

**TEANECK BOARD OF EDUCATION  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2024**

**TEANECK BOARD OF EDUCATION  
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS  
- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Honorable President and Members  
of the Board of Education  
Teaneck Board of Education  
651 Teaneck Road  
Teaneck, New Jersey 07666

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 Teaneck Board of Education as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated January 7, 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 Education, others within the District, and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

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

Gary J. Vinci  
Public School Accountant  
PSA Number CS00829

Fair Lawn, New Jersey  
January 7, 2025

**TEANECK 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 and the 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 the Insurance Schedule in Exhibit J-20 of the District's Annual Comprehensive Financial Report (the "ACFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Haquisha Q. Taylor	Board Secretary/School Business Administrator	\$450,000
Antoinette Kelly	Treasurer of School Monies	500,000

There is a Public Employees' Faithful Performance Blanket Position Bond with Selective Insurance covering all other employees with multiple coverage of \$500,000.

**P.L. 2020, c44**

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year of audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness. The data submitted did include all health benefit plans offered by the school district. The school district data certification was completed by the Chief School Administrator and was submitted in a timely manner.

**Financial Planning, Accounting and Reporting**

**Examination of Claims**

An examination of claims paid during the period under review did not reveal any significant discrepancies with respect to each of signature, certifications 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/Business Administrator and the Chief School Administrator.

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

**Finding 2024-01** – Our audit noted that a payroll agency ledger by deduction was not currently maintained by the District.

**Recommendation** – A payroll agency ledger by deduction be currently maintained and in agreement with the monthly bank reconciliation.

**TEANECK 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 District filed the required certificate (E-CERTI) of compliance with requirements for income tax compensation of certain administrators with the NJ Department of Treasury.

The District maintains a personnel tracking and accounting (Position Control) system.

**Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserve 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.

**Finding 2024-002** – The amount owed to the State of New Jersey for the TPAF Reimbursement for Federally Funded Programs totaling \$468,800 was recorded as an encumbrance (open purchase order) at June 30, 2024. An audit adjustment was made to reclassify this amount to an account payable.

**Recommendation** – The District review purchase orders at year end for proper classification as an accounts payable or outstanding encumbrance.

**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, a separate test was made to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3 as it relates to administrative coding classification. No errors were noted.

**Travel**

The Board of Trustees has adopted a travel policy that complies with N.J.S.A. 18A:11-12.

**Board Secretary's Records**

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

**Finding 2024-03 (ACFR Finding 2024-001 and 2024-005)** - The monthly Board Secretary and Treasurer's reports and the certification of availability of funds/line item deficits were not approved in a timely manner.

**Recommendation** - The District's Board Secretary and Treasurer's reports be completed and submitted with the monthly certification of funds for approval by the Board in a timely manner.

**Finding 2024-04** – The District utilizes a warrant bank account to pay bills for both its Governmental and Enterprise Funds. At year-end numerous reconciling items and adjustments remain outstanding on the District's warrant account bank reconciliations.

**Recommendation** – Action be taken to clear the reconciling items and adjustments on all District bank reconciliations. Furthermore, internal transfers between bank accounts be adjusted on a current basis.

**TEANECK BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

**Board Secretary's Records (Continued)**

**Finding 2024-05 (ACFR Finding 2024-002)** – Our audit noted the following items pertaining to year end balances:

With regards to the General Fund,

- The intergovernmental accounts receivable account balance was understated by \$549,308.
- The accounts payable report was not in agreement with the general ledger/balance sheet by \$44,874.
- The open purchase order (encumbrances) report was not in agreement with the general ledger/balance sheet by \$215,436.

With regards to the Special Revenue Fund,

- The open purchase order (encumbrances) report was not in agreement with the general ledger/balance sheet by \$329,425.

**Recommendation** - The District's balance sheet accounts be reviewed and reconciled with the various subsidiary ledgers and reports.

**Finding 2024-06 (ACFR Finding 2024-006)** - Our audit noted that the District did not obtain approval from the Executive County Superintendent for transfers to an advertised appropriation account identified as General Administration as defined under N.J.A.C. 6A:23A-13.3(e). The budget transfers, on a cumulative basis exceeded ten percent of the amount included in the original budget. The budget line item meeting this criteria was General Administration which had an increase totaling 47.53% of the original budget.

