

**SADDLE BROOK BOARD OF EDUCATION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2021**

**SADDLE BROOK BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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INDEPENDENT AUDITOR'S MANAGEMENT REPORT

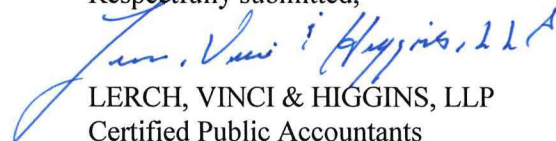
Honorable President and Members
of the Board of Trustees
Saddle Brook Board of Education
Saddle Brook, New Jersey

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 Saddle Brook Board of Education as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated March 14, 2022.

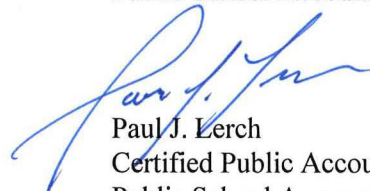
As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information and use of management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,



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



Paul J. Lerch
Certified Public Accountant
Public School Accountant
PSA Number CS01118

Fair Lawn, New Jersey
March 14, 2022

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE 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 Moneys, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the district's CAFR.

Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Raymond Karaty, CPA, PSA	Board Secretary/School Business Administrator	\$ 275,000
Peter Bellani, CPA	Treasurer of School Monies	\$ 275,000

There is an Employees' Dishonesty Faithful Performance coverage with Selective Insurance Company of America, covering all other employees with multiple coverage of \$400,000.

Tuition Charges

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

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

Salary withholdings were promptly remitted to the proper agencies, including health benefits premium amounts withheld due to the General Fund.

The School Business Administrator completed and filed the required Certification of Compliance with Federal and State Law respecting the reporting of compensation for certain employees.

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Planning, Accounting and Reporting (Continued)

Employee Position Control Roster

The District maintained an employee position control roster.

Travel

The District has adopted a policy regulating district travel.

Payments made to employees for a travel event were in accordance with the approved travel policy.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6:20-2A.2(m) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C 6A:23-8.2. As a result of the procedures performed, there were no errors.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserve for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in very good condition.

Acknowledgment of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

The prescribed contractual order system was followed.

Treasurer's Records

The following items were noted during our review of the records of the Treasurer.

The Treasurer did perform cash reconciliation's for the general operating account and payroll accounts (N.J.S.A. 18A:17-36).

All cash receipts were promptly deposited.

The Treasurer's records were in agreement with the Board Secretary's records.

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Planning, Accounting and Reporting (Continued)

Unemployment Compensation Insurance

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the General Fund as per GASB No. 84.

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

The E.S.E.A./IASA financial exhibits are contained within the Special Revenue Fund of the CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I, Title IIA, Title III and Title IV of the Elementary and Secondary Education Act.

The New Jersey Department of Education, Office of Fiscal Accountability and Compliance, has completed a fiscal audit of federal funds disbursed by the Saddle Brook School District. The funding sources reviewed include one or more titled programs under the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the Every Student Succeeds Act (ESSA) of 2015. The review covered the period July 1, 2018 through June 30, 2019. The results of the ESSA Title I audit and the corrective action plan are detailed in the report of examination which is dated September 1, 2021 and available for review in the office of the School Business Administrator.

I.D.E.A. Part B

Separate accounting was maintained for each approved project.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Exhibit K-3 and K-4 located in the CAFR.

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

The financial exhibits 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.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursements filed with the Department of Education for 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 for all federal awards for the school district (or charter school or renaissance school project) to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district (or charter school or renaissance school project) for those employees whose salaries are identified as being paid from federal funds was made subsequent to the end of the 60 day grant liquidations period, but prior to the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Planning, Accounting and Reporting (Continued)

Nonpublic State Aid

Project completion reports were finalized and transmitted to Department by the due date.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 are \$44,000 (with a qualified purchasing agent) and \$32,000 (without a qualified purchasing agent), respectively. The District has appointed Raymond Karaty as a qualifying purchasing agent. The law regulating bidding for public school student transportation contracts under NJSA 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 fiscal 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.

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

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.

Food Service Fund

Public Health Emergency

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency, all public, charter and non-public schools were ordered to close effective as of March 18, 2020 for an undetermined period to limit the spread of the virus. As a result, School Food Authorities (SFA) were required to institute alternate procedures to provide meals to eligible students during the period of school closures.

During SY 2020-2021 the public health emergency was still applicable. As a result, School Food Authorities (SFA's) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) option.

