

**TOWNSHIP OF WASHINGTON  
SCHOOL DISTRICT  
COUNTY OF GLOUCESTER**

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

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



**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**Auditor's Management Report on Administrative  
Findings - Financial, Compliance and Performance

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

The Honorable President and  
Members of the Board of Education  
Township of Washington School District  
County of Gloucester, 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 Township of Washington School District, in the County of Gloucester, 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 May 22, 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 Township of Washington 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



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Voorhees, New Jersey  
May 22, 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)**

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Amount</u></b>
Janine Wechter	Board Secretary / School Business Administrator	\$561,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond covering all other employees with multiple coverage of \$500,000.00.

#### **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.

If the data certification date reflects submission date later than 60 days after the end of the enrollment period: The original data submission did not require significant revision due to errors or omissions on the part of the district.

#### **Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were less than estimated costs. The School District made a proper adjustment to the billings to sending districts for the decrease 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**

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

#### **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.

**FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)****Payroll Account (Cont'd)**

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 not in satisfactory condition.

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

Material audit adjusting journal entries were required to be made to record omitted financial transactions and to properly report financial statements that are free from material misstatement.

***Recommendation***

That general ledgers and subsidiary records be accurately and completely maintained, in a timely manner, to ensure adequate control over the preparation of the School District's financial statements.

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

### **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.

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

### **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, III 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 material 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](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.

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 financial transactions and statistical records of the school food service fund were audited. The financial accounts, meal count records, and eligibility applications were tested on a sample basis. No exceptions were noted.

Cash receipts and bank records were sampled for timely deposit. No exceptions were noted.

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

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

Net cash resources did not exceed three months average expenditures.

Sampled time sheets were tested and labor costs verified. Payroll records were maintained on all sampled school food service employees authorized by the School District. No exceptions were noted.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process, the Edit Check Worksheet was completed. Reimbursement claims were submitted / certified in a timely manner.

**SCHOOL FOOD SERVICE (CONT'D)**

Sampled applications for free and reduced price meals were tested for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications and / or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was inspected for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for audit.

USDA Food Distribution Program (food and / or commodities) were received and a single inventory was maintained on a first-in, first-out basis. 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.

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

**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.

**FACILITIES AND CAPITAL ASSETS**

Our audit of the financial and accounting records for facilities and capital assets indicated that they were not in satisfactory condition.

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

The School District was unable to provide a capital asset record as of June 30, 2024 that properly included capital asset additions for all expenditures charged to capital outlay budgetary line items. Additionally, the School District's capital asset record did not properly calculate depreciation expense. Audit adjustments were proposed, approved and recorded to report capital assets balances that are free from material misstatement.

***Recommendation***

That the School District maintain a capital asset record that properly includes construction in progress, reconciles capital outlay expenditures to capital assets additions, and properly calculates depreciation expense.



## **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**

There were no audit findings for the fiscal year ended June 30, 2023.

We have inspected any findings contained in the desk review NJDOE Monitoring Report for Additional or Compensatory Special Education and Related Services (ASCERS). Corrective action had been taken on all findings in the report dated 09/17/24. The School District was able to provide the supporting source documentation that was missing for the desk review.

**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*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Todd R. Saler*

Todd R. Saler  
Public School Accountant No. CS 02195

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Meal Count Activity  
Food Service Fund  
Number of Meals Served and (Over) / Underclaim - Federal  
Enterprise Fund  
For the Fiscal Year Ended June 30, 2024

<u>Program</u>	<u>Meal Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>Estimated (Over) / Under Claim</u>
National School Lunch (Regular Rate)	Paid	267,633	267,633	267,633	-	\$ 0.40	\$ -
	Reduced	32,214	32,214	32,214	-	3.85	-
	Free	126,406	126,406	126,406	-	4.25	-
	Total	426,253	426,253	426,253	-		-
National School Lunch	HHFKA - PB Lunch Only	426,253	426,253	426,232	-	0.08	-
School Breakfast (Regular Rate)	Paid	37,353	37,353	37,353	-	0.38	-
	Reduced	7,169	7,169	7,169	-	1.98	-
	Free	34,073	34,073	34,073	-	2.28	-
	Total	78,595	78,595	78,595	-		-
School Breakfast (Severe Need Rate)	Paid	14,575	14,575	14,575	-	0.38	-
	Reduced	4,575	4,575	4,575	-	2.43	-
	Free	15,376	15,376	15,376	-	2.73	-
	Total	34,526	34,526	34,526	-		-
Total Net Underclaim / (Overclaim)							\$ -

