

BOARD OF EDUCATION

LACEY TOWNSHIP

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

FISCAL YEAR ENDED JUNE 30, 2023

Prepared by

Gerard Stankiewicz, CPA, PSA

Of the Firm

**SAMUEL KLEIN AND COMPANY, LLP
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REPORT OF INDEPENDENT AUDITORS

Honorable President and Members
of the Board of Education
Lacey Township School District
County of Ocean, 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 Lacey Township School District in the County of Ocean for the year ended June 30, 2023 and have issued our report thereon dated March 26, 2024.

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

This report is intended solely for the information of the Lacey Township 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.



Gerard Stankiewicz
Certified Public Accountant
Licensed Public School Accountant #912



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey
March 26, 2024

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE
JUNE 30, 2023

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 and the records of the various funds under the auspices of the Board of Education. This report is filed in conjunction with the District's Annual Comprehensive Financial Report ("ACFR").

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the Statistical Section (J-20) of the District's ACFR.

Officials' Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Sharon Ormsbee	Business Administrator	\$ 360,000.00 (A)

(A) Selective Insurance. There is a Public Employees Faithful Performance Blanket Position Bond in the amount of \$1,000,000.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under audit was made as to affidavit or signed declaration, proper itemization and proper authorization by officials. The Board's voucher system is in accordance with R.S. 18:6-34, which requires a signed declaration by the vendor in place of an affidavit. In addition, all vouchers are signed by the Board Secretary. The actual signature for receipt of goods or services rendered is on the receiving copy of the purchase order set, which is attached to the purchase order and filed alphabetically. All claims approved for payment are listed by fund total in the Minutes.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

Financial Planning, Accounting and Reporting (Continued)

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 fringe benefits were deposited in the Payroll Agency Account.

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

Compensation records were tested and for those individuals examined, it was determined that salaries paid were in accordance with the amounts authorized by the Board.

Salary withholdings were promptly remitted to the proper agencies, including required health insurance withholdings.

Tuition Charges (Revenue)

The Board made a proper adjustment to the billings to the sending district for the charge in per pupil costs in accordance with N.J.A.C. 6A:23-3.1 (f)3.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2023 for proper classification of orders as reserved for encumbrances and accounts payable. The reserve for encumbrances and accounts payable have been determined to be proper.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(g) as part of our test of transactions of randomly selected expenditure items. We also examined the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classification to determine overall reliability and compliance with N.J.A.C. 6A:23A-2.4. As a result of the procedures performed, no transaction error rate was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

Financial Planning, Accounting and Reporting (Continued)

Student Body Activities Funds

High School, Middle School and Elementary School

Cash receipts and cash disbursements records were maintained in satisfactory condition. All receipts were promptly deposited in the bank.

A test check of bills and invoices was made to the cash disbursements records.

Board Secretary/School Business Administrator's Records

Our review of the financial and accounting records of the Board Secretary/School Business Administrator revealed that the records were maintained properly.

Acknowledgment of the Board's receipt of the Board Secretary's report was included in the minutes.

Treasurer's Records

The Treasurer's records were found to be maintained properly.

Acknowledgment of the Board's receipt of the Treasurer's report was included in the minutes.

Elementary and Secondary Education Act of 1965 (ESEA) as Amended by Every Student Succeeds Act (ESSA)

The ESEA financial exhibits are contained within the Special Revenue Section of the ACFR. This section of the ACFR documents the financial position pertaining to the project under Titles I, II-A, II-D, III of the ESSA as amended.

Other Special Federal and/or State Projects

The study of compliance for the Special Project Fund IDEA Program indicated that there were no areas of non-compliance.

The District's Special Projects were approved as listed on the Schedules of Federal and State Financial Assistance located in the ACFR.

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

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects (Continued)

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

T.P.A.F. Reimbursement

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.

T.P.A.F. 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. The expenditure was reviewed subsequent to the reimbursement or state that no exceptions were noted.

Expendable and Nonexpendable Trust Funds

The accounts within this fund have been properly administered.

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 \$32,000 and \$20,200, respectively.