SFA's were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFA's were also authorized to submit contract modifications to their existing cost reimbursable or fixed price contracts as necessary to ensure the feeding of all children throughout the ages of 18, as well as persons over 18 with disabilities as defined in the regulations.

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Food Service Fund (Continued)

Public Health Emergency (Continued)

SFA's were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all students during the emergency.

The food service program was selected as a major federal program.

The financial transactions and records of the school food services were maintained in satisfactory condition. The financial accounts and records were reviewed on a test-check basis.

The District utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return a profit of at least \$17,500. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or the FSMC were credited to the Food Service account.

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

The cash disbursement 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.

The FSMC recorded and maintained separate supporting documentation for additional costs (food supplied, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSA or SFSP program requirements.

The FSMC did apply for and did receive a loan in accordance with the Payroll Protection Plan. The FSMC has not received by has applied for part of this loan to be forgiven.

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 certified in a timely manner. Minor exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid (ASSA). Meals claimed as served was compared to the number of meals served on a test basis. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications was not required for 2020/2021 school year.

USDA Food Distribution Program were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

Net cash resources did not exceed three-months average expenditures.

The Statement of Revenues, Expenses, and Changes in Fund Net Position (CAFR Schedule 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.

The New Jersey Department of Agriculture, Division of Food and Nutrition, completed a Procurement Review of the Saddle Brook Board of Education's School Nutrition Program for the fiscal year 2019/2020 which is dated June 30, 2021. The review had certain findings that did not require any corrective action by the Board. This report is on file with the School Business Administrator

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Community Programs Fund

Cash receipts and cash disbursements were maintained in good condition and in accordance with established Board policy.

Student Activity Fund and Athletic Account

The District had a policy and procedures in place for regulating the student activity funds.

Cash receipts and cash disbursements were maintained in good condition.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2020 Application for State School Aid (A.S.S.A.) for on-roll, private school for the handicapped, low-income, related services and bilingual education. 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 without exception. The information that was included on the workpapers was verified without exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2020-21 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without 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. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

Our procedures included a review of SDA grant agreement for consistency with recording SDA revenue, transfer of Local Funds from the General Fund or from the Capital Reserve Account, and awarding contracts for eligible facilities construction.

Miscellaneous

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Follow-up on Prior Year Findings

In accordance with government auditing standards, our procedures included a review of all prior year recommendations, and corrective action has not been taken in the Student Activity Fund.

Suggestions for Management

The excess cash balance in the Payroll Agency account be reviewed and cleared of record.

Scholarship activity should be accounted for in the Special Revenue Fund.

**SADDLE BROOK BOARD OF EDUCATION
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

SCHEDULE OF MEAL COUNT ACTIVITY

<u>Program</u>	<u>Meals Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified to Individual School Tally Sheets</u>	<u>Difference *</u>
National School Lunch	SSO	<u>82,643</u>	<u>30,385</u>	<u>30,383</u>	<u>2</u>
	Total Lunch	<u>82,643</u>	<u>30,385</u>	<u>30,383</u>	<u>2</u>
National School Breakfast	SSO	<u>82,643</u>	<u>30,385</u>	<u>30,383</u>	<u>2</u>
	Total Breakfast	<u>82,643</u>	<u>30,385</u>	<u>30,383</u>	<u>2</u>
	Total	<u><u>165,286</u></u>	<u><u>60,770</u></u>	<u><u>60,766</u></u>	<u><u>4</u></u>

* - Differences are deemed de minimis

**SADDLE BROOK BOARD OF EDUCATION
FOOD SERVICE FUND
SCHEDULE OF NET CASH RESOURCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Current Assets

Cash & Cash Equiv.	\$ (29,396)
Due from Other Gov'ts	137,190
Accounts Receivable	5,328

Current Liabilities

Less Accounts Payable	2,214
Less Deferred Revenue	<u>21,915</u>

Net Cash Resources \$ 88,993 (A)

Net Adj. Total Operating Expense:

Tot. Operating Exp.	\$ 516,944
Less Depreciation	<u>(16,801)</u>
 Adj. Tot. Oper. Exp.	 <u><u>\$ 500,143</u></u> (B)

Average Monthly Operating Expense:

B / 10 \$ 50,014 (C)

Three times monthly Average:

3 X C \$ 150,043 (D)

TOTAL IN BOX A	\$ 88,993
LESS TOTAL IN BOX D	\$ 150,043
NET	\$ (61,050)

