

**PASSAIC VALLEY REGIONAL  
HIGH SCHOOL DISTRICT NO. 1  
BOARD OF EDUCATION  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2024**

**PASSAIC VALLEY BOARD OF EDUCATION  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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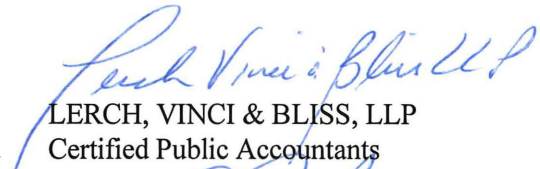
Honorable President and Members  
of the Board of Trustees  
Passaic Valley Regional High School  
District No. 1 Board of Education  
Little Falls, New Jersey

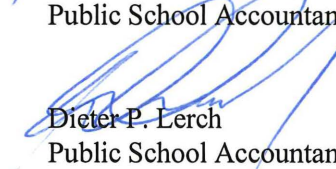
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Passaic Valley Regional High School District No. 1 Board of Education as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated January 10, 2025.

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

This report is intended solely for the information and use of management, the Board of Trustees, 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

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 10, 2025

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 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, 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 insurance schedule (Exhibit J-20) contained in the District's Annual Comprehensive Financial Report (the "ACFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Colin Monahan	Business Administrator / Board Secretary	\$ 360,000

There is a Public Employees' Faithful Performance Blanket Position Bond with the Insurance Corp of Hanover 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 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.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review did not indicate any significant discrepancies with respect to signatures, certification or supporting documentation.

**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 in the Payroll Agency Account.

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

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

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Financial Planning, Accounting and Reporting (Continued)**

**Payroll Account (Continued)**

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrator) to the NJ Department of Treasury was filed.

**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.

**Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(f) as part of our test of transactions of randomly selected expenditure items. 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-8.2. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no additional procedures were deemed necessary to test the propriety of expenditure classification.

**Board Secretary's Records**

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

Acknowledgment of the Board's receipt of the Board Secretary's was included in the minutes.

**Finding 2024-001** – Per review of Revenues, the 23-24 Tax Levy was not collected in full from the Borough of Little Falls and the Borough Woodland Park resulting in a tax receivable balance of \$2,712,014 at year end.

**Recommendation** – The District make continued efforts to collect 100% of the tax levy due from the local government entity.

**Finding 2024-002** – The Treasurer's records were not in agreement with the records of the Board Secretary. Also, the Treasurer's cash balance for the general operating account was not in agreement with the reconciled cash balance as determined during the audit.

**Recommendation** – The Treasurer should reconcile cash records with the reconciled bank statements and the cash records of the Board Secretary.

**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 Titles I and II of the Elementary and Secondary Education Act, as amended.

Our examination of the E.S.E.A./ESSA 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.

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Financial Planning, Accounting and Reporting (Continued)**

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

The district's Special Projects were approved as listed on Exhibit K-3 (Schedule A) and Exhibit K-4 (Schedule B) located in the ACFR.

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 herein represent a true statement of the financial position pertaining to the aforementioned special projects.

**I.D.E.A. Part B**

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

**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(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 and no exceptions were noted.

**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 transportation contracts under N.J.S.A. 18A:39-3 is currently \$20,200. The Board has designated the business administrator as the qualified purchasing agent and approved increasing the bid threshold to \$44,000.

The district 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.

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Purchasing Programs (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 N.J.S.A. 18A:18A-10,, 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**

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 ages 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 students 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.

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

The financial transactions and records of the school food service fund were reviewed on a test basis.

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Food Service (Continued)**

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 does not include an operating results provision. 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 costs 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.

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").

USDA Food Distribution Program (food and/or commodities) were received during the year.

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

Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursement 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.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds (Exhibits B4-B6).

Net cash resources do not exceed three months average expenditures.

The District contracted with Pomptonian, Inc. to manage the operations of the school food service program and deposited funds in accordance with applicable state statutes.

The Food Service Management Contract includes an operating results provision which guarantees that the food services program will return a profit of at least \$5,000. The operating results have been met.

**Student Body Activities**

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

Cash receipts and disbursements records 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 disabled related services 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 isolated exceptions. The information that was included on the workpapers was verified without exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

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

The District had adequate written procedures for the recording of student enrollment data.



**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**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 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.

