



# 2020-2021 AUDIT SYNOPSIS

Erin Hill  
School Business  
Administrator/Board Secretary

# GOVERNMENTAL FUNDS BALANCE SHEET (EXHIBIT B-1 SHEET 1)

SAYREVILLE BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>DEBT SERVICE FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 15,192,108.80	\$ (476,802.57)	\$ 7,732,132.75	\$ 2.45	\$ 22,447,441.43
Accounts Receivable:					
Federal		1,468,810.41			1,468,810.41
State	1,291,590.37				1,291,590.37
Other	590,646.56	25,672.39			616,318.95
Due from other funds	<u>158,293.19</u>	<u>242,180.00</u>			<u>400,473.19</u>
<b>Total assets</b>	<b><u>\$ 17,232,638.92</u></b>	<b><u>\$ 1,259,860.23</u></b>	<b><u>\$ 7,732,132.75</u></b>	<b><u>\$ 2.45</u></b>	<b><u>\$ 26,224,634.35</u></b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 3,702,109.86	\$ 1,177,835.38	\$ 875,591.83		\$ 5,755,537.07
Payroll deductions and withholdings payable	10,741.64				10,741.64
Unemployment compensation claims payable	96,269.16				96,269.16
Payable to state government		28,035.43			28,035.43
Unearned revenue	<u>2,119.17</u>	<u>313,494.64</u>			<u>315,613.81</u>
<b>Total liabilities</b>	<b><u>3,811,239.83</u></b>	<b><u>1,519,365.45</u></b>	<b><u>875,591.83</u></b>		<b><u>6,206,197.11</u></b>

# GOVERNMENTAL FUNDS BALANCE SHEET (EXHIBIT B-1 SHEET 1) CONTINUED

Fund balances:

Restricted:					
Capital reserve	7,406,413.97				7,406,413.97
Maintenance reserve	1,536,690.72				1,536,690.72
Emergency reserve	300,000.00				300,000.00
Excess Surplus designated for subsequent years expenditures	1,561,190.00				1,561,190.00
Capital projects fund			1,910,152.06		1,910,152.06
Debt service fund				2.45	2.45
Unemployment compensation	198,014.18				198,014.18
Student Activities		333,262.75			333,262.75
Scholarships		54,266.88			54,266.88
Committed:					
Year-end encumbrances			4,946,388.86		4,946,388.86
Assigned:					
Encumbrances	1,186,116.21				1,186,116.21
Designated for subsequent years expenditures	108,195.00				108,195.00
FFCRA - SEMI	9,812.52				9,812.52
Unassigned:					
General fund	1,114,966.49				1,114,966.49
Special revenue fund (deficit)		(647,034.85)			(647,034.85)
Total fund balances	<u>13,421,399.09</u>	<u>(259,505.22)</u>	<u>6,856,540.92</u>	<u>2.45</u>	<u>20,018,437.24</u>
Total liabilities and fund balances	<u>\$ 17,232,638.92</u>	<u>\$ 1,259,860.23</u>	<u>\$ 7,732,132.75</u>	<u>\$ 2.45</u>	<u>\$ 26,224,634.35</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

# GOVERNMENTAL FUNDS BALANCE SHEET (EXHIBIT B-1 SHEET 2)

SAYREVILLE BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Total Fund Balances (Brought Forward)	\$	20,018,437.24
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Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Cost of Assets	\$	142,271,025.54	
Accumulated Depreciation		<u>(60,761,441.00)</u>	
			81,509,584.54

The Internal Service Fund is used to account for the financing of dental and prescription benefits to district employees. Employee benefits are governmental activities. This amount is the unrestricted net position in the Internal Service Fund.

1,501,455.48

# GOVERNMENTAL FUNDS BALANCE SHEET (EXHIBIT B-1 SHEET 2) CONTINUED

Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Net Pension Liability		(17,778,075.00)	
Compensated Absences		(3,536,418.13)	
Capital Leases Payable		(3,114,816.00)	
Serial Bonds Payable	(39,845,000.00)		
Premium on Refunding Debt, Net	<u>(453,402.40)</u>		
		<u>(40,298,402.40)</u>	(64,727,711.53)

Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.

Pensions:

Deferred Outflows			
Pension related			2,972,577.00

Deferred Inflows:

Pension related			(8,608,301.00)
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Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.