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Schedule of Net Cash Resources  
Net Cash Resources Did not Exceed Three Months of Expenditures  
Proprietary Funds - Food Service Fund  
For the Fiscal Year Ended June 30, 2024

		<b>Food Service B - 4/5</b>	
<b><u>Net Cash Resources:</u></b>			
<b>ACFR</b>	<b>Current Assets</b>		
B-4	Cash & Cash Equivalents	\$	1,490,633.95
B-4	Due from Other Governments		179,650.77
B-4	Due from Other Funds		
B-4	Accounts Receivable		10,000.00
B-4	Investments		
<b>ACFR</b>	<b>Current Liabilities</b>		
B-4	Less Accounts Payable		(22,640.98)
B-4	Less Accruals		(7,855.27)
B-4	Less Due to Other Funds		(560,239.35)
B-4	Less Unearned Revenue		(57,389.02)
	<b>Net Cash Resources</b>	<b>\$</b>	<b>1,032,160.10 (A)</b>
<b><u>Net Adjusted Total Operating Expense:</u></b>			
B-5	Total Operating Expenditures	\$	3,466,413.46
B-5	Less Depreciation		(25,879.80)
	<b>Adjusted Total Operating Expense</b>	<b>\$</b>	<b>3,440,533.66 (B)</b>
<b><u>Average Monthly Operating Expense:</u></b>			
	B / 10	<b>\$</b>	<b>344,053.37 (C)</b>
<b><u>Three Times Monthly Average:</u></b>			
	3 X C	<b>\$</b>	<b>1,032,160.10 (D)</b>

TOTAL IN BOX A	\$	1,032,160.10
LESS TOTAL IN BOX D	\$	1,032,160.10
NET	\$	-

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.

## TOWNSHIP OF WASHINGTON 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 A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Half Day Preschool																	
Full Day Preschool	213		213				213		213								
Half Day Kindergarten																	
Full Day Kindergarten	477		477				477		477								
One	461		461				461		461								
Two	439		439				439		439								
Three	411		411				411		411								
Four	467		467				467		467								
Five	451		451				451		451								
Six	485		485				485		485								
Seven	502		502				502		502								
Eight	497		497				497		497								
Nine	440		440				440		440								
Ten	446		446				446		446								
Eleven	437		437				437		437								
Twelve	459		459				459		459								
Post-Graduate																	
Adult H.S. (15+CR.)																	
Adult H.S. (1-14CR.)																	
Subtotal	6,185	-	6,185	-	-	-	6,185	-	6,185	-	-	-	-	-	-	-	-
Special Education-Elementary	428		428				19		19				9	9	9		
Special Education-Middle School	274		274				12		12				10	9	9		
Special Education-High School	323		323				14		14				29	24	24		
Subtotal	1,025	-	1,025	-	-	-	45	-	45	-	-	-	48	42	42	-	-
Co. Voc. - Regular																	
Co. Voc. Ft. Post Sec.																	
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	7,210	-	7,210	-	-	-	6,230	-	6,230	-	-	-	48	42	42	-	-
Percentage Error					-	-					-	-					-

**TOWNSHIP OF WASHINGTON 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												
Full Day Preschool	51	51		2	2							
Half Day Kindergarten												
Full Day Kindergarten	86	86		13	13		2	2		1	1	
One	86	86		17	17		3	3		3	3	
Two	79	79		11	11		1	1		1	1	
Three	75	75		11	11		2	2		2	2	
Four	75	75		11	11		4	4		4	4	
Five	87	87		24	24		2	2		2	2	
Six	129	129		31	31							
Seven	67	67		9	9		2	2				
Eight	103	103		20	20							
Nine	84	84		23	23		2	2		2	2	
Ten	92	92		17	17		1	1				
Eleven	91	91		13	13		3	3		2	2	
Twelve	68	68		11	11		1	1		1	1	
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14CR.)												
Subtotal	1,173	1,173	-	213	213	-	23	23	-	18	18	-
Special Education-Elementary	140	140		29	29		5	5		3	3	
Special Education-Middle School	114	114		10	10		1	1				
Special Education-High School	118	118		21	21		6	6		6	6	
Subtotal	372	372	-	60	60	-	12	12	-	9	9	-
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Totals	1,545	1,545	-	273	273	-	35	35	-	27	27	-
Percentage Error			-			-			-			-
Transportation												
	Reported on DRTS by DOE/County	Reported on DRTS by District	Errors	Tested	Verified	Errors				Reported	Re- Calculated	
Reg. - Public Schools, Col. 1	2,705	2,705		195	195		Reg. Avg. (Mileage) = Regular Including Grade PK students (Part A)			4.2	4.2	
Reg. - SpEd, Col. 4	662	662		48	48		Reg. Avg. (Mileage) = Regular Excluding Grade PK students (Part B)			4.2	4.2	
Transported - Non-Public, Col. 3	410	410		29	29		Spec. Avg. (Mileage) = Special Ed. with Special Needs			5.4	5.4	
Special Needs, Col. 6	324	324		24	24							
Totals	4,101	4,101	-	296	296	-						
Percentage Error			-			-						

