

**Lake Como Board of Education**

**Auditor's Management Report**

**County of Monmouth**

**June 30, 2024**

**Robert A. Hulsart & Company**  
**Certified Public Accountants**  
**2807 Hurley Pond Road, Suite 100**  
**Wall, New Jersey 07719**

## **AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS**

### **FINANCIAL, COMPLIANCE AND PERFORMANCE**

	<b><u>Page</u></b>
Report of Independent Auditors	1.
Administrative Findings - Financial, Compliance and Performance Reporting	
Scope of Audit	2.
Administrative Practices and Procedures	
Insurance	2.
Officials Bonds	2.
Financial Planning, Accounting and Reporting	
Examination of Claims	2.
Reserve for Encumbrances and Accounts Payable	2.
Board Secretary's Records/Treasurer's Records	2.
School Purchasing Program	
Contracts and Agreements Requiring Advertisement for Bids	3.
Pupil Transportation	3.
Classification of Expenditures	3.
Fund Balance	3.
Acknowledgment	3.
2% Calculation of Excess Surplus	4.
Application for State School Aid Summary	5 & 6.
Audit Recommendations Summary	7.

# Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
ROBERT A. HULSART, JR., C.P.A., P.S.A.

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

Telecopier:  
(732) 280-8888

e-mail:  
rah@monmouth.com

2807 Hurley Pond Road • Suite 100  
P.O. Box 1409  
Wall, New Jersey 07719-1409  
(732) 681-4990

1.

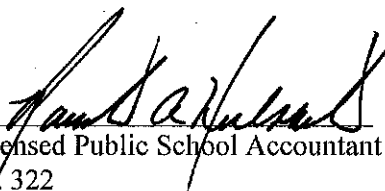
## REPORT OF INDEPENDENT AUDITORS

Honorable President and Members  
of the Board of Education  
Lake Como School District  
County of Monmouth, New Jersey

We have audited, in accordance with generally accepted audit standards and Government Auditing Standards, issued by the comptroller General of the United States, the general-purpose financial statements of the Board of Education of the Lake Como School District in the County of Monmouth, for the 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 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 Lake Como 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.



Licensed Public School Accountant  
No. 322

ROBERT A. HULSART AND COMPANY

January 10, 2025

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

### **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, 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 Bond**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Michael Bardsley	Board Secretary	\$ 150,000

### **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.

#### **Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, for proper classification of orders as reserve for encumbrances and accounts payable.

#### **Board Secretary's Records/Treasurer's Records**

Our review of the financial and accounting records maintained by the board secretary and treasurer indicated that they were in proof.

## **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 \$20,200 effective 2022-23.

The District 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.

Based on the results of our examination, 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 agreement for "Professional Services" per *N.J.S.A. 18A:18A-5*.

### **Pupil Transportation**

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. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

### **Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6:20-2A.2 (m)* 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. 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.

### **Fund Balance**

As of June 30, 2024, the district has emergency reserve of \$250,000, \$247,511 of unrestricted surplus; \$30,242 is tuition reserve - designated for subsequent year's expenditures; and \$25,313 is designated for subsequent year's expenditures by the BOE for a total fund balance of \$553,266.

### **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 staff.

**2% Calculation of Excess Surplus**

2023-2024 Total General Fund Expenditures Per the ACFR	<u>\$ 3,813,546</u>
--	---------------------

Adjusted 2023-2024 General Fund Expenditures	<u>\$ 3,813,546</u>
--	---------------------

2% of Adjusted 2023-2024 General Fund Expenditures	<u>\$ 76,271</u>
--	------------------

Enter Greater of Above or \$250,000	\$ 250,000
-------------------------------------	------------

Increased by Allowable Adjustments	<u>323</u>
------------------------------------	------------

Maximum Unreserved/Undesignated Fund Balance	<u>\$ 250,323</u>
--	-------------------

**Section 2**

Total General Fund – Fund Balance @ June 30, 2024	\$ 553,266
---	------------

Decreased By:

Designated for Subsequent Year's Expenditures – BOE	(25,513)
---	----------

Designated for Subsequent Year's Expenditures – Tuition Reserve	(30,242)
---	----------

Other Reserves	<u>(250,000)</u>
----------------	------------------

Total Unreserved/Undesignated Fund Balance	<u>\$ 247,511</u>
--	-------------------

Reserved Fund Balance – Excess Surplus	<u>\$ 0</u>
--	-------------

**Section 3**

Excess Surplus – Current Year	\$ 0
-------------------------------	------

Reserved Fund Balance - Designated for Subsequent Years Expenditures	<u>0</u>
--	----------

	<u>\$ 0</u>
--	-------------

**Detail of Allowable Adjustments**

Non-Public Transportation	<u>\$ 323</u>
---------------------------	---------------

**Detail of Reserved Fund Balance**

Emergency Reserve	<u>\$ 250,000</u>
-------------------	-------------------

**LAKE COMO SCHOOL DISTRICT**

**APPLICATION FOR STATE SCHOOL AID SUMMARY**

**ENROLLMENT AS OF OCTOBER 15, 2023**

Sheet 1 of 2

	2024-2025 Application for State School Aid						Sample for Verification						Private Schools for Handicapped				
	Reported On		Reported on		Errors		Sample Selected		Verified Per		Errors Per Registers		Reported On		Sample for Verification	Sample Verified	Sample Errors
	A.S.S.A. on Roll		Workpapers on Roll				from Workpapers		Registers on Roll		on Roll		A.S.S.A. as				
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Private Schools		
Half Day Kindergarten																	
One																	
Two																	
Three																	
Four																	
Five																	
Six																	
Seven																	
Eight																	
Subtotal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Special Ed. - Elementary																	
Special Ed. - Middle													1	1	1		
Special Ed. - High School													4	4	4		
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	5	5	5	0	
Co. Voc. - Regular																	
Co. Voc. - Ft. Post Sec.																	
Home Instruction																	
Totals	0	0	0	0	0	0	0	0	0	0	0	0	5	5	5	0	
Percentage Error					0%	0%						0%	0%				0%

**LAKE COMO SCHOOL DISTRICT**

Sheet 2 of 2

**APPLICATION FOR STATE SCHOOL AID SUMMARY**

**ENROLLMENT AS OF OCTOBER 15, 2023**

**Low Income**

No students on roll reported as low income.

**LEP Students**

No students on roll reported as LEP.

**Transportation**

	<b>Reported on DRTS by DOE</b>	<b>Reported on DRTS by District</b>	<b>Errors</b>	<b>Tested</b>	<b>Verified</b>	<b>Errors</b>
Reg. - Public Schools	40	40		40	40	
Transported - Non-Public	1	1		1	1	
Special Education						
Special Needs - Private	8	8		8	8	
Totals	49	49	0	49	49	0
Percentage Error						0%

	<b>Reported</b>	<b>Recalculated</b>
Avg. Mileage - Regular Including Grade PK Students	6.3	6.3
Avg. Mileage - Regular Excluding Grade PK Students	6.3	6.3
Avg. Mileage - Special Ed. With Special Needs	7.2	7.2



**LAKE COMO SCHOOL DISTRICT**  
**AUDIT 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  
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  
There were no prior year recommendations.