

GREEN TOWNSHIP SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021

GREEN TOWNSHIP SCHOOL DISTRICT
COUNTY OF SUSSEX
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
TABLE OF CONTENTS

Cover Letter.....	1
Scope of Audit.....	2
Administrative Practices and Procedures	2
Insurance	2
Officials in Office and Surety Bonds	2
Tuition Charges	2
Financial Planning, Accounting and Reporting.....	2
Examination of Claims.....	2
Payroll Account and Position Control Roster	2
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures	3
Board Secretary's Records	3
Treasurer's Records.....	4
Elementary and Secondary Education Act (E.S.S.A.) as amended by the Every Student Succeeds Act	4
Other Special Federal and/or State Projects	5
T.P.A.F Reimbursement.....	5
Travel Expenses	5
Testing for Lead of all Drinking Water in Education Facilities.....	5
School Purchasing Programs.....	5
Contracts and Agreements Requiring Advertisement for Bids	5
School Food Service.....	7
Student Body Activities.....	7
Application for State School Aid.....	8
Pupil Transportation	8
Facilities and Capital Assets (Not Applicable)	
Management Suggestions.....	9
Status of Prior Year's Findings/Recommendations	10
Schedule of Meal Count Activity (Not Applicable)	
Schedule of Net Cash Resources (Not Applicable)	
Schedule of Audited Enrollments	11-14
Excess Surplus Calculation	15-16
Summary of Recommendations	17-18

October 4, 2021

The Honorable President and Members
of the Board of Education
Green Township School District
County of Sussex, 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 financial statements of the Board of Education of the Green Township School District in the County of Sussex for the fiscal year ended June 30, 2021, and have issued our report thereon dated October 4, 2021.

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 letter does not affect our report dated October 4, 2021, on the financial statements of the Board.

We will review the status of the comments during our next audit engagement. We have already discussed these comments and suggestions, if any, with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This report is intended for the information of the Green Township 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.

Nisivoccia LLP
NISIVOCCIA LLP

Man C Lee

Man C. Lee
Licensed Public School Accountant #2527
Certified Public Accountant

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Multi-peril insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the district's CAFR.

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Linda Padula	Treasurer of School Monies	\$ 250,000
Tina Palecek	Business Administrator (until 9/27/20)	\$ 250,000
Vincent Occhino	Interim Business Administrator (from 10/1/20 to 6/30/21)	N/A
Karen Constantino	Business Administrator (from 7/1/21)	\$ 165,000

Finding:

The Business Administrator's roles have evolved over the years to include treasury functions. As such, it is suggested that the surety bond coverage for the Business Administrator be increased to the same amount as the Treasurer's.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were less than estimated costs. The Board made a proper adjustment to the billings to sending districts for the difference in per pupil costs in accordance with N.J.A.C.6:23-3.1(f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid on a test basis, during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

The net salaries of 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.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund.

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Payroll Account and Position Control Roster (Cont'd)

Findings:

1. Not all bi-monthly payrolls were certified by the President of the Board, the School Business Administrator and the Superintendent.
2. The required certification (ECERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents and business administrators) was not filed with the NJ Department of Treasury until 6 months after the March 15 due date. However, as the District has subsequently submitted the form, a formal recommendation is not deemed necessary.
3. During our review of the District's accounting records, we noted that one of the salary budget line items had a negative \$28,940 charged. Under the direction of the Business Administrator, that negative charge was corrected.

Recommendations:

It is recommended that extra care be taken to ensure that:

1. All payrolls are certified the Board President, School Business Administrator and the Superintendent.
2. Negative charges to salary budget lines be reviewed for correction.

Reserve for Encumbrances and Accounts Payable

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

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6:23-2.2(g) 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 to randomly selecting as a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-2.4. As a result of the procedures performed, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted below.

Finding:

The District did not obtain the County Superintendent approval for transfers to any administrative line items that on a cumulative basis exceeds 10%.

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

Board Secretary's Records (Cont'd)

Recommendation:

It is recommended that County Superintendent approval be obtained for transfers to administrative line items that on a cumulative basis exceed 10%.

Management's Response:

The District will ensure it obtains County Superintendent approval for transfers when required.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have the following comment.

Finding:

As per review of the June 30th bank reconciliations, we noted that there are several older reconciling items in the General, Net Payroll and Student Activities accounts. As a result, the Net Payroll account has a deficit cash balance at year end.

