.

**VII. Application for State School Aid**

There are none.

**VIII. Transportation**

- 2. It is recommended that B6T forms and B8T certifications be obtained for all students categorized as non-public or other students on the District Report of Transported Resident Students ("DRTRS"). In addition, the required forms and certifications be retained by the District and made available for audit.

**IX. Miscellaneous**

There are none.

**X. Facilities and Capital Assets**

- 3. It is recommended that internal control procedures be reviewed and enhanced to ensure that capital assets report depreciation expense in the capital asset accounting records.

**XI. Status of Prior Years' Audit Findings/Recommendations**

A review was performed on all prior years' recommendations and corrective action was taken on all prior year recommendations except those denoted by an asterisk (\*).

**ACKNOWLEDGEMENT**

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.