

**LYNDHURST BOARD OF EDUCATION
SYNOPSIS OF AUDIT
FOR THE YEAR ENDED
JUNE 30, 2019**

**LYNDHURST BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 1,895,484		\$ 8,677,632	\$ 93,962	\$ 10,667,078
Intergovernmental Receivables	112,106	\$ 242,795			354,901
Other Accounts Receivables	3,299				3,299
Due from Other Funds	286,246	-	-	45,650	331,896
Total Assets	<u>\$ 2,297,135</u>	<u>\$ 242,795</u>	<u>\$ 8,677,632</u>	<u>\$ 139,612</u>	<u>\$ 11,357,174</u>
LIABILITIES					
Liabilities					
Accounts Payable	\$ 566,533	\$ 53,657	\$ 474,555		\$ 1,094,745
Accrued Salaries and Wages	100,121				100,121
Accrued Liability for Insurance Claims	742,000				742,000
Payable to State Government		28,344			28,344
Due to Other Funds	5,158	152,287	179,609		337,054
Unearned Revenue		8,507			8,507
Notes Payable	-	-	12,000,000	-	12,000,000
Total Liabilities	<u>1,413,812</u>	<u>242,795</u>	<u>12,654,164</u>	<u>-</u>	<u>14,310,771</u>
FUND BALANCES (DEFICITS)					
Fund Balances (Deficits)					
Restricted					
Legally Restricted - Disallowed Grant Costs	301,224				301,224
Debt Service				\$ 139,612	139,612
Assigned					
Year End Encumbrances	455,425				455,425
Unassigned	126,674	-	(3,976,532)	-	(3,849,858)
Total Fund Balances (Deficits)	<u>883,323</u>	<u>-</u>	<u>(3,976,532)</u>	<u>139,612</u>	<u>(2,953,597)</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 2,297,135</u>	<u>\$ 242,795</u>	<u>\$ 8,677,632</u>	<u>\$ 139,612</u>	<u>\$ 11,357,174</u>

LYNDHURST BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Property Tax Levy	\$ 38,039,648			\$ 649,622	\$ 38,689,270
Tuition	75,581				75,581
Transportation Fees	151,434				151,434
Interest	50,800		\$ 103,050		153,850
Miscellaneous - Unrestricted	102,934	-	-	-	102,934
Total - Local Sources	38,420,397	-	103,050	649,622	39,173,069
State Sources	9,038,390	\$ 256,287			9,294,677
Federal Sources	58,364	1,111,830	-	-	1,170,194
Total Revenues	47,517,151	1,368,117	103,050	649,622	49,637,940
EXPENDITURES					
Current					
Instruction					20,538,470
Regular Instruction	20,206,627	331,843			9,117,197
Special Education Instruction	8,485,193	632,004			1,029,531
Other Instruction	1,012,971	16,560			1,075,344
School-Sponsored Activities and Athletics	1,075,344				
Support Services					5,583,558
Student and Instruction Related Services	5,195,848	387,710			1,287,516
General Administrative Services	1,287,516				2,918,434
School Administrative Services	2,918,434				1,095,235
Central and Other Support Service	1,095,235				3,941,029
Plant Operations and Maintenance	3,941,029				1,481,367
Student Transportation	1,481,367				
Debt Service					425,000
Principal				425,000	224,622
Interest and Other Charges				224,622	2,157,652
Capital Outlay	-	-	2,157,652	-	
Total Expenditures	46,699,564	1,368,117	2,157,652	649,622	50,874,955
Excess (Deficiency) of Revenues Over (Under) Expenditures	817,587	-	(2,054,602)	-	(1,237,015)
OTHER FINANCING SOURCES (USES)					
State Aid Advance Loan Proceeds	4,800,000				4,800,000
Premiums on Notes			93,962		93,962
Transfers In	103,050			93,962	197,012
Transfers Out	(561,000)	-	(197,012)	-	(758,012)
Total Other Financing Sources and Uses	4,342,050	-	(103,050)	93,962	4,332,962
Net Change in Fund Balances	5,159,637	-	(2,157,652)	93,962	3,095,947
Fund Balance (Deficits), Beginning of Year	(4,276,314)	-	(1,818,880)	45,650	(6,049,544)
Fund Balance (Deficits), End of Year	\$ 883,323	\$ -	\$ (3,976,532)	\$ 139,612	\$ (2,953,597)

LYNDHURST BOARD OF EDUCATION RECOMMENDATIONS

I. Administrative Practices and Procedures

It is recommended that a surety bond be obtained for the treasurer of school monies in the amount required by the New Jersey Administrative Code.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Formal written request, signed by the respective employee, be delivered to the District in-person for changes to employees banking information for direct deposit purposes.
- * 2. The District update its position control roster to be in agreement with the District's budget and payroll accounting records in accordance with N.J.A.C. 6A:23A-6.8.

III. School Purchasing Program

It is recommended that:

- * 1. Contract awards for professional services which exceed the bid threshold on specific projects be approved by Board resolution and made part of the official minutes.
2. Contracts awarded and purchases made through a state contract or cooperative purchasing agreement which exceed the bid threshold be approved by Board resolution and made part of the official minutes.
- * 3. Procedures be enhanced to ensure Board approved professional service contract awards are subsequently published in the District's official newspaper as required by the Public School Contracts Law.

IV. School Food Services

It is recommended that monies collected be deposited within 48 hours of receipt.

V. Preschool Program

There are none.

VI. Student Body Activities

It is recommended that:

- * 1. Uniform deposit accounting forms and pre-numbered receipt tickets be utilized for all monies collected in all the District's student activity accounts.
- * 2. Financial transactions accounted for in the Elementary and High School student activity accounts be only for student related type activities.

LYNDHURST BOARD OF EDUCATION RECOMMENDATIONS

VII. Application for State School Aid

There are none.

VIII. Transportation

There are none.

IX. Facilities and Capital Assets

It is recommended that:

- * 1. The District maintain detailed accounting records to support capital assets for land and building/building improvements and related depreciation reported in the District's financial statements.
- * 2. The District review its machinery and equipment inventory and make appropriate adjustments for assets valued below the capitalization threshold.

X. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all prior year findings, except the recommendations denoted by an asterisk.