

**BOARD OF EDUCATION OF THE
BOROUGH OF SOMERDALE SCHOOL DISTRICT
COUNTY OF CAMDEN**

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

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

BOROUGH OF SOMERDALE SCHOOL DISTRICTAuditor's Management Report on Administrative
Findings - Financial, Compliance and Performance

Table of Contents

	<u>Page</u>
Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance	1
Scope of Audit	2
Administrative Practices and Procedures	2
Insurance	2
Official Bonds	2
P.L.2020, c.44	2
Tuition Charges	N/A
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account	3
Employee Position Control Roster	3
Encumbrances and Accounts Payable	3
Travel	3
Classification of Expenditures	3
• General Classifications	3
• Administrative Classifications	3
Board Secretary's Records	3
Pupil Transportation	3
Elementary and Secondary Education Act as amended by Every Student Succeeds Act (E.S.S.A.)	4
Other Special Federal and / or State Projects	4
TPAF Reimbursement	4
TPAF Reimbursement to the State for Federal Salary Expenditures	4
School Purchasing Programs	4
Contracts and Agreements Requiring Advertisement for Bids	4
School Food Service	5
Student Body Activities	5
Application for State School Aid (ASSA)	5
Facilities and Capital Assets	6
Miscellaneous	6
Continuing Disclosure Agreements	6
Testing for Lead of All Drinking Water in Education Facilities	6
Follow-up on Prior Year Findings	6
Acknowledgment	6
Schedule of Meal Count Activity	N/A
Schedule of Net Cash Resources	7
Schedule of Audited Enrollments	8
Excess Surplus Calculation	12
Audit Recommendations Summary	14

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

The Honorable President and
Members of the Board of Education
Borough of Somerdale School District
County of Camden, 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 Borough of Somerdale School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2024, which were separately issued in the Annual Comprehensive Financial Report dated January 29, 2025.

As part of our audit, we also 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 issued in conjunction with the Annual Comprehensive Financial Report of the Board of Education of the Borough of Somerdale School District, for the fiscal year ended June 30, 2024, and is intended for the information of the School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Scott P. Barron
Certified Public Accountant
Public School Accountant No. CS 02459

Voorhees, New Jersey
January 29, 2025

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

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 School District's Annual Comprehensive Financial Report (ACFR).

Official Bonds (N.J.S.A. 18A: 17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
William Thompson	Board Secretary / School Business Administrator	\$200,000.00

There is a Faithful Performance Blanket Position bond covering all other employees with a maximum of \$250,000.00.

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 under 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 Chapter 44 data was submitted timely.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING

Examination of Claims

Sampled claims paid during the fiscal year under audit did not indicate any reportable noncompliance with respect to signatures, certification, or supporting documentation.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)

Payroll Account

The net salaries of sampled employees of the School District were deposited in the net payroll account. Employees' payroll deductions and the employer's share of fringe benefits were deposited in the payroll agency account.

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

Sampled salary withholdings were promptly remitted to the proper agencies, including health benefit premium withholdings due to the general fund.

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

Employee Position Control Roster

A sample of the Employee Position Control Roster indicated that it was in satisfactory condition and was approved by the county office submission with the 2023-2024 budget review checklist.

Encumbrances and Accounts Payable

A sample of outstanding issued purchase orders was made as of June 30 for proper classification of orders as encumbrances and accounts payable. Our sample did not indicate any reportable noncompliance with respect to classification of orders.

Travel

Our procedures performed on travel expenditures during the fiscal year under audit did not indicate any reportable noncompliance.

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 randomly sampled expenditure transactions. We also tested the coding of all expenditures included in our compliance and single audit sampling procedures. In addition, a sample was selected that specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. Our samples did not indicate any reportable noncompliance with respect to classification of expenditures.

Board Secretary's Records

Our audit of the financial and accounting records maintained by the Board Secretary indicated that they were in satisfactory condition.

Pupil Transportation

Our audit procedures included a sample of on-roll status reported in the 2023-24 District Report of Transported Resident Students (DRTRS). The information that was reported 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.