N.J.S.A.40A:113a permits an increase in the bid threshold up to \$44,000 if a Qualified Purchasing Agent ("QPA") is appointed as well as granted the authorization to negotiate and award such contracts below the bid threshold. N.J.A.C. 5:34-5 et. Seq. establishes the criteria for qualifying as a Qualified Purchasing Agent. The Board of Education has designated the Business Administrator as the QPA.

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 Attorney's opinion should be sought before a commitment is made.

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2023

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

Inasmuch as the system of records is not designed to 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 individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials of supplies," 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.

The minutes indicate that bids were advertised for the following:

Alteration of Stem Labs at High School Roof Repairs	Cafeteria Supplies
--	--------------------

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, however, that the following purchases were made through the use of State contracts or cooperative purchases.

School Supplies	54 Passenger School Bus
Elevate Course	Special Ed Consultation Services
HVAC Materials & Repairs	24 Passenger Wheel Chair Van
Microsoft Licensing	Teaching Supplies
Janitorial Supplies	Natural Gas
Computer Supplies	Copy Machines
Food Service Equipment	Lease Purchase
Athletic Supplies	Fire Alarm Machines
Energy Management	IT Support

Purchase of supplies were also made through Educational Data Services Inc. and the New Jersey Educational Services Commission authorized purchasing and bidding cooperative.

ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)
JUNE 30, 2023

Enterprise Fund

School Food Service

The financial transactions and statistical records of the school food services were maintained properly. The financial accounts, meal count record and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school by school basis. The free and reduced price meals and free milk policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review. The number of meals/milk for reimbursement was compared to sales and meal count records. No exceptions were noted. Cash receipts and bank records were reviewed for timely deposit.

The food service program is administered by the District. We examined on a test basis their expenditures for separate recording of food, labor and other costs. Vendor invoices were reviewed 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. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used. Provision of NJSA 18A:17-34, 19-1 and 19-4.1 were complied with.

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 school district project maintains the detailed revenue and expenditure information necessary in order to execute the USDA mandated Non-Program Food Revenue Tool at least annually.

All employees of the cafeteria are hired and paid by the District.

Exhibits reflecting child nutrition program operations are included in Section B (B-4, B-5 and B-6) of the ACFR.

The District is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34 and 19-1 through 19-4.1. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. Net cash resources exceeded three (3) months average expenditures.

**ADMINISTRATIVE FINDINGS - FINANCIAL
COMPLIANCE AND PERFORMANCE (CONTINUED)**
JUNE 30, 2023

Enterprise Fund (Continued)

School Food Service (Continued)

Food Distribution Program commodities were received during the period of audit. Inventory records on commodities are being maintained on a first in first out basis. The value of U.S.D.A. Commodities received during 2022-2023 was \$132,493.

Net cash resources exceeded three months average expenditures. This may have been caused by recovery of some expenditures for COVID relief; however, the 2023-2024 school year operating results may change the condition to be within the three (3) month limit. Additionally, the District has continually invested funds for various renovations and improvements to the food service program facility.

Application for State School Aid (ASSA)

Our audit procedures included a test of information reported in the October 15, 2022 Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low-income and bilingual. We also performed a review of the district procedures related to its completion. The information on the ASSA was compared to the district workpapers. The information that was included on the workpapers was verified. The results of our procedures are presented in the Schedule of Audited Enrollments. There is an overall difference in the low-income count that is below the acceptable overall threshold.

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 2022-2023 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report. The results of our procedures are presented in the Schedule of Audited Enrollments. The amount of students reported on the DRTRS by the Department of Education was in agreement with the amount claimed by the District on its summary report.

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

RECOMMENDATIONS
JUNE 30, 2023

None.

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

None.

ACKNOWLEDGMENT

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "G Stankiewicz". The signature is written in a cursive style with a large initial "G" and a long, sweeping underline.

