

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

SCHOOL DISTRICT OF THE BOROUGH OF RAMSEY
COUNTY OF BERGEN, NEW JERSEY

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

TABLE OF CONTENTS

| | <u>Page</u> <u>No.</u> |
|--|---|
| Independent Auditor's Report. | 1 |
| Scope of Audit | 2 |
| Administrative Practices and Procedures | |
| Insurance. | 2 |
| Officials Bonds | 2 |
| P.L. 2020, c. 44. | 2 |
| Tuition Charges. | 3 |
| Financial Planning, Accounting and Reporting | |
| Examination of Claims | 3 |
| Payroll Account and Position Control Roster. | 3 |
| Position Control Roster. | 3 |
| Reserve for Encumbrances, Liability for Accounts Payable. | 4 |
| Classification of Expenditures | 4 |
| Board Secretary's Records. | 4 |
| Fixed Assets | 4 |
| Elementary and Secondary Education Act (E.S.E.A.) as Amended by the Every Student Succeeds Act (ESSA) | 4 |
| Other Special Federal and/or State Projects | 4 |
| T.P.A.F. Reimbursement | 5 |
| T.P.A.F. Reimbursement to State for Federal Salary Expenditures | 5 |
| Nonpublic State Aid | 5 |
| School Purchasing Programs | |
| Contracts and Agreements Requiring Advertisement for Bids. | 6 |
| School Food Service | 7 |
| Student Body Activities | 7 |
| Application for State School Aid | 8 |
| Pupil Transportation | 8 |
| Testing for Lead of All Drinking Water in Education Facilities | 8 |
| Miscellaneous | 8 |
| Follow-up on Prior Year Findings | 9 |
| Acknowledgment | 9 |
| Schedule of Audited Enrollments. | 10 |
| Excess Surplus Calculation. | 13 |
| Audit Recommendations Summary | 16 |



WIELKOTZ & COMPANY^{LLC}
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-6631
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Ramsey School District
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Ramsey School District in the County of Bergen for the year ended June 30, 2024, and have issued our report thereon dated December 14, 2024.

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

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

Steven D. Wielkatz

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

Wielkatz & Company, LLC

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

December 14, 2024



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

GENERAL COMMENTS

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 Exhibit J-20, Insurance Schedule contained in the District's ACFR.

Officials Bonds

| <u>Name</u> | <u>Position</u> | <u>Amount</u> |
|---|--|---------------|
| Thomas W. O'Hern | Business Administrator/Board Secretary | (A) |
| (A) There is a Public Employees' Faithful Performance Blanket Position Bond with Western Surety Company covering all other employees with multiple coverage of \$10,000. There is also an employee dishonesty crime coverage with the School Alliance Insurance Fund covering all employees with coverage of \$500,000. | | |

P.L. 2020, c.44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year on audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

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

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

Administrative Practices and Procedures, (continued)

Tuition Charges

A comparison of tentative charges and actual certified tuition charges was made. The actual costs were more than estimated costs. The Board made a proper adjustment to the billings to sending districts for the increase 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 indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

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

Payrolls were delivered to the Secretary of the Board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

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 by the March 15 due date.

Reporting of employee compensation for income tax related purposes did comply with federal and state regulations regarding the compensation which is required to be reported.

Position Control Roster

The Position Control Roster was reviewed and compared to payroll records, employee benefit records and charges made to the general ledger to ensure proper and consistent financial reporting and that employee benefits are only offered to current employees.

Financial Planning, Accounting and Reporting, (continued)

Reserve for Encumbrances, Liability for Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

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

Fixed Assets

The capital asset records were updated for the additions and disposals of capital assets made during the year.

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, II, III and IV of the Elementary and Secondary Education Act as amended and reauthorized.

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

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule K-3 and Schedule 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.

Financial Planning, Accounting and Reporting, (continued)

Other Special Federal and/or State Projects, (continued)

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

The study of compliance for the special projects indicated no areas of noncompliance.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for the 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 Reports 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.

Nonpublic State Aid

Project completion reports were finalized and transmitted to the State Department of Education by the due date.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-2 contains definitions for terms used throughout N.J.S.A. 18A:18A-1 et seq. It includes as subsection (p) the term ‘competitive contracting’, which is defined as “the method described in N.J.S.A. 18A:18A-4.1 through 18A:18A-4.5 and in rules promulgated by DCA at N.J.A.C. 5:34-4 of contracting for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated by the purchasing agent or counsel or school business administrator; and the board of education awards a contract to a vendor or vendors from among the formal proposals received.” Also, subsection (aa) defines the term ‘concession’ to exclude vending machines.