We performed procedures over transportation related contracts and purchases. It appears the School District complied with proper bidding procedures and award of contracts.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)**Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act (E.S.S.A.)**

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, and IV of the Every Student Succeeds Act.

The audit of compliance for E.S.E.A. did not indicate any reportable noncompliance.

Other Special Federal and / or State Projects

The School District's other 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 sample 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 other special projects.

The audit of compliance for other special projects did not indicate any reportable noncompliance.

TPAF Reimbursement

Our audit procedures included a sample of the biweekly reimbursements filed with the Department of Education for School District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

TPAF 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 and N.J.S.A. 18A:66-90. The expenditure was inspected subsequent to the reimbursement and no exceptions were noted.

SCHOOL PURCHASING PROGRAMS**Contracts and Agreements Requiring Advertisement for Bids**

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and the school contracts in general, are available on the following website:

https://nj.gov/dca/dlgs/programs/NJ_LAPL.shtml

Current statute is posted on the New Jersey Legislature website at:

<http://www.njleg.state.nj.us/>

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000.00 (with a Qualified Purchasing Agent) and \$32,000.00 (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 \$20,200.00 for 2023-24.

The School District's 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.

SCHOOL PURCHASING PROGRAMS (CONT'D)**Contracts and Agreements Requiring Advertisement for Bids (Cont'd)**

Based on the results of our audit, we did not note any individual payments, contracts, or agreements made for the performance of any 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.

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

SCHOOL FOOD SERVICE

The school food service program was not selected as a major federal and / or State program. However, the program expenditures exceeded \$100,000.00 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. No exceptions were noted.

The statement of revenues, expenses, and changes in fund net position (ACFR exhibit B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

Net cash resources did exceed three months average expenditures.

Finding No. 2024-001 (ACFR Finding No. 2024-001)

The School District did not limit its net cash resources to three months average expenditures for its school food service fund as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

Recommendation

That the School District develop a plan to reduce the food service fund's net cash resources below its three-month average expenditures as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

STUDENT BODY ACTIVITIES

Our audit of the financial and accounting records for student activities indicated that they were in satisfactory condition.

APPLICATION FOR STATE SCHOOL AID

Our audit procedures included a sample of information reported in the October 13, 2023 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low-income, and bilingual. We also performed an inspection of the School District procedures related to its completion. The information on the A.S.S.A. was compared to the School 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 School District maintained workpapers on the prescribed State forms or their equivalent.

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

Finding No. 2024-002 (ACFR Finding No. 2024-002)

The School District's workpapers and corresponding documentation did not agree with the submitted A.S.S.A. report and as a result, differences were identified.

Recommendation

That the School District's workpapers and corresponding documentation agree with the submitted A.S.S.A. report.

FACILITIES AND CAPITAL ASSETS

Our audit of the financial and accounting records for facilities and capital assets indicated that they were in satisfactory condition.

MISCELLANEOUS**Continuing Disclosure Agreements**

The School District complied with its most recent continuing disclosure agreements made in relation to prior year bond issuances.

Testing for Lead of All Drinking Water in Education Facilities

The School District complied with all the requirements of N.J.A.C. 6A:26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

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

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. Corrective action had not been taken on the prior year finding, which is repeated in this year's recommendations noted as current year finding 2024-001:

Finding No. 2023-001 (ACFR Finding No. 2023-001)

The School District did not limit its net cash resources to three months average expenditures for its school food service fund as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

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 of the officials of the School District, and we greatly appreciate the courtesies extended to the members of the audit team.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Scott P. Barron
Certified Public Accountant
Public School Accountant No. CS 02459

BOROUGH OF SOMERDALE SCHOOL DISTRICT
Schedule of Net Cash Resources
Net Cash Resources Did Exceed Three Months of Expenditures
Proprietary Funds - Food Service Fund
For the Fiscal Year Ended June 30, 2024