Gerard Stankiewicz
Certified Public Accountant
Public School Accountant #912

For The Firm
SAMUEL KLEIN AND COMPANY, LLP

BOARD OF EDUCATION
LACEY TOWNSHIP, COUNTY OF OCEAN
SCHEDULE OF MEAL COUNT ACTIVITY
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<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>Over (Under)-Claim</u>
National School Lunch (Regular Rate)	Paid	110,368	110,368	110,368	-	.77/.06	
	Reduced	17,395	17,395	17,395	-	3.93/.07	
	Free	69,611	69,611	69,611	-	4.33/.06	
	Total	197,374	197,374	197,374	-		
School Breakfast (Regular Rate)	Paid	25,309	25,309	25,309	-	0.50	
	Reduced	6,938	6,938	6,938	-	1.96	
	Free	31,376	31,376	31,376	-	2.26	
	Total	63,623	63,623	63,623	-		
School Breakfast (Severe Need Rate)	Paid	-	-	-	-		
	Reduced	-	-	-	-		
	Free	-	-	-	-		
	Total	-	-	-	-		
After School Snack	Paid	-	-	-	-		
	Reduced	-	-	-	-		
	Free	-	-	-	-		
	Total	-	-	-	-		

**LACEY BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022**

	2023 - 2024 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 Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool - 3 Year	13		13					10		10						
Half Day Preschool - 4 Year	-		-													
Full Day Preschool - 4 Year	7		7					-								
Half Day Kindergarten	-		-													
Full Day Kindergarten	223		223					176		176						
One	235		235					185		185						
Two	204		204					161		161						
Three	244		244					193		193						
Four	209		209					165		165						
Five	227		227					179		179						
Six	226		226					178		178						
Seven	217		217					171		171						
Eight	239		239					189		189						
Nine	225		225					178		178						
Ten	219		219					173		173						
Eleven	222		222					175		175						
Twelve	219		219					173		173						
Post Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	2,929	-	2,929	-	-	-	2,306	-	2,306	-	-	-	-	-	-	-
Special Ed - Elementary	386		386				305		305							
Special Ed - Middle School	168		168				133		133							
Special Ed - High School	228		228				180		180							
Subtotal	782	-	782	-	-	-	618	-	618	-	-	-	-	-	-	-
Co. Voc - Regular																
Co. Voc. Ft. Post Sec.																
Totals	3,711	-	3,711	-	-	-	2,924	-	2,924	-	-	-	-	-	-	-
Percentage Error					0.00%	0.00%				0.00%	0.00%					#DIV/0!

**LACEY BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022**

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as Low Income</u>	<u>Reported on Workpapers as Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>	<u>Reported on A.S.S.A. as LEP low Income</u>	<u>Reported on Workpapers as LEP low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Score and Register</u>	<u>Sample Errors</u>
Half Day Preschool												
Full Day Preschool	3	3	0	0	0							
Half Day Kindergarten												
Full Day Kindergarten	44	44	0	18	18		7	7	0	4	4	0
One	53	53	0	23	23		2	2	0	1	1	0
Two	45	45	0	26	26		6	6	0	3	3	0
Three	55	55	0	23	23		4	4	0	2	2	0
Four	37	37	0	23	23		2	2	0	2	2	0
Five	55	55	0	25	25		2	2	0	1	1	0
Six	57	57	0	22	22		2	2	0	1	1	0
Seven	42	42	0	23	23		1	1	0	1	1	0
Eight	52	52	0	25	25		1	1	0	1	1	0
Nine	52	52	0	25	25		0	0	0	0	0	0
Ten	35	35	0	25	25		1	1	0	1	1	0
Eleven	48	48	0	25	25		1	1	0	1	1	0
Twelve	34	34	0	25	25		0	0	0	0	0	0
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>612</u>	<u>612</u>	<u>0</u>	<u>308</u>	<u>308</u>		<u>29</u>	<u>29</u>	<u>0</u>	<u>18</u>	<u>18</u>	<u>0</u>
Special Ed - Elementary	125	125	0	29	29		3	3	0	16	16	
Special Ed - Middle	67	67	0	20	20		2	2		8	8	
Special Ed - High	66	66		18	18							
Subtotal	<u>258</u>	<u>258</u>	<u>0</u>	<u>67</u>	<u>67</u>		<u>5</u>	<u>5</u>	<u>0</u>	<u>24</u>	<u>24</u>	<u>0</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>870</u>	<u>870</u>	<u>0</u>	<u>375</u>	<u>375</u>		<u>34</u>	<u>34</u>	<u>0</u>	<u>42</u>	<u>42</u>	<u>0</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

