



**PRINCETON PUBLIC SCHOOLS
PRINCETON, NEW JERSEY**

**AUDITORS'
MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS–
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2021**

**AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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INDEPENDENT AUDITORS' REPORT

Honorable President and Members
of the Board of Education
Princeton Public Schools
County of Mercer, New Jersey

We have audited, in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Princeton Public Schools, County of Mercer as of and for the year ended June 30, 2021, and have issued our report thereon dated February 9, 2022.

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 Princeton Public Schools' management and Board members, and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Scott A. Clelland
Licensed Public School Accountant
No. 1049

WISS & COMPANY, LLP

February 9, 2022
Florham Park, New Jersey

PRINCETON PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

JUNE 30, 2021

Scope of Audit

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

Administrative Practices and Procedures

Insurance

Insurance coverage was carried in the amounts as detailed on J-20, Insurance Schedule contained in the District's ACFR.

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Matthew Bouldin	Business Administrator/Board Secretary	\$ 375,000
John Calavano	Treasurer of School Monies	450,000
Jennifer Micale	Comptroller/Assistant Board Secretary	375,000

There is a Public Employee's Dishonesty Blanket Bond covering all other employees with multiple coverage of \$500,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The District made a proper adjustment to the billings to sending Districts for the increase or decrease in per pupil costs in accordance with *N.J.A.C. 6A:23A-17.1(f)3*.

Financial Planning, Accounting and Reporting

Examination of Claims

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

Payroll Account and Position Control Roster

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.

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

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

Payrolls were delivered to the secretary of the board who then deposited with warrants in separate bank accounts for net payroll and withholdings.

No exceptions were noted during our testing of payroll.

Employee Position Control Roster

An inquiry and subsequent review of the Position Control Roster did not identify any inconsistencies between the payroll records, employee benefit records, the general ledger accounts to where wages are posted, and the Position Control Roster.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. No exceptions were noted.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6A:23A-16.2 (f)* 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, we also selected a sample of administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.3*. As a result of the procedures performed, a transaction error rate of 0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary did not identify any exceptions.

Treasurer's Records

The following item was noted during our review of the Treasurer's records:

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Finding 2021-001:

During our testing of the bank reconciliations, we noted outstanding items exceeding one year in age.

Recommendation:

We suggest that the responsible party review the outstanding items on a regular basis to write off or void and reissue any outstanding checks.

Pupil Transportation

Our 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 with minor differences identified. 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. 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.

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 Annual Comprehensive Financial Report (ACFR). This section of the ACFR documents the financial position pertaining to the projects under Title I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. indicated no areas of noncompliance