<u>Net Cash Resources:</u>		Food Service B - 4/5	
ACFR	Current Assets		
B-4	Cash & Cash Equivalents	\$ 19,066.72	
B-4	Due from Other Governments	6,950.24	
B-4	Due from Other Funds	131,098.02	
B-4	Accounts Receivable	3,055.63	
B-4	Investments		
ACFR	Current Liabilities		
B-4	Less Accounts Payable	(25,185.00)	
B-4	Less Accruals		
B-4	Less Due to Other Funds		
B-4	Less Unearned Revenue		
	Net Cash Resources	\$ 134,985.61	(A)
<u>Net Adjusted Total Operating Expense:</u>			
B-5	Total Operating Expenditures	\$ 240,647.11	
B-5	Less Depreciation	(11,461.99)	
	Adjusted Total Operating Expense	\$ 229,185.12	(B)
<u>Average Monthly Operating Expense:</u>			
	B / 10	\$ 22,918.51	(C)
<u>Three Times Monthly Average:</u>			
	3 X C	\$ 68,755.54	(D)

TOTAL IN BOX A	\$ 134,985.61
LESS TOTAL IN BOX D	\$ 68,755.54
NET	\$ 66,230.07

From above:

A is greater than D, cash exceeds 3 X average monthly operating expenses.

D is greater than A, cash does not exceed 3 X average monthly operating expenses.

BOROUGH OF SOMERDALE SCHOOL DISTRICT

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 2023

	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 A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors
	A.S.S.A.		Workpapers				Selected from		Registers		Registers					
	On Roll	On Roll	Workpapers	On Roll			On Roll	On Roll								
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool	20		20				20		20							
Full Day Preschool																
Half Day Kindergarten																
Full Day Kindergarten	49		49				49		49							
One	51		51				51		51							
Two	30		30				30		30							
Three	43		43				43		43							
Four	23		23				23		23				1	1	1	
Five	35		35				35		35							
Six	31		31				31		31							
Seven	47		47				47		47							
Eight	54		54				54		54							
Nine																
Ten																
Eleven																
Twelve																
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14CR.)																
Subtotal	383		383				383		383				1	1	1	
Special Education-Elementary	45		45				45		45							
Special Education-Middle School	18		18				18		18							
Special Education-High School																
Subtotal	63		63				63		63							
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Subtotal																
Totals	446		446				446		446				1	1	1	
Percentage Error																

BOROUGH OF SOMERDALE SCHOOL DISTRICT

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 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 LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application, Test Score and Register	Sample Errors
Half Day Preschool	4	4										
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten	17	17		11	8	3						
One	22	22		16	10	6						
Two	13	13		9	7	2						
Three	20	20		17	12	5						
Four	9	9		7	3	4						
Five	12	12		10	4	6						
Six	16	16		13	10	3	1	1				
Seven	16	16		14	10	4						
Eight	17	17		13	6	7	1	1		1	1	
Nine												
Ten												
Eleven												
Twelve												
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14CR.)												
Subtotal	146	146		110	70	40	2	2		1	1	
Special Education-Elementary	21	21		15	10	5	1	1		1	1	
Special Education-Middle School	9	9		7	5	2						
Special Education-High School												
Subtotal	30	30		22	15	7	1	1	-	1	1	
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Subtotal												
Totals	176	176		132	85	47	3	3		2	2	
Percentage Error						35.61%						
Transportation												
	Reported on DRTS by DOE/County	Reported on DRTS by District	Errors	Tested	Verified	Errors				Reported	Re- Calculated	
Reg. - Public Schools, Col. 1	3.00	3		2	2		Reg. Avg. (Mileage) = Regular Including Grade PK students (Part A)			6.3	6.3	
Reg. - SpEd, Col. 4	1	1		1	1		Reg. Avg. (Mileage) = Regular Excluding Grade PK students			6.3	6.3	
Transported - Non-Public, Col. 3							Spec. Avg. (Mileage) = Special Ed. with Special Needs			8.4	8.4	
Special Needs, Col. 6	4	4		3	3							
Totals	8	8	-	6	6							
Percentage Error												