## TOWNSHIP OF WASHINGTON 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 <u>Income</u>	Reported on Workpapers as NOT Low <u>Income</u>	<u>Errors</u>	Sample Selected from <u>Workpapers</u>	Verified to Test Score <u>and Register</u>	Sample <u>Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	5	5		5	5	
One	5	5		4	4	
Two	6	6		3	3	
Three	1	1		1	1	
Four	5	5		3	3	
Five	3	3		3	3	
Six						
Seven	1	1		1	1	
Eight	4	4		3	3	
Nine	2	2		2	2	
Ten	1	1				
Eleven	6	6		5	5	
Twelve	4	4		4	4	
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14CR.)						
Subtotal	43	43	-	34	34	-
Special Education-Elementary	3	3		1	1	
Special Education-Middle School						
Special Education-High School						
Subtotal	3	3	-	1	1	-
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Subtotal	-	-	-	-	-	-
Totals	46	46	-	35	35	-
Percentage Error			-			-

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT  
Application for State School Aid Summary  
Schedule of Audited Enrollments  
Enrollment as of October 13, 2023

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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	\$ 181,836,389.09	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund		(B1a)
Transfer from Capital Reserve to Capital Projects Fund	4,033,744.80	(B1b)
Transfer from General Fund to SRF for PreK-Regular	691,535.00	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion		(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	33,389,317.53	(B2a)
Assets Acquired Under Capital Leases	601,112.08	(B2b)
Adjusted 2023-24 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ 152,571,239.28	(B3)
2% of Adjusted 2023-24 General Fund Expenditures [(B3) times .02]	\$ 3,051,424.79	(B4)
Enter Greater of (B4) or \$250,000	3,051,424.79	(B5)
Increased by: Allowable Adjustment *	731,748.46	(K)
Maximum Unassigned Fund Balance [(B5) + (K)]	\$ 3,783,173.25	(M)

**SECTION 2**

Total General Fund - Fund Balances at June 30, 2024 (Per ACFR Budgetary Comparison Schedule, Ex. C-1)	\$ 17,441,253.22	(C)
Decreased by:		
Year-End Encumbrances	487,985.17	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures		(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	6,294,879.18	(C3)
Other Restricted Fund Balances ****	2,819,029.23	(C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	4,205,121.00	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ 3,634,238.64	(U1)

**SECTION 3**

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-	\$ -	(E)
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**Recapitulation of Excess Surplus as of June 30, 2024**

Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ 6,294,879.18	(C3)
Restricted - Excess Surplus *** [(E)]		(E)
Total Excess Surplus [(C3)+(E)]	\$ 6,294,879.18	(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		(J1)
Additional Nonpublic School Transportation Aid	199,555.00	(J2)
Current Year School Bus Advertising Revenue Recognized	19,193.46	(J3)
Family Crisis Transportation Aid		(J4)
Supplemental Stabilization Aid & Maintenance of Equity Aid	513,000.00	(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	\$ 731,748.46	(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	1,251,938.00	
Maintenance reserve		
Emergency reserve		
Tuition reserve		
School bus advertising 50% fuel offset reserve - current year	9,596.73	
School bus advertising 50% fuel offset reserve - prior year	13,486.46	
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	1,544,008.04	
[Other Restricted Fund Balance not noted above]****		
Total Other Restricted Fund Balance	\$ 2,819,029.23	(C4)

**TOWNSHIP OF WASHINGTON SCHOOL DISTRICT**  
Audit Recommendations Summary  
For the Fiscal Year Ended June 30, 2024

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Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

That general ledgers and subsidiary records be accurately and completely maintained, in a timely manner, to ensure adequate control over the preparation of the School District's financial statements.

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Facilities and Capital Assets

That the School District maintain a capital asset record that properly includes construction in progress, reconciles capital outlay expenditures to capital assets additions, and properly calculates depreciation expense.

8. Miscellaneous

None

9. Follow-Up on Prior Year Findings

Not applicable