**Facilities and Capital Assets**

Our procedures included a review of the SDA grant agreement for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction.

**Miscellaneous**

**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. Corrective action was taken on all prior year recommendations.

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 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

PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
**FOOD SERVICE FUND**  
**SCHEDULE OF NET CASH RESOURCES**  
**ENTERPRISE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

			<u>Food Service</u>	
<b><u>Net Cash Resources:</u></b>				
CAFR	*	Current Assets		
B-4		Cash	\$ 107,810	
B-4		Intergovernmental Receivables	9,211	
B-4		Accounts Receivable	19,161	
B-4		Due from Other Funds		
CAFR		Current Liabilities		
B-4		Less Accounts Payable	(32,441)	
B-4		Less Due to Other Funds	(37,048)	
B-4		Less Unearned Revenue	<u>(5,470)</u>	
		Net Cash Resources	<u>\$ 61,223</u>	(A)
<b><u>Net Adj. Total Operating Expense:</u></b>				
B-5		Total Operating Expenses	\$ 604,911	
B-5		Less Depreciation	<u>(13,500)</u>	
		Adj. Tot. Oper. Exp.	<u>\$ 591,411</u>	(B)
<b><u>Average Monthly Operating Expense:</u></b>				
		B / 10	<u>\$ 59,141</u>	(C)
<b><u>Three times monthly Average Operating Expense:</u></b>				
		3 X C	<u>\$ 177,423</u>	(D)

TOTAL IN BOX A	\$ 61,223
LESS TOTAL IN BOX D	\$ (177,423)
NET	<u>\$ (116,200)</u>

Net Cash Resources Did Not Exceed Three Months Expenditures.

**PASSAIC VALLEY REGIONAL BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID (A.S.S.A.)  
SCHEDULE OF AUDITED ENROLLMENTS  
OCTOBER 15, 2023**

	2024-25 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		Private	Workpapers	Verifi-	Sample		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	On Roll	Differenc	cation	Verified	Errors
Half Day Preschool - 3 years																		
Half Day Preschool - 4 years																		
Half Day Kindergarten																		
Full Day Kindergarten																		
1st Grade																		
2nd Grade																		
3rd Grade																		
4th Grade																		
5th Grade																		
6th Grade																		
7th Grade																		
8th Grade					-	-					-	-						
9th Grade	181		181		-	-	9		9		-	-						
10th Grade	206		206		-	-	10		10		-	-						
11th Grade	237		237		-	-	12		12		-	-						
12th Grade	229		229		-	-	11		11		-	-						
Subtotal	853	-	853	-	-	-	42	-	42	-	-	-	-			-	-	-
Spec Ed - Elementary																		
Spec Ed - Middle School					-													
Spec Ed - High School	210		210		-	-	11		11		-	-	17	17	-	17	17	-
Subtotal	210	-	210	-	-	-	11	-	11	-	-	-	17	17		17	17	-
Totals	1,063	-	1,063	-	-	-	53	-	53	-	-	-	17	17	-	17	17	-
Percentage Error					0.00%	0.00%					0.00%							100.00%

**PASSAIC VALLEY REGIONAL BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID (A.S.S.A.)  
SCHEDULE OF AUDITED ENROLLMENTS  
OCTOBER 15, 2023**

	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 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
Half Day Pre-School (3 Yrs)												
Half Day Pre-School (4 Yrs)												
Half Day Kindergarten												
Full Day Kindergarten												
1st Grade												
2nd Grade												
3rd Grade												
4th Grade												
5th Grade												
6th Grade												
7th Grade												
8th Grade												
9th Grade	68	68	-	1	-	1	12	12	-			-
10th Grade	74	74	-	4	4	-	5	5	-			-
11th Grade	76	76	-	3	2	1	10	10	-	1	1	-
12th Grade	78	78	-	4	1	3	4	4	-			-
<b>Subtotal</b>	<u>296</u>	<u>296</u>	<u>-</u>	<u>12</u>	<u>7</u>	<u>5</u>	<u>31</u>	<u>31</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Spec Ed - Elementary												
Spec Ed - Middle School												
Spec Ed - High School	76	76	-	4	1	3			-			-
<b>Subtotal</b>	<u>76</u>	<u>76</u>	<u>-</u>	<u>4</u>	<u>1</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Totals</b>	<u>372</u>	<u>372</u>	<u>-</u>	<u>16</u>	<u>8</u>	<u>8</u>	<u>31</u>	<u>31</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>50.00%</u>			<u>0.00%</u>			<u>0.00%</u>