BOROUGH OF SOMERDALE SCHOOL DISTRICT

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 2023

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten						
One						
Two						
Three						
Four						
Five						
Six	1	1		1	1	
Seven						
Eight						
Nine						
Ten						
Eleven						
Twelve						
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14CR.)						
Subtotal	1	1		1	1	
Special Education-Elementary	1	1		1	1	
Special Education-Middle School						
Special Education-High School						
Subtotal	1	1		1	1	
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Subtotal						
Totals	2	2		2	2	
Percentage Error						

BOROUGH OF SOMERDALE SCHOOL DISTRICT

Application for State School Aid Summary

Schedule of Audited Enrollments

Enrollment as of October 13, 2023

Military Connected Students			
Reported on A.S.S.A. as Military Connected <u>Students</u>	Sample for <u>Verification</u>	Sample <u>Verified</u>	Sample <u>Errors</u>
-	-	-	-

EXCESS SURPLUS CALCULATION**REGULAR DISTRICT / N/A TO CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT****SECTION 1****2% Calculation of Excess Surplus**

2023-24 Total General Fund Expenditures Reported on ACFR Exhibit C-1	\$ 11,111,908.07	(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	2,127,886.90	(B2a)
Assets Acquired Under Capital Leases	88,994.10	(B2b)
Adjusted 2023-24 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ 8,895,027.07	(B3)
2% of Adjusted 2023-24 General Fund Expenditures [(B3) times .02]	\$ 177,900.54	(B4)
Enter Greater of (B4) or \$250,000	250,000.00	(B5)
Increased by: Allowable Adjustment *	9,482.00	(K)
Maximum Unassigned Fund Balance [(B5) + (K)]	\$ 259,482.00	(M)

SECTION 2

Total General Fund - Fund Balances at June 30, 2024 (Per ACFR Budgetary Comparison Schedule, Ex. C-1)	\$ 5,884,933.03	(C)
Decreased by:		
Year-End Encumbrances	1,434,546.52	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures		(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	1,067,201.89	(C3)
Other Restricted Fund Balances ****	2,288,674.40	(C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	140,931.11	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ 953,579.11	(U1)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$ 694,097.11	(E)
---	---------------	-----

Recapitulation of Excess Surplus as of June 30, 2024

Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ 1,067,201.89	(C3)
Restricted - Excess Surplus *** [(E)]	694,097.11	(E)
Total Excess Surplus [(C3)+(E)]	\$ 1,761,299.00	(D)

EXCESS SURPLUS CALCULATION (CONT'D)**REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT****Footnotes:**

* 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) Supplemental Stabilization Aid & Maintenance of Equity Aid

Detail of Allowable Adjustments

Federal Impact Aid		(H)
Sale & Lease-back		(I)
Extraordinary Aid	\$ 9,482.00	(J1)
Additional Nonpublic School Transportation Aid		(J2)
Current Year School Bus Advertising Revenue Recognized		(J3)
Family Crisis Transportation Aid		(J4)
Supplemental Stabilization Aid & Maintenance of Equity Aid		(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	\$ 9,482.00	(K)

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

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

**** Amount for Other Restricted 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 another type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Office of School Finance prior to September 30.

Detail of Other Restricted Fund Balance**Statutory restrictions:**

Approved unspent separate proposal	
Sale/lease-back reserve	
Capital reserve	\$ 2,233,599.96
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 reserves	
Restricted for Unemployment	55,074.44
[Other Restricted Fund Balance not noted above]****	
Total Other Restricted Fund Balance	\$ 2,288,674.40 (C4)

BOROUGH OF SOMERDALE SCHOOL DISTRICTAudit Recommendations Summary
For the Fiscal Year Ended June 30, 2024

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

That the School District develop a plan to reduce the food service fund's net cash resources below its three month average expenditures as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

5. Student Body Activities

None

6. Application for State School Aid

That the School District's workpapers and corresponding documentation agree with the submitted A.S.S.A. report.

7. Facilities and Capital Assets

None

8. Miscellaneous

None

9. Follow-Up on Prior Year Findings

A review was performed on the prior year recommendation and the following is repeated in this year's recommendations:

That the School District develop a plan to reduce the food service fund's net cash resources below its three month average expenditures as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