Accounts Payable - Pension Related		(1,286,803.00)	
Accrued Interest Payable		<u>(538,251.21)</u>	
			<u>(1,825,054.21)</u>

Net Position of Governmental Activities			\$ <u>30,840,987.52</u>
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# GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (EXHIBIT B-2)

SAYREVILLE BOROUGH BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>DEBT SERVICE FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 64,418,986.00	\$	\$	\$ 3,538,127.00	\$ 67,957,093.00
Tuition from other LEAs within the State	76,807.55				76,807.55
Transportation fees from other LEAs	12,850.00				12,850.00
Rents and Royalties	13,692.44				13,692.44
Other restricted miscellaneous revenues	530.07				530.07
Miscellaneous	234,540.19	169,252.98			403,793.17
<b>Total - local sources</b>	<b>64,757,386.25</b>	<b>169,252.98</b>		<b>3,538,127.00</b>	<b>68,464,766.23</b>
State sources	48,549,114.54	6,285,010.94		79,242.00	54,913,367.48
Federal sources	214,219.45	4,526,718.75			4,740,938.20
<b>Total revenues</b>	<b>113,520,720.24</b>	<b>10,980,982.67</b>		<b>3,617,369.00</b>	<b>128,119,071.91</b>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	27,987,230.51				27,987,230.51
Special instruction	9,896,120.16	6,287,631.34			16,183,751.50
Other Instruction	3,661,254.16				3,661,254.16

# GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (EXHIBIT B-2) CONTINUED

Support services:					
Tuition	2,643,375.91				2,643,375.91
Student & instruction related services	9,348,572.92	5,364,016.15			14,712,589.07
General administrative services	1,886,757.41				1,886,757.41
School administrative services	3,136,826.45				3,136,826.45
Central service/Admin information technology	2,442,391.77				2,442,391.77
Plant operations and maintenance	6,654,983.10				6,654,983.10
Pupil transportation	4,370,657.06				4,370,657.06
Unallocated benefits	34,176,993.83				34,176,993.83
Transfer to Charter Schools	653,903.00				653,903.00
Special schools	90,711.00				90,711.00
Debt Service:					
Principal			2,535,000.00		2,535,000.00
Interest			1,082,368.78		1,082,368.78
Cost of issuance			32,945.37		32,945.37
Capital outlay	<u>5,630,640.18</u>	<u>34,438.84</u>	<u>1,715,541.81</u>		<u>7,380,620.83</u>
Total expenditures	<u>112,580,417.46</u>	<u>11,686,086.33</u>	<u>1,748,487.18</u>	<u>3,617,368.78</u>	<u>129,632,359.75</u>
Excess (deficiency) of revenues over (under) expenditures	940,302.78	(705,103.66)	(1,748,487.18)	0.22	(1,513,287.84)
Other financing sources (uses):					
Transfers In/out	(13,830.00)	313,830.00			300,000.00
Refunding bonds issued			8,140,000.00		8,140,000.00
Premium on refunding bonds, net			465,028.10		465,028.10
Capital leases (non-budgeted)	<u>2,382,078.46</u>				<u>2,382,078.46</u>
Total other financing sources	<u>2,368,248.46</u>	<u>313,830.00</u>	<u>8,605,028.10</u>		<u>11,287,106.56</u>
Net change in fund balances	3,308,551.24	(391,273.66)	6,856,540.92	0.22	9,773,818.72
Fund balances, July 1, 2020 (as restated)	<u>10,112,847.85</u>	<u>131,768.44</u>		<u>2.23</u>	<u>10,244,618.52</u>
Fund balances, June 30, 2021 (deficit)	<u>\$ 13,421,399.09</u>	<u>\$ (259,505.22)</u>	<u>\$ 6,856,540.92</u>	<u>\$ 2.45</u>	<u>\$ 20,018,437.24</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

# AUDIT RECOMMENDATIONS

## RECOMMENDATIONS

### Administrative Practices and Procedures

None

### Financial Planning, Accounting and Reporting

None

### School Purchasing Program

None

### School Food Service

None

### Student Body Activities

Recommendation 2021-001- That all deposits in the student activity fund be made in a timely manner.

### Application for State School Aid

None

### Pupil Transportation

None

### Capital Assets and Facilities

None

### Prior Year Audit Findings

None



# CORRECTIVE ACTION PLAN

<b>Recommendation Number</b>	<b>Corrective Action Required by The Board</b>	<b>Method of Implementation</b>	<b>Person Responsible for Implementation</b>	<b>Planned Completion Date of Implementation</b>
2021-001	That all deposits in the student activity fund be made in a timely manner.	The principal will ensure that all funds collected are submitted and placed in the safe in the main office on the day the funds are collected. In addition, the principal will ensure that a secondary person will facilitate deposits to the bank in the absence of the Student Activity Fund Coordinator.	Principal	April 1, 2022