**Recommendation** - The District obtain the approval of the Executive County Superintendent for transfers to advertised appropriation accounts identified as General Administration which exceed 10 percent of the original budget account on a cumulative basis as required by N.J.A.C. 6A:23A-13.3(e).

**Finding 2024-07** – The District did not prepare at year-end, a detailed listing by employee, of its outstanding compensated absences liability.

**Recommendation** – The District prepare a detail analysis by employee of the year end compensated absences liability.

**Elementary and Secondary Education Act (E.S.E.A.), as amended by Every Student Succeeds Act (ESSA)**

The E.S.E.A. financial exhibits are contained within the Special Revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Titles I, II, III and IV of the Elementary and Secondary Education Act as amended and reauthorized.

Our examination of the Federal and State funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

**TEANECK BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

**IDEA Part B**

Grant application approvals and acceptance of grant funds were made by Board resolution.

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

The District's Special Projects were approved as listed on Exhibits K-3 and K-4 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.

**Finding 2024-08 (ACFR Finding 2024-003 and 2024-004)** – Our audit of Special Revenue Fund grants noted the following:

- At June 30, 2024, there were various overexpended budgetary accounts for the ARP Stabilization, ESSER II, ARP ESSER Accelerated Learning Coach and Non Public Handicapped Examination and Classification.
- Salaries and stipends for employees charged to ESSER grants were not approved by a Board resolution.
- Grant receipts and grant expenditures for the ACSERs grant were not recorded in the Special Revenue Fund.

**Recommendation** - Internal controls over grant accounting and reporting be reviewed and enhanced.

**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.

The amount of the expenditures charged to the current year's final reports for all Federal awards for the 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 sixty day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and an audit adjustment was made to reclassify the District's year-end encumbrance to accounts payable (see Finding 2024-02).

**Non Public State Aid**

Project completion report were finalized and transmitted to the State by the due date.

**School Purchasing Programs**

**Contracts and Agreements Requiring Advertisement for Bids**

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

**TEANECK BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Purchasing Programs (Continued)**

**Contracts and Agreements Requiring Advertisement for Bids (Continued)**

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (c.40A:11-9), the Board of Education may establish that the bid threshold may be up to \$44,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section. The Board has designated the Business Administrator/Board Secretary as the qualified purchasing agent.

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no 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. 18A:18A-4 except as noted below:

**Finding 2024-09** – Our audit noted that state/cooperative contracts that exceeded the bid threshold were not individually approved by the Board. In addition, documentation (i.e. price lists) supporting the itemized state/cooperative contract amounts was not provided for audit.

**Recommendation** – All state/cooperative contracts over the bid threshold be submitted to the Board for their approval. In addition, documentation supporting the costs included in the state/cooperative contract be retained by the District and made available for audit.

**Finding 2024-10** – With regards to purchasing we noted that professional service contracts were not always advertised when the contract was awarded. We also noted that credit change orders/contract reductions were not approved by a Board resolution. In addition, documentation to support certain contract awards and/or bid documentation was not made available for audit.

**Recommendation** – Professional service contracts be advertised when contracts are awarded by the Board. In addition, credit change orders/contract reductions be ratified by a resolution approved by the Board. Furthermore, documentation pertaining to contract awards and bids be retained and made available for audit.

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

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal that purchases were made through the use of state contracts.

**School Food Service**

School Food Authorities ("SFA") were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies ("FSMC") in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFA's 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.

SFA's 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 free and reduced price meal eligible students during the emergency.



**TEANECK BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Food Service (Continued)**

The financial transactions and statistical records of the school food services were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

The district utilizes a food service management company Maschio's 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 contract were reviewed. The contract includes a provision which guarantees that the food service program will have a minimum profit of \$100,000. The operating results provision was not met and the FSMC subsidized the District \$49,257. All vendor discounts, rebates and credits from vendors and/or the FSMC were tracked and credited to the Food Service account and reconciled to supporting documentation.

Expenses were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursements records reflected expenses for program related goods and services. The appropriate revenue and expense records were maintained in order to substantiate the non-profit status of the school food service fund.

The June 30, 2024 net cash resources exceeded the three-month average of food service expenses. The District has implemented a multi-year fiscal plan in order to eliminate the excess.