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.**

**SADDLE BROOK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020
SCHEDULE OF AUDITED ENROLLMENTS**

	2020-21 Application for State School Aid						Sample for Verification						Private Schools for Disabled				
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on		Sample		
	A.S.S.A. On Roll	Shared	Workpapers On Roll	Shared	Full	Shared	Selected from Workpapers	Shared	Registers On Roll	Shared	Registers On Roll	Full	Shared	A.S.S.A. as Private Schools	for Verifi- cation	Sample Verified	Sample Errors
Full		Full				Full		Full		Full							
Half Day Preschool	2	-	2	-	-	-	2	-	2	-	-	-	-	-	-	-	-
Full Day Preschool - 3yr	1	-	1	-	-	-	1	-	1	-	-	-	-	-	-	-	-
Full Day Preschool - 4yr	1	-	1	-	-	-	1	-	1	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	112	-	112	-	-	-	112	-	112	-	-	-	-	-	-	-	-
One	98	-	98	-	-	-	98	-	98	-	-	-	-	-	-	-	-
Two	114	-	114	-	-	-	114	-	114	-	-	-	-	-	-	-	-
Three	110	-	110	-	-	-	110	-	110	-	-	-	-	-	-	-	-
Four	104	-	104	-	-	-	104	-	104	-	-	-	-	-	-	-	-
Five	92	-	92	-	-	-	92	-	92	-	-	-	-	-	-	-	-
Six	94	-	94	-	-	-	94	-	94	-	-	-	-	-	-	-	-
Seven	108	-	108	-	-	-	108	-	108	-	-	-	-	-	-	-	-
Eight	118	-	118	-	-	-	118	-	118	-	-	-	-	-	-	-	-
Nine	98	-	98	-	-	-	98	-	98	-	-	-	-	-	-	-	-
Ten	105	3	105	3	-	-	105	3	105	3	-	-	-	-	-	-	-
Eleven	90	3	90	3	-	-	90	3	90	3	-	-	-	-	-	-	-
Twelve	107	1	107	1	-	-	107	1	107	1	-	-	-	-	-	-	-
Post-Graduate																	
Adult H.S. (15+CR.)																	
Adult H.S. (1-14 CR.)																	
Subtotal	1,354	7	1,354	7	-	-	1,354	7	1,354	7	-	-	-	-	-	-	-
Special Ed - Elementary	127	-	127	-	-	-	127	-	127	-	-	-	-	4	4	4	-
Special Ed - Middle School	83	-	83	-	-	-	83	-	83	-	-	-	-	6	6	6	-
Special Ed - High School	88	3	88	3	-	-	88	3	88	3	-	-	-	14	14	14	-
Subtotal	298	3	298	3	-	-	298	3	298	3	-	-	-	24	24	24	-
Co. Voc. - Regular																	
Co. Voc. Ft. Post Sec.																	
Totals	1,652	10	1,652	10	-	-	1,652	10	1,652	10	-	-	-	24	24	24	-
Percentage Error					0.00%	0.00%					0.00%	0.00%					0.00%

**SADDLE BROOK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020
SCHEDULE OF AUDITED ENROLLMENTS**

	<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												
Half Day Kindergarten												
Full Day Kindergarten	14.0	14.0	-	4.0	4.0	-						
One	11.0	11.0	-	3.0	3.0	-						
Two	8.0	8.0	-	2.0	2.0	-	2.0	2.0	-	2.0	2.0	-
Three	12.0	12.0	-	3.0	3.0	-						
Four	9.0	9.0	-	3.0	3.0	-						
Five	11.0	11.0	-	3.0	3.0	-						
Six	10.0	10.0	-	3.0	3.0	-						
Seven	13.0	13.0	-	4.0	4.0	-						
Eight	14.0	14.0	-	4.0	4.0	-						
Nine	8.0	8.0	-	2.0	2.0	-	1.0	1.0	-	1.0	1.0	-
Ten	8.0	8.0	-	2.0	2.0	-						
Eleven	9.0	9.0	-	2.0	2.0	-						
Twelve	9.0	9.0	-	3.0	3.0	-						
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	<u>136.0</u>	<u>136.0</u>	<u>-</u>	<u>38.0</u>	<u>38.0</u>	<u>-</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Special Ed - Elementary	17.0	17.0	-	5.0	5.0	-						
Special Ed - Middle	20.0	20.0	-	6.0	6.0	-						
Special Ed - High	11.0	11.0	-	3.0	3.0	-						
Subtotal	<u>48.0</u>	<u>48.0</u>	<u>-</u>	<u>14.0</u>	<u>14.0</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	<u>184.0</u>	<u>184.0</u>	<u>-</u>	<u>52.0</u>	<u>52.0</u>	<u>-</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>	<u>3.0</u>	<u>3.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>			<u>0.00%</u>