N.J.S.A. 18A:18A-3(a) sets forth the bid threshold and requires award by board resolution. There is a higher threshold when there is a “Qualified Purchasing Agent” (QPA) in the district as defined at N.J.A.C. 5:34-1.1 and certified upon approval of an application submitted to DCA. Pursuant to N.J.S.A. 18A:18A-3(b), the bid threshold may be adjusted by the Governor, in consultation with the Department of Treasury, every five years.

N.J.S.A. 18A:18A-4.4 provides boards of education the authority to pass a resolution authorizing the use of competitive contracting. “In order to initiate competitive contracting, the board of education shall pass a resolution authorizing the use of competitive contracting each time specialized goods or services enumerated in sections 45 of L. 1999, c.440 are desired to be contracted.”

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

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

The results of our examination indicated that no individual payments, contracts or agreements were made for the performance of any work, goods or services 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.

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

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 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 students during the emergency.

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State 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. No exceptions were 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 noted.

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

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.

Net cash resources did not exceed three months average expenditures.

Student Body Activities

During our review of the Student Activity Funds, no exceptions were noted.

Application for State School Aid

Our audit procedures included a test of information reported in the October 13, 2023 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, bi-lingual 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 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.

Testing for Lead of All Drinking Water in Educational Facilities

The school district adhered to all the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The school district did submit the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Miscellaneous

The school district complied with continuing disclosure agreements made in relation to prior year(s) bond issuances.

Follow-up on Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year recommendations and corrective action was taken on all.

There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2024.

Acknowledgment

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

Respectfully submitted,

Steven D. Wielkatz

Steven D. Wielkatz, C.P.A.
Public School Accountant

Wielkatz & Company, LLC

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

SCHEDULE OF AUDITED ENROLLMENTS

BOROUGH OF RAMSEY SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 13, 2023

Year Ended June 30, 2024

| Enrollment Category | 2024-2025 Application for State School Aid | | | | | | Sample for Verification | | | | Private Schools for Disabled | | | |
|-------------------------|--|--------|------------------------|--------|--------|--------|---------------------------------|--------|--------------------------------|--------|------------------------------|--------|-------------------------------------|-----------------|
| | Reported on ASSA | | Reported on Workpapers | | Errors | | Sample Selected from Workpapers | | Verified per Registers On Roll | | Errors per Registers On Roll | | Reported on ASSA as Private Schools | |
| | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Full | Shared | Sample for Verification | Sample Verified |
| Half Day Preschool | 30 | | 30 | | | | 30 | | 30 | | | | | |
| Half Day Kindergarten | | | | | | | | | | | | | | |
| One | 110 | | 110 | | | | 110 | | 110 | | | | | |
| Two | 135 | | 135 | | | | 135 | | 135 | | | | | |
| Three | 145 | | 145 | | | | 145 | | 145 | | | | | |
| Four | 151 | | 151 | | | | 151 | | 151 | | | | | |
| Five | 125 | | 125 | | | | 125 | | 125 | | | | | |
| Six | 144 | | 144 | | | | 144 | | 144 | | | | | |
| Seven | 178 | | 178 | | | | 178 | | 178 | | | | | |
| Eight | 184 | | 184 | | | | 184 | | 184 | | | | | |
| Nine | 176 | | 176 | | | | 176 | | 176 | | | | | |
| Ten | 172 | | 172 | | | | 172 | | 172 | | | | | |
| Eleven | 155 | | 155 | | | | 155 | | 155 | | | | | |
| Twelve | 171 | | 171 | | | | 171 | | 171 | | | | | |
| Subtotal | 2,047 | | 2,047 | | | | 2,047 | | 2,047 | | | | | |
| Special Ed. Elementary | 141 | | 141 | | | | 70 | | 70 | | | | 5 | 4 |
| Special Ed. Middle | 90 | | 90 | | | | 40 | | 40 | | | | 5 | 4 |
| Special Ed. High School | 103 | 1 | 103 | 1 | | | 50 | | 50 | | | | 14 | 13 |
| Subtotal | 334 | 1 | 334 | 1 | | | 160 | | 160 | | | | 24 | 21 |
| Totals | 2,381 | 1 | 2,381 | 1 | | | 2,207 | | 2,207 | | | | 24 | 21 |
| Percentage Error | | | | | | | | | | | | | | |