The number of meals claimed for reimbursement was compared to meal count records. As part of the claims process, the district completed edit check worksheets. Reimbursement claims were submitted/certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications and list of directly certified students on file times the number of operating days. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for review.

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

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

The District's FSMC did provide the USDA mandated Non-Program Food Revenue tool.

Exhibits reflecting Child Nutrition Program operations are included on Exhibits B-4, B-5 and B-6 of the District's ACFR.

**Student Body Activity**

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

**Community School Programs**

Separate cash receipt and disbursement journals and billing records were maintained for the Community School programs. The financial records were maintained in good condition.

**TEANECK BOARD OF EDUCATION  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**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 handicapped, low-income and bilingual students. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers with immaterial exceptions noted. The information that was included on the workpapers was verified with immaterial exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District 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.

**Facilities and Capital Assets**

Our procedures included a review of the transfer of local funds from the General Fund or from the Capital Reserve Account, and awarding of contracts for eligible facilities construction.

**Finding 2024-11** – Our audit noted that the Bryant Elementary School Pre-K classroom renovation project was recorded in the General Fund's Capital Outlay budget for the amount funded by capital reserve. The state grant portion of the project was not recorded in the District's financial records. In addition, we noted a contract awarded for the project construction totaling \$309,000 was not encumbered at June 30, 2024. An audit adjustment was made to reclassify the capital reserve funding and expenditures from Capital Outlay to the Capital Projects Fund and to record the SDA grant and contract award in the Capital Projects Fund.

**Recommendation** – Capital projects be recorded at approved amounts and reported in the Capital Projects Fund.

**Finding 2024-12** – Our audit revealed that the District's did not update its Capital Asset appraisal report for the 2023-24 school year additions and deletions.

**Recommendation** – The District's Capital Asset report including depreciation expense be updated in a timely manner.

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

The school district adhered to all 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).

**Suggestions to Management**

- The District approve a formal policy on the use of store cards.
- The District approve a resolution or prepare an internal memorandum to document a plan for the reduction of legal costs.

**TEANECK BOARD OF EDUCATION  
FOOD SERVICE FUND  
NUMBER OF MEALS  
FOOD SERVICE ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<b>Program</b>	<b><u>Meals Category</u></b>	<b><u>Meals Claimed</u></b>	<b><u>Meals Tested</u></b>	<b><u>Meals Verified</u></b>	<b><u>Difference</u></b>
National School Lunch	Paid	146,988	60,892	60,892	-
	Reduced	45,375	19,267	19,267	-
	Free	<u>103,995</u>	<u>44,267</u>	<u>44,267</u>	<u>-</u>
		<u>296,358</u>	<u>124,426</u>	<u>124,426</u>	<u>-</u>
Severe Needs Breakfast	Paid	19,461	7,865	7,865	-
	Reduced	8,789	3,721	3,721	-
	Free	<u>25,237</u>	<u>10,483</u>	<u>10,483</u>	<u>-</u>
		<u>53,487</u>	<u>22,069</u>	<u>22,069</u>	<u>-</u>
Total		<u><u>349,845</u></u>	<u><u>146,495</u></u>	<u><u>146,495</u></u>	<u><u>-</u></u>

**TEANECK BOARD OF EDUCATION  
FOOD SERVICE FUND  
SCHEDULE OF NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Current Assets**

Cash and Cash Equivalents	\$ 2,756,489
Intergovernmental Receivables	30,486
Accounts Receivable	<u>166,784</u>

2,953,759

**Current Liabilities**

Less:

Accounts Payable	
Unearned Revenue	(23,989)
Due to Other Funds	<u>(102,684)</u>

<b>Net Cash Resources</b>	<b><u>\$ 2,827,086</u></b>
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**Adjusted Total Operating Expenses:**

Total Operating Expenses	\$ 2,088,003
Less Depreciation Expense	<u>(38,255)</u>

Adjusted Total Operating Expenses	<b><u>\$ 2,049,748</u></b>
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<b><u>Average Monthly Operating Expenses:</u></b>	<b><u>\$ 204,975</u></b>
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<b><u>Three Times Monthly Average:</u></b>	<b><u>\$ 614,924</u></b>
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Total Net Cash Resources	\$ 2,827,086
Three Times Monthly Average	<u>614,924</u>