	<u>Transportation</u>					
	<u>Reported on DRTRS by DOE/county</u>	<u>Reported on DRTRS by District</u>	<u>Errors</u>	<u>Tested</u>	<u>Verified</u>	<u>Errors</u>
Reg. - Public Schools, col. 1	79.0	79.0	-	28.0	28.0	-
Reg -SpEd, col. 4	25.0	25.0	-	9.0	9.0	-
Transported - Non-Public, col. 3	-	-	-	-	-	-
Special Ed Spec, col. 6	34.0	34.0	-	12.0	12.0	-
Totals	<u>138.0</u>	<u>138.0</u>	<u>-</u>	<u>49.0</u>	<u>49.0</u>	<u>-</u>
Percentage Error					<u>0.00%</u>	

**SADDLE BROOK BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2020
SCHEDULE OF AUDITED ENROLLMENTS**

	<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 Kindegarten						
Full Day Kindergarten	5.0	5.0	-	5.0	5.0	-
One	2.0	2.0	-	2.0	2.0	-
Two	4.0	4.0	-	4.0	4.0	-
Three	4.0	4.0	-	4.0	4.0	-
Four			-			-
Five	1.0	1.0	-	1.0	1.0	-
Six	1.0	1.0	-	1.0	1.0	-
Seven			-			-
Eight			-			-
Nine			-			-
Ten	1.0	1.0	-	1.0	1.0	-
Eleven	2.0	2.0	-	2.0	2.0	-
Twelve	1.0	1.0	-	1.0	1.0	-
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	<u>21.0</u>	<u>21.0</u>	<u>-</u>	<u>21.0</u>	<u>21.0</u>	<u>-</u>
Special Ed - Elementary			-			-
Special Ed - Middle			-			-
Special Ed - High	2.0	2.0	-	2.0	2.0	-
Subtotal	<u>2.0</u>	<u>2.0</u>	<u>-</u>	<u>2.0</u>	<u>2.0</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>23.0</u>	<u>23.0</u>	<u>-</u>	<u>23.0</u>	<u>23.0</u>	<u>-</u>
Percentage Error			<u>0.00%</u>			<u>0.00%</u>

**SADDLE BROOK BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

2020-2021 Total General Fund Expenditures per the CAFR	\$	38,998,285
Decreased by:		
Assets Acquired by Lease Purchase		211,997
On-Behalf TPAF Pension & Social Security		<u>5,871,674</u>
Adjusted 2020-2021 General Fund Expenditures	\$	<u>32,914,614</u>
2% of Adjusted 2020-2021 General Fund Expenditures	\$	658,292
Increased by: Allowable Adjustments - Extraordinary Aid		<u>201,011</u>
Maximum Unreserved/Undesignated Fund Balance		<u>\$ 859,303</u>
Total General Fund - Fund Balance at June 30, 2021 (Per CAFR Budgetary Comparison Schedule/Statement)	\$	4,183,152
Decreased by:		
Year End Encumbrances	\$	649,307
Legally Restricted - Unexpended Additional Spending Proposal		1,785
Maintenance Reserve		539,019
Capital Reserve		1,722,123
Unemployment Compensation		<u>411,615</u>
		<u>3,323,849</u>
Total Unassigned Fund Balance		<u>\$ 859,303</u>
Reserved Fund Balance - Excess Surplus		<u>\$ -</u>
<i>Recapitulation of Excess Surplus as of June 30, 2021</i>		
Reserved Excess Surplus- Designated for Subsequent Year's Expenditures		-
Reserved Excess Surplus		<u>-</u>
Total Excess Surplus	\$	<u>-</u>

**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

RECOMMENDATIONS

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

There are none.

III. School Purchasing Program

There are none.

IV. Food Service Fund

There are none.

V. Community School Fund

There are none.

VI. Student Activity Fund and Athletic Account

There are none.

VII. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. Status of Prior Year Audit Findings/Recommendations

Corrective action has been taken.

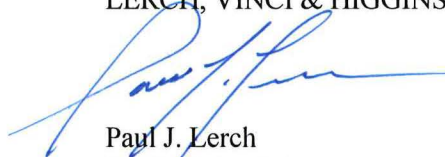
**SADDLE BROOK BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

ACKNOWLEDGEMENT

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

Respectfully submitted,

LERCH, VINCI & HIGGINS, LLP



Paul J. Lerch
Public School Accountant
Certified Public Accountant