SCHEDULE OF AUDITED ENROLLMENTS

**BOROUGH OF RAMSEY
BOARD OF EDUCATION**

**Application for State School Aid Summary
Enrollment as of October 13, 2023**

Year ended June 30, 2024

| Enrollment category | 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 | Errors | Reported on A.S.S.A as LEP low Income | Reported on Workpapers LEP low Income | Errors | Sample Selected from Workpapers | Verified to Test score and Register | Sample Errors |
| Half Day Preschool | | | | | | | | | | | | |
| Full Day Preschool | | | | | | | | | | | | |
| Half Day Kindergarten | | | | | | | | | | | | |
| Full Day Kindergarten | | | | | | | | | | | | |
| One | 9 | 9 | | 7 | 7 | | 9 | 9 | | 8 | 8 | |
| Two | 9 | 9 | | 6 | 6 | | 5 | 5 | | 4 | 4 | |
| Three | 13 | 13 | | 9 | 9 | | 5 | 5 | | 5 | 5 | |
| Four | 10 | 10 | | 6 | 6 | | 4 | 4 | | 4 | 4 | |
| Five | 6 | 6 | | 3 | 3 | | 4 | 4 | | 3 | 3 | |
| Six | 7 | 7 | | 6 | 6 | | 1 | 1 | | 1 | 1 | |
| Seven | 13 | 13 | | 7 | 7 | | 3 | 3 | | 2 | 2 | |
| Eight | 10 | 10 | | 5 | 5 | | | | | | | |
| Nine | 7 | 7 | | 6 | 6 | | 1 | 1 | | 1 | 1 | |
| Ten | 11 | 11 | | 8 | 8 | | 2 | 2 | | 2 | 2 | |
| Eleven | 4 | 4 | | 2 | 2 | | 1 | 1 | | 1 | 1 | |
| Twelve | 1 | 1 | | 1 | 1 | | | | | | | |
| Special Ed. Elementary | 10 | 10 | | 5 | 5 | | | | | | | |
| Special Ed. Middle School | 18 | 18 | | 11 | 11 | | 3 | 3 | | 2 | 2 | |
| Special Ed. High School | 10 | 10 | | 7 | 7 | | 1 | 1 | | 1 | 1 | |
| | 10 | 10 | | 5 | 5 | | | | | | | |
| | 148 | 148 | | 94 | 94 | | 39 | 39 | | 34 | 34 | |

Percentage

| Category | Transportation | | | | Re- calc. | |
|-------------------------------------|--------------------------------|------------------------------|--------|------------|--------------|----------|
| | Reported on DRTS by DOE/county | Reported on DRTS by District | Errors | Tested | Verified | Reported |
| Regular - Public Schools, col. 1 | 165.0 | 165.0 | | 102 | 102 | 4.5 |
| Transported- Non-Public | 26.0 | 26.0 | | 22 | 22 | 4.5 |
| Regular - Special Education, col. 4 | 49.5 | 49.5 | | 43 | 43 | 13.0 |
| Special needs, col. 6 | 28.5 | 28.5 | | 25 | 25 | |
| Totals | 269.0 | 269.0 | | 192 | 192 | |

Percentage

**BOROUGH OF RAMSEY
BOARD OF EDUCATION**

SCHEDULE OF AUDITED ENROLLMENTS

Application for State School Aid Summary
Enrollment as of October 15, 2023

Year ended June 30, 2024

| Enrollment category | Resident LEP Not Low Income | | | Sample for Verification | | |
|---------------------------|--|--|--------|---------------------------------------|---|------------------|
| | Reported on A.S.A as LEP Not low Income | Reported on Workpapers LEP Not low Income | Errors | Sample Selected from Workpapers | Verified to Test score and Register | Sample Errors |
| | | | | | | |
| Half Day Preschool | | | | | | |
| Full Day Preschool | | | | | | |
| Half Day Kindergarten | | | | | | |
| Full Day Kindergarten | 3 | 3 | | 3 | 3 | |
| One | 1 | 1 | | 1 | 1 | |
| Two | 2 | 2 | | 2 | 2 | |
| Three | 3 | 3 | | 2 | 2 | |
| Four | 1 | 1 | | 1 | 1 | |
| Five | | | | | | |
| Six | | | | | | |
| Seven | | | | | | |
| Eight | | | | | | |
| Nine | | | | | | |
| Ten | 3 | 3 | | 2 | 2 | |
| Eleven | 2 | 2 | | 2 | 2 | |
| Twelve | 1 | 1 | | 1 | 1 | |
| Special Ed. Elementary | | | | | | |
| Special Ed. Middle School | 1 | 1 | | 1 | 1 | |
| Special Ed. High School | | | | | | |
| | <u>17</u> | <u>17</u> | | <u>15</u> | <u>15</u> | |
| | | | | | | |
| | <u>17</u> | <u>17</u> | | <u>15</u> | <u>15</u> | |
| | | | | | | |
| Percentage | | | | | | |