Amount Above Allowable Net Cash Resources	<b><u>\$ 2,212,162</u></b>
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**TEANECK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID  
SCHEDULE OF AUDITED ENROLLMENTS  
ENROLLMENT AS OF OCTOBER 15, 2023**

	Application for State School Aid						Sample for Verification						On-Roll Special Education			Private Schools for Disabled			
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Sample			Reported on	Sample		
	A.S.S.A.		Workpapers				Selected from		Register		Registers		Sample	Sample	Sample	A.S.S.A. as	for	Sample	Sample
	On Roll	Shared	On Roll	Shared			Workpapers	On Roll	On Roll	On Roll	for	Verifi-	Errors			Private	Verifi-		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Verifi-	Verified	Errors	Schools	cation	Verified	Errors
Full Day Pre-K 3yr	123		123				93		93										
Full Day Pre-K 4yr	135		135				105		105										
Full Day K	197		197				49		49										
One	170		170				63		63										
Two	170		170				52		52										
Three	172		172				63		63										
Four	190		190				60		60										
Five	195		195				91		91										
Six	217		217				109		109										
Seven	210		210				106		106										
Eight	195		195				90		90										
Nine	246	1	246	1			247		247										
Ten	263	1	263	1			264		264										
Eleven	265		266		(1)		265		266		(1)								
Twelve	234		234				234		234										
Subtotal	2,982	2	2,983	2	(1)	-	1,891	-	1,892	-	(1)	-							
Sp. Ed. - Elementary	288		288				43		43				27	27		14	5	5	
Sp. Ed. - Middle School	152		152				78		78				15	15		14	5	5	
Sp. Ed. - High School	252	1	252	1			253		253				24	24		32	11	11	
Subtotal	692	1	692	1	-	-	374	-	374	-	-	-	66	66	-	60	21	21	-
Totals	3,674	3	3,675	3	(1)	-	2,265	-	2,266	-	(1)	-	66	66	-	60	21	21	-
Percentage Error					-0.03%	0.00%					-0.04%	0.00%			0.00%				0.00%

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

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on ASSA Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on ASSA as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected	Verified to Test Score and Register	Errors
Full Day Kindergarten	90	90		5	5		7	7		2	2	
One	80	80		5	5		7	7		2	2	
Two	63	63		4	4		2	2		1	1	
Three	66	66		4	4		9	9		3	3	
Four	74	74		4	4		9	9		3	3	
Five	72	72		4	4		4	4		1	1	
Six	85	85		5	5		8	7	1	3	3	
Seven	79	79		5	5		5	5		2	2	
Eight	78	78		5	5		1	1		1	1	
Nine	62	62		4	4		5	5		2	2	
Ten	60	60		4	4		7	7		2	2	
Eleven	62	62		4	4		5	5		2	2	
Twelve	40	40		2	2		2	2		1	1	
Subtotal	911	911	-	55	55	-	71	70	1	25	25	-
Special Ed. - Elementary	102	102		6	6		3	3		1	1	
Special Ed. - Middle	45	45		3	3		1	1		1	1	
Special Ed. - High	85	85		5	5							
Subtotal	232	232	-	14	14	-	4	4	-	2	2	-
Totals	1,143	1,143	-	69	69	-	75	74	1	27	27	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>1.33%</u>			<u>0.00%</u>

	Transportation					
	Reported on DRTRS by DOE / County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public	364	364		10	10	
Special Ed. - Regular	4	4		1	1	
Transported - Non - Public	1,742	1,742		50	50	
Special Ed with Spec Needs	346	346		10	10	
	2,456	2,456	-	71	71	-
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

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

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA LEP Not low Income	Reported on Workpapers as LEP Not low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten	5.0	5.0		2	2	
One	4.0	4.0		2	2	
Two	7.0	7.0		3	3	
Three	7.0	7.0		3	3	
Four	7.0	7.0		3	3	
Five	1.0	1.0				
Six	3.0	3.0		1	1	
Seven	6.0	6.0		3	3	
Eight	6.0	6.0		3	3	
Nine	10.0	10.0		5	5	
Ten	11.0	11.0		5	5	
Eleven	10.0	10.0		5	5	
Twelve	2.0	2.0		1	1	
Subtotal	79	79	-	36	36	-
Special Ed. - Elementary	1	1		1	1	
Special Ed. - Middle						
Special Ed. - High	3	3		1	1	
Subtotal	4	4	-	2	2	-
Totals	83	83	-	38	38	-
Percentage Error			0.00%			0.00%