**\*\*District has taken corrective action regarding the differences between the October 2024 count.**

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	571	571	-	28	28	-
Transported - Non-Public	11	11	-	1	1	-
Regular - Spec.	27	27	1	1	1	-
Special Needs - Public	54	54	1	3	3	-
<b>Totals</b>	<u>663</u>	<u>662</u>	<u>1</u>	<u>33</u>	<u>33</u>	<u>-</u>
			<u>0.15%</u>			<u>0.00%</u>

**PASSAIC VALLEY REGIONAL BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID (A.S.S.A.)  
SCHEDULE OF AUDITED ENROLLMENTS  
OCTOBER 15, 2023**

	Resident LEP Not 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 Register	Sample Errors
Half Day Pre-School (3 Yrs)						
Half Day Pre-School (4 Yrs)						
Half Day Kindergarten						
Full Day Kindergarten						
1st Grade						
2nd Grade						
3rd Grade						
4th Grade						
5th Grade						
6th Grade						
7th Grade						
8th Grade						
9th Grade	3	3	-			-
10th Grade	3	3	-			-
11th Grade	7	7	-	1	1	-
12th Grade	6	6	-			-
<b>Subtotal</b>	<b>19</b>	<b>19</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>
Spec Ed - Elementary						
Spec Ed - Middle School						
Spec Ed - High School	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Totals</b>	<b>19</b>	<b>19</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**SECTION 1 - Two Percent (2%) - Calculation of Excess Surplus**

2023-2024 Total General Fund Expenditures (Budgetary Basis) Per Schedule C-1 of the ACFR	\$ 39,296,913
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(5,356,619)</u>
Adjusted 2023-2024 General Fund Expenditures	<u>\$ 33,940,294</u>
2% of Adjusted 2023-2024 General Fund Expenditures	<u>\$ 678,806</u>
Enter Greater of 2% of Adjusted 2023-2024 General Fund Expenditures or \$250,000	\$ 678,806
Increased by Allowable Adjustments*	<u>762,768</u>
Maximum Unassigned Fund Balance	<u>\$ 1,441,574</u>

**SECTION 2**

Total General Fund - Fund Balance at June 30, 2024 (Per ACFR Budgetary Comparison Schedule/Statement)	\$ 10,450,922
Decreased by:	
Restricted:	
Capital Reserve	2,318,820
Unemployment Compensation	209,111
Excess Surplus - Designated for Subsequent Year's Expenditures	2,795,567
Assigned:	
Designated for Subsequent Year's Expenditures	546,810
Year-End Encumbrances	<u>139,399</u>
Total Unassigned Fund Balance	<u>\$ 4,441,215</u>

**SECTION 3**

Restricted Fund Balance - Excess Surplus	<u>\$ 2,999,641</u>
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**Recapitulation of Excess Surplus**

Excess Surplus	\$ 2,999,641
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>2,795,567</u>
	<u>\$ 5,795,208</u>

**\* Detail of Allowable Adjustment**

Extraordinary Aid	\$ 701,233
Nonpublic Transportation Aid Reimbursement	<u>61,535</u>
Total Adjustments	<u>\$ 762,768</u>

**PASSAIC VALLEY REGIONAL HIGH SCHOOL DISTRICT NO. 1 BOARD OF EDUCATION  
RECOMMENDATIONS**

**I. Administrative Practices and Procedures**

There are none.

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

It is recommended that:

1. The District make continued efforts to collect 100% of the tax levy due from the local government entity.
2. The Treasurer should reconcile cash records with the reconciled bank statements and the cash records of the Board Secretary.

**III. School Purchasing Program**

There are none.

**IV. School Food Services**

There are none.

**V. Student Body Activities**

There are none.

**VI. Scholarship Fund**

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.

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

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

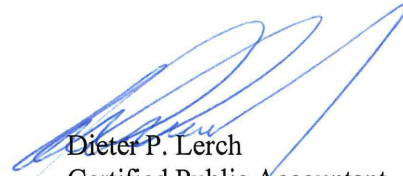


## ACKNOWLEDGEMENT

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

Respectfully submitted,

LERCH, VINCI & BLISS, LLP



Dieter P. Lerch  
Certified Public Accountant  
Public School Accountant