Recommendation:

It is recommended that older reconciling items in the General, Net Payroll and Student Activities accounts be reviewed for possible cancellation and that Net Payroll account be periodically monitored to ensure that it does not have a deficit balance.

Management's Response:

The District will review and cancel older reconciling items as appropriate.

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

The E.S.E.A. financial exhibits are contained within the Special Revenue Section of the District's CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I, Title II, and Title IV of the Elementary and Secondary Education Act.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

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.

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

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

Other Special Federal and/or State Projects (Cont'd)

Finding:

During our review of minutes, we noted that not all federal grant awards are formally accepted by the governing body.

Recommendation:

It is recommended that all federal grant awards be formally accepted by the governing body.

Management's Response:

The District will ensure that all federal grant awards are formally accepted by the Board.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements 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 T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was remitted to the State of New Jersey prior to the required deadline of October 1, 2021. The reimbursement form was reviewed and no exceptions were noted.

Travel Expenses

Travel regulations require each District to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the District to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Education and Superintendent and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred. Based upon the results of our testing, we have no comments.

Testing for Lead of All Drinking Water in Educational Facilities

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

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations.

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

N.J.S.A. 18A:18A-3 states:

If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. 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.

b. Commencing in the fifth year after the year in which P.L.1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made"

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law"

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 \$19,600 for 2020-21.

The 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 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. General compliance was noted.

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 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.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 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.

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

School Food Service

The school food service program was not selected as a major federal and/or state program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or the appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

Non-program foods were not purchased, prepared or offered for sale.

We inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to all students, maintenance of all applicable production records, meal counts, noncompetitive procurements, modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP Loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the SFA if the FSMC received a PPP loan.

Student Body Activities

In planning and performing our audit of the financial statements of the Board, we considered the condition of the records of the Student Activities records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted below.

Findings:

- 1.) Not all student activities receipts collected by advisors were turned over to the finance office for deposit in a timely manner.
- 2.) We noted several instances where receipt of goods signatures and invoices were not obtained for student activity vouchers. We also noted two instances where the voucher was not maintained on file.
- 3.) The analysis of balance by club and/or activities was not updated to include all activities during the fiscal year.

Recommendations:

- 1.) It is recommended that student activities receipts be turned over to the finance office for deposit in a timely manner.
- 2.) It is recommended that receipt of goods signature and invoices be obtained for student activities vouchers before payments are made and that all vouchers are maintained on file.
- 3.) It is recommended that an analysis of balance by club and/or activities be updated to include all activities.

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

Student Body Activities (Cont'd)

Management's Responses:

Extra care will be taken to ensure that receipts are turned over and deposited in a timely manner; that the required signatures and invoices are obtained before payments are made; and that all vouchers are maintained on file. An analysis of balance will also be updated for the student activities account.

Application for State School Aid

Our audit procedures included a test of enrollments and related services reported in the October 15, 2020 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, and low income 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 exceptions. The information that was included on the workpapers was verified on a test basis with exceptions. 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.

Finding:

The number of regular on roll students and special education students reported on the A.S.S.A. did not completely reconcile to the workpapers maintained by the District. It was also noted that students were reported as Grades Nine through Eleven under the private schools for the disabled, resident low income and resident LEP not low income categories even though the District is a K-8 school district.

Recommendation:

It is recommended that extra care be taken to ensure that students reported on the A.S.S.A. agree with the workpapers maintained by the District.

Management's Response:

The District will ensure that better care is taken when classifying and reporting students.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2020-2021 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with minor exceptions. 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 except as noted on the following page. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

Pupil Transportation (Cont'd)

Finding:

Transportation contracts were not submitted to the County Superintendent for approval in a timely manner. These contracts were submitted to the County Superintendent in September of 2021 and are currently awaiting approval.

Recommendation:

It is recommended that extra care be taken to ensure that transportation contracts are submitted to the County Superintendent for approval in a timely manner.

Management's Response:

The District will ensure that transportation contracts are submitted to the county office in a timely manner.

Management Suggestions:

Deficit Child Care Unrestricted Net Position

As of June 30, 2021, the Child Care Enterprise Fund has a deficit unrestricted net position of \$3,976. This was the result of a change in the fee/rate structure in response to the pandemic. As an enterprise fund, the Child Care program should be self-sustaining. It is suggested that the District reviews the fee/rate structure for the Child Care program in fiscal year 2022.

Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 87, *Leases*, is effective for the fiscal year ended June 30, 2022. Under this statement, the District will be required to recognize a lease liability and an intangible right-to-use asset for each lease agreement with a lease term in excess of 12 months. This statement will enhance the comparability of financial statements among governments by requiring the reporting of leases under a single model. Additionally, certain leases that are currently not reported will be under this statement.

COVID-19 Federal Funding

It is likely that the District will undergo some review of its COVID-19 federal funding if only at a desk review level by state and/or federal agencies. We strongly suggest that the District ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the District ensures that these funds are accounted for in the state account numbers designated by the NJ Department of Education and that any applicable Board policies are current with respect to federal grant requirements.

Sick and Vacation Leave

It is suggested that the District consult with its attorney to ensure that its negotiated labor contracts, individual employee agreements and employee policies, as applicable, are in accordance with New Jersey statutes regarding unused sick and vacation leave.

GREEN TOWNSHIP SCHOOL DISTRICT
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

Status of Prior Year's Findings/Recommendations

The prior year audit recommendations regarding transfers, timely deposit of student activities receipts, obtaining receipt of goods signatures and invoices for student activities vouchers and A.S.S.A. have not been resolved and are included as current year recommendations.

GREEN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

	2020-2021 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared
Full Day Kindergarten	29		29				29		29			
Grade One	45		46		(1)		46		46			
Grade Two	37		37				37		37			
Grade Three	27		27				27		27			
Grade Four	23		23				23		23			
Grade Five	33		34		(1)		34		34			
Grade Six	45		46		(1)		46		46			
Grade Seven	41		40		1		40		40			
Grade Eight	47		47				47		47			
Subtotal	327		329		(2)		329		329			
Special Education:												
Elementary School	29		26		3		6		6			
Middle School	12		10		2		3		3			
Subtotal	41		36		5		9		9			
Totals	368	-0-	365	-0-	3	-0-	338	-0-	338	-0-	-0-	-0-
Percentage Error					0.82%	0.00%					0.00%	0.00%

GREEN TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF AUDITED ENROLLMENT
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 ENROLLMENT AS OF OCTOBER 15, 2020

	Private Schools for Disabled				Resident Low Income				Verified to Application and Register	Sample Errors
	Reported on ASSA as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers		
Grade One					3	3		1	1	
Grade Two					2	2		1	1	
Grade Three					1	1				
Grade Four					1	1		1	1	
Grade Five					1	1		1	1	
Grade Six					3	3		1	1	
Grade Seven					3	3		1	1	
Grade Nine					3		3			
Grade Ten					4		4			
Grade Eleven					3		3			
Grade Twelve					3		3			
Subtotal					27	14	13	6	6	
Special Education:										
Elementary	1	1	1		4	4		1	1	
Middle School					1	1		1	1	
High School	1	1		1						
Subtotal	2	2	1	1	5	5		2	2	
Totals	2	2	1	1	32	19	13	8	8	
Percentage Error							40.63%			0.00%

GREEN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

	<u>Resident LEP Not Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on ASSA as LEP Not Low Income</u>	<u>Reported on Workpapers as LEP Not Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Test Scores, Application and Register</u>	<u>Sample Errors</u>
Grade Eleven	1		1			
Totals	<u>1</u>	<u>-0-</u>	<u>1</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Percentage Error			<u>100.00%</u>			<u>0.00%</u>

GREEN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF AUDITED ENROLLMENT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools	393	393		25	24	1
Regular - Special Education	27	27		4	3	1
Transported - Non Public	39	39		5	5	
AIL - Non Public	5	5		2	2	
Special Needs - Public	8	8		3	3	
Special Needs - Private	3	3		1	1	
Totals	475	475	-0-	40	38	2
Percentage Error			0.00%			5.00%

	Reported	Re- calculated
Average Mileage - Regular Including Grade PK Students	6.3	6.3
Average Mileage - Regular Excluding Grade PK Students	6.3	6.3
Average Mileage - Special Education with Special Needs	16.2	16.2