**TEANECK BOARD OF EDUCATION  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Total General Fund Expenditures (Budgetary Basis)		\$	132,640,062
Increased by:			
Capital Reserve Transfer to Capital Projects Fund			249,600
Transfer to Special Revenue Fund (Preschool)			<u>666,585</u>
			133,556,247
Decreased by:			
Capital Financing Agreements			(974,883)
On-Behalf TPAF Pension & Social Security			<u>(21,509,001)</u>
Adjusted General Fund Expenditures		\$	<u>111,072,363</u>
2% of Adjusted General Fund Expenditures		\$	2,221,447
Increased by:			
Allowable Adjustments			
Extraordinary Aid	\$	284,868	
Non Public Transportation Aid		<u>617,895</u>	
			<u>902,763</u>
Maximum Unassigned Budgetary Fund Balance		\$	3,124,210
Total General Fund - Fund Balance at June 30, 2024 (Budgetary Basis)		\$	20,872,510
Decreased by:			
Year-End Encumbrances	\$	1,742,479	
Capital Reserve		4,794,584	
Maintenance Reserve		3,168,771	
Tuition Reserve		285,162	
Excess Surplus Designated for Subsequent Year's Budget		1,315,650	
Designated for Subsequent Year's Budget		<u>3,042,098</u>	
			<u>14,348,744</u>
Total Unassigned Fund Balance			<u>6,523,766</u>
Amount Above Maximum 2% Surplus		\$	<u>3,399,556</u>
<u>Analysis of Excess Surplus</u>			
Excess Surplus Designed for Subsequent Year's Budget		\$	1,315,650
Excess Surplus			<u>3,399,556</u>
		\$	<u>4,715,206</u>



## **TEANECK BOARD OF EDUCATION RECOMMENDATIONS**

### **I. Administrative Practices and Procedures**

There are none.

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

It is recommended that:

- \* 1. A payroll agency ledger by deduction be currently maintained and in agreement with the monthly bank reconciliation.
- 2. The District review purchase orders at year end for proper classification as an accounts payable or encumbrance.
- \* 3. The District's Board Secretary and Treasurer's reports be completed and submitted with the monthly certification of funds for approval by the Board in a timely manner.
- \* 4. Action be taken to clear the reconciling items and adjustments on all District bank reconciliations. Furthermore, internal transfers between bank accounts be adjusted on a current basis.
- \* 5. The District's balance sheet accounts be reviewed and reconciled with the various subsidiary ledgers and reports.
- 6. The District obtain the approval of the Executive County Superintendent for transfers to advertised appropriation accounts identified as General Administration which exceed 10 percent of the original budget account on a cumulative basis as required by N.J.A.C. 6A:23A-13.3(e).
- 7. The District prepare a detail analysis by employee of the year end compensated absences liability.
- \* 8. Internal controls over grant accounting and reporting be reviewed and enhanced.

### **III. School Purchasing Program**

It is recommended that:

- \* 9. All state/cooperative contracts over the bid threshold be submitted to the Board for their approval. In addition, documentation supporting the costs included in the state/cooperative contract be retained by the District and made available for audit.
- 10. Professional service contracts be advertised when contracts are awarded by the Board. In addition, credit change orders/contract reductions be ratified by a resolution approved by the Board. Furthermore, documentation pertaining to contract awards and bids be retained and made available for audit.

### **IV. School Food Services**

There are none.

### **V. Student Body Activities**

There are none.

### **VI. Community School Programs**

There are none.

### **VII. Application for State School Aid**

There are none.

### **VIII. Pupil Transportation**

There are none.

**TEANECK BOARD OF EDUCATION  
RECOMMENDATIONS**

**IX. Facilities and Capital Assets**

It is recommended that:

11. Capital projects be recorded at approved amounts and reported in the Capital Projects Fund.
12. The District's Capital Asset report including depreciation expense be updated in a timely manner.

**X. Miscellaneous**

There are none.

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

A review was performed on all prior years' recommendations. Corrective action was taken on the prior year recommendations, except those denoted with an asterisk (\*).

**ACKNOWLEDGEMENT**

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