LACEY BOARD OF EDUCATION
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2022

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	2	2	0	1	1	
One	8	8	0	5	5	
Two	2	2	0	1	1	
Three	4	4	0	1	1	0
Four	1	1	0	1	1	
Five	2	2	0	2	2	
Six	1	1	0	1	1	
Seven	0	0	0	1	1	
Eight	1	1	0	1	1	
Nine						
Ten						
Eleven	2					
Twelve						
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>23</u>	<u>21</u>	<u>0</u>	<u>14</u>	<u>14</u>	<u>0</u>
Special Ed - Elementary	6	3		3	3	
Special Ed - Middle	1	1		1	1	
Special Ed - High						
Subtotal	<u>7</u>	<u>4</u>	<u>0</u>	<u>4</u>	<u>4</u>	<u>0</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>30</u>	<u>25</u>	<u>0</u>	<u>18</u>	<u>18</u>	<u>0</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**LACEY BOARD OF EDUCATION
 SCHEDULE OF AUDITED ENROLLMENTS
 DISTRICT REPORT OF TRANSPORTED RESIDENT STUDENTS
 APPLICATION FOR STATE SCHOOL AID SUMMARY (CONTINUED)
 ENROLLMENT FOR OCTOBER 15, 2022**

	<u>Sample for Verification</u>			
	Reported on D.R.T.R.S.	Sample Selected from Workpapers	Verified to Register	Sample Errors
Students - Grade PK*				
Public School Students excl. Voc. Students	1,127	1,127	1,127	
Vocational School Students	125	125	125	
Transported Charter School Students				
AIL Charter School Students				
Transported Non-Public and Other School Students	73	73	73	
AIL Non-Public and Other School Students	42	42	42	
Special Education Public School Students	189	189	189	
 Subtotal	 <u>1,556</u>	 <u>1,556</u>	 <u>1,556</u>	 <u>0</u>
With Special Transportation Needs:				
Public School Students	301			
Charter School Students				
Private School for Students with Disabilities	17			
Out-of-district Public School Students				
Out-of-district Charter School Students				
 Subtotal	 <u>318</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
Courtesy Students - Elementary				
Courtesy Students - Secondary				
 Totals	 <u>1,874</u>	 <u>1,556</u>	 <u>1,556</u>	 <u>0</u>
Percentage Error				<u>0.00%</u>

*Includes Public, Charter and Early Childhood Community Provider (ECCP)

	<u>Reported</u>	<u>Recalculated</u>
Avg. Home to School (Mileage) = Regular Including Grade PK students	5.0	5.0
Avg. Home to School (Mileage) = Regular Excluding Grade PK students	5.0	5.0
Avg. Home to School (Mileage) = Special Ed with Special Needs	1.5	1.5
Avg. Home to School (Mileage) = Courtesy students		

BOARD OF EDUCATION
LACEY TOWNSHIP BOARD OF EDUCATION
COUNTY OF OCEAN
FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

EXCESS SURPLUS CALCULATION
REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2022-23 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ <u>90,498,749.00</u> (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 PerK-Regular	\$ _____ (B1c)	
Transfer from General Fund to SRF for PerK-Inclusion	\$ _____ (B1d)	
Decreased by:		
On-Behalf TPAF Pension & Social Security	\$ <u>15,810,886.00</u> (B2a)	
Assets Acquired Under Capital Leases and SBITAs	\$ <u>95,956.00</u> (B2b)	
Adjusted 2022-23 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ <u>74,591,907.00</u> (B3)	
2% of Adjusted 2022-23 General Fund Expenditures [(B3) times .02]	\$ <u>1,491,838.14</u> (B4)	
Enter Greater of (B4) or \$250,000	\$ <u>1,491,838.14</u> (B5)	
Increased by: Allowable Adjustment*	\$ <u>211,186.00</u> (K)	
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]		\$ <u>1,703,024.14</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2023 (Per CAFR Budgetary Comparison Schedule-C1)	\$ <u>12,977,004.00</u> (C)	
Decreased by:		
Year-end Encumbrances	\$ <u>795,049.36</u> (C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____ (C2)	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>645,582.00</u> (C3)	
Other Restricted Fund Balances ****	\$ <u>6,331,532.32</u> (C4)	
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>3,078,312.00</u> (C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)-(C6)]		\$ <u>2,126,528.32</u> (U1)

BOARD OF EDUCATION
LACEY TOWNSHIP BOARD OF EDUCATION
COUNTY OF OCEAN
FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U1)-(M)] IF NEGATIVE ENTER -0- \$ 423,504.18 (E)

Recapitulation of Excess Surplus as of June 30, 2023

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	\$ <u>645,582.00</u> (C3)
Reserved Excess Surplus***[(E)]	\$ <u>423,504.18</u> (E)
Total Excess Surplus [(C3) + (E)]	\$ <u>1,069,086.18</u> (D)

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, effective for the year ending June 30, 2016 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.

Notes to auditor: Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid, Family Crisis Transportation Aid, and Additional Nonpublic School Transportation Aid.

Detail of Allowable Adjustments

Impact Aid	\$ _____	(H)
Sale & Lease-back	\$ <u>29,846.00</u>	(I)
Extraordinary Aid	\$ <u>181,340.00</u>	(J1)
Additional Nonpublic School Transportation Aid	\$ _____	(J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____	(J3)
Family Crisis Transportation Aid	\$ _____	(J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	\$ <u>211,186.00</u>	(K)

** This amount represents the June 30, 2023 Excess Surplus (C3 above) and must be included in the Audit Summary Line 90031.

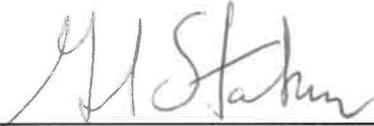
*** Amount must agree to the June 30, 2023 ACFR and must agree to Audit Summary Line 90030.

**** 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 an other type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Division of Administration and Finance prior to September 30.

BOARD OF EDUCATION
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Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ 5,548,745.00
Maintenance reserve	\$ 501,773.00
Unemployment reserve	\$ 281,014.32
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 General Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserve	\$ _____
[Other Reserved Fund Balance not noted above]****	\$ _____
 Total Other Restricted Fund Balance	 \$ 6,331,532.32 (C4)



GERARD STANKIEWICZ, CPA, PSA #912

Date: March 26, 2024

LACEY TOWNSHIP SCHOOL DISTRICT
COUNTY OF OCEAN, NEW JERSEY

NET CASH RESOURCE SCHEDULE

Net Cash Resources Exceeded Three Months of Expenditures
Proprietary Funds - Food Service
FYE 2023

<u>Net Cash Resources:</u>	Food Service B - 4/5	
CAFR *		Current Assets
B-4	\$ 641,656	Cash & Cash Equiv.
B-4		Due from Other Gov'ts
B-4	36,192	Accounts Receivable
B-4		Investments
CAFR		Current Liabilities
B-4	-	Less Accounts Payable
B-4		Less Accruals
B-4		Less Due to Other Funds
B-4	19,900	Less Deferred Revenue
	<u>\$ 657,948</u>	Net Cash Resources
		(A)
 <u>Net Adj. Total Operating Expense:</u>		
B-5	940,911	Total Operating Expense
B-5	8,297	Less Depreciation
	<u>\$ 932,614</u>	Adj. Total Operating Expense
		(B)
 <u>Average Monthly Operating Expense:</u>		
	<u>\$ 93,261</u>	B / 10
		(C)
 <u>Three Times Monthly Average:</u>		
	<u>\$ 279,784</u>	3 X C
		(D)

TOTAL IN BOX A	\$ 657,948	
LESS TOTAL IN BOX D	\$ 279,784	
NET	<u>\$ 378,164</u>	
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.		

* Inventories are not to be included in total current assets.

SOURCE - USDA resource management comprehensive review form

BOARD OF EDUCATION
LACEY TOWNSHIP SCHOOL DISTRICT

AUDIT RECOMMENDATIONS SUMMARY
For the Fiscal Year Ended June 30, 2023

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 audit findings/recommendations.