**RAMSEY BOARD OF EDUCATION
EXCESS SURPLUS CALCULATION**

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

| | | |
|--|---------------|-------|
| 2023-24 Total General Fund Expenditures per the ACFR, Ex. C-1 | \$ 86,680,517 | (B) |
| Increased by: | | |
| Transfer from Capital Outlay to Capital Projects Fund | \$ | (B1a) |
| Transfer from Capital Reserve to Capital Projects Fund | \$ | (B1b) |
| Transfer from General Fund to SRF for PreK-Regular | \$ | (B1c) |
| Transfer from General Fund to SRF for PreK-Inclusion | \$ | (B1d) |
| Decreased by: | | |
| On-Behalf TPAF Pension & Social Security | \$ 15,238,580 | (B2a) |
| Assets Acquired Under Capital Leases | \$ | (B2b) |
| Adjusted 23-24 General Fund Expenditures [(B)+(B1's)-(B2's)] | \$ 71,441,937 | (B3) |
| 2% of Adjusted 2023-24 General Fund Expenditures [(B3) times .02] | \$ 1,428,839 | (B4) |
| Enter Greater of (B4) or \$250,000 | \$ 1,428,839 | (B5) |
| Increased by: Allowable Adjustment * | \$ 250,264 | (K) |
| Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)] | \$ 1,679,103 | (M) |

SECTION 2

| | | |
|---|---------------|------|
| Total General Fund - Fund Balances @ 6-30-24 (Per ACFR Budgetary Comparison Schedule C-1)) | \$ 25,905,568 | (C) |
| Decreased by: | | |
| Year-end Encumbrances | \$ 3,329,872 | (C1) |
| Legally Restricted - Designated for Subsequent Year's Expenditures | \$ | (C2) |
| Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures ** | \$ 2,429,913 | (C3) |
| Other Restricted Fund Balances**** | \$ 15,878,266 | (C4) |
| Assigned Fund Balance - Unreserved -- Designated for Subsequent Year's Expenditures | \$ 221,875 | (C5) |
| Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)] | \$ 4,045,642 | (U1) |

SECTION 3

Restricted Fund Balance - Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 2,366,539 (E)

Recapitulation of Excess Surplus as of June 30, 2024

| | | | |
|--|----|------------------|------|
| Reserved Excess Surplus - Designated for Subsequent Year's Expenditures ** | \$ | <u>2,429,913</u> | (C3) |
| Reserved Excess Surplus ***[(E)] | \$ | <u>2,366,539</u> | (E) |
| Total [(C3) + (E)] | \$ | <u>4,796,452</u> | (D) |

- * Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:
- (H) Federal Impact Aid. The passage of P.L.2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);
 - (I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);
 - (J1) Extraordinary Aid;
 - (J2) Additional Nonpublic School Transportation Aid;
 - (J3) Recognized current year School Bus Advertising Revenue; and
 - (J4) Family Crisis Transportation Aid
 - (J5) Maintenance of Equity Aid and State Military Impact Aid
- Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

| | | | |
|--|----|----------------|------|
| Impact Aid | \$ | _____ | (H) |
| Sale & Lease-back | \$ | _____ | (I) |
| Extraordinary Aid | \$ | <u>220,098</u> | (J1) |
| Additional Nonpublic School Transportation Aid | \$ | <u>30,166</u> | (J2) |
| Current Year School Bus Advertising Revenue Recognized | \$ | _____ | (J3) |
| Family Crisis Transportation Aid | \$ | _____ | (J4) |
| Supplemental Stabilization Aid & Maintency of Equity Aid | \$ | _____ | (J5) |
| Total Adjustments [(H)+{I)+(J1)+(J2)+(J3)+(J4)+(J5)] | \$ | <u>250,264</u> | (K) |

** This amount represents the June 30, 2024 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amounts must agree to the June 30, 2024 ACFR and must agree to Audit Summary Worksheet Line 90030.

**** Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by an other type of government, such as the judicial branch of government, must have Departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

Detail of Other Reserved Fund Balance

| | |
|---|-------------------------------|
| Statutory restrictions: | |
| Approved unspent separate proposal | \$ _____ |
| Sale/Lease-back reserve | \$ _____ |
| Capital Reserve | \$ <u>15,548,077</u> |
| Maintenance Reserve | \$ _____ |
| Emergency Reserve | \$ _____ |
| Tuition Reserve | \$ _____ |
| School Bus Advertising 50% Fuel Offset Reserve - current year | \$ _____ |
| School Bus Advertising 50% Fuel Offset Reserve - prior year | \$ _____ |
| Impact Aid General Fund Reserve (Sections 8002 and 8003) | \$ _____ |
| Impact Aid Capital Fund Reserve (Sections 8007 and 8008) | \$ _____ |
| Other state/government mandated reserve | \$ _____ |
| Reserve for Unemployment Fund | \$ <u>330,189</u> |
| [Other Restricted Fund Balance not noted above]**** | \$ _____ |
| Total Other Restricted Fund Balance | \$ <u>15,878,266</u> (C4) |

**RAMSEY BOARD OF EDUCATION
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Recommendations:

1. Administrative Practices and Reporting

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

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