GREEN TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2021

REGULAR DISTRICT

SECTION 1

2% Calculation of Excess Surplus

2020-2021 Total General Fund Expenditures per the CAFR	<u>\$ 13,366,731</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ -0-</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ -0-</u> (B1b)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 1,483,275</u> (B2a)
Assets Acquired Under Capital Leases	<u>\$ -0-</u> (B2b)
 Adjusted 2020-2021 General Fund Expenditures [(B)+(B1's)-(B2's)]	 <u>\$ 11,883,456</u> (B3)
 4% of Adjusted 2020-2021 General Fund Expenditures [(B5) times .04]	 <u>\$ 475,338</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 250,000</u> (B5)
Increased by: Allowable Adjustment	<u>\$ 11,023</u> (K)
 Maximum Unassigned Fund Balance [(B5)+(K)]	 <u>\$ 486,361</u> (M)

Section 2

Total General Fund - Fund Balances @ 6/30/2021 (Per CAFR Budgetary Comparison Schedule C-1)	<u>\$ 1,920,929</u> (C)
Decreased by:	
Year-End Encumbrances	<u>\$ 7,775</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	<u>\$ -0-</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures	<u>\$ 250,000</u> (C3)
Other Restricted Fund Balances	<u>\$ 783,411</u> (C4)
Assigned - Designated for Subsequent Year's Expenditures	<u>\$ 73,382</u> (C5)
 Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	 <u>\$ 806,361</u> (U1)

Section 3

Restricted Fund Balance-Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0-	<u>\$ 320,000</u> (E)
--	-----------------------

GREEN TOWNSHIP SCHOOL DISTRICT
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2021

Recapitulation of Excess Surplus as of June 30, 2021

Excess Surplus - Designated for Subsequent Year's Expenditures	\$ 250,000 (C3)
Excess Surplus [(E)]	<u>\$ 320,000 (E)</u>
 Total [(C3)+(E)+(F)]	 <u><u>\$ 570,000 (D)</u></u>

Detail of Allowable Adjustments

Impact Aid	\$ -0- (H)
Sale and Lease Back	<u>\$ -0- (I)</u>
Extraordinary Aid	<u>\$ 11,023 (J1)</u>
Additional Nonpublic School Transportation Aid	<u>\$ -0- (J2)</u>
 Total Adjustments [(H)+(I)+(J1)+(J2)]	 <u><u>\$ 11,023 (K)</u></u>

Detail of Other Restricted Fund Balance

Statutory Restrictions	\$ -0-
Approved Unspent Separate Proposal	<u>\$ -0-</u>
Sale/Lease-Back Reserve	<u>\$ -0-</u>
Capital Reserve	<u>\$ 585,104</u>
Emergency Reserve	<u>\$ -0-</u>
Maintenance Reserve	<u>\$ 136,743</u>
Tuition Reserve	<u>\$ -0-</u>
Unemployment Compensation Reserve	<u>\$ 61,564</u>
Other State/Governmental Mandated Reserve	<u>\$ -0-</u>
Other Restricted Fund Balance not Noted Above	<u>\$ -0-</u>
 Total Other Restricted Fund Balance	 <u><u>\$ 783,411 (C4)</u></u>

GREEN TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2021

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
 - a. All payrolls are certified the Board President, School Business Administrator and the Superintendent.
 - b. Negative charges to salary budget lines be reviewed for correction.
 - c. County Superintendent approval be obtained for transfers to administrative line items that on a cumulative basis exceed 10%.
 - d. Older reconciling items in the General, Net Payroll and Student Activities accounts be reviewed for possible cancellation and that Net Payroll account be periodically monitored to ensure that it does not have a deficit balance.
 - e. All federal grant awards be formally accepted by the governing body.
3. School Purchasing Program
None
4. School Food Service
None
5. Student Body Activities
 - a. Student activities receipts be turned over to the finance office for deposit in a timely manner.
 - b. Receipt of goods signature and invoices be obtained for student activities vouchers before payments are made and that all vouchers are maintained on file.
 - c. An analysis of balance by club and/or activities be updated to include all activities.
6. Application for State School Aid
 - a. Extra care be taken to ensure that students reported on the A.S.S.A. agree with the workpapers maintained by the District.
7. Pupil Transportation
 - a. Extra care be taken to ensure that transportation contracts are submitted to the County Superintendent for approval in a timely manner.

GREEN TOWNSHIP SCHOOL DISTRICT
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2021
(Continued)

It is recommended that:

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year's Findings/Recommendations

The prior year audit recommendations regarding transfers, timely deposit of student activities receipts, obtaining receipt of goods signatures and invoices for student activities vouchers and A.S.S.A. have not been resolved and are included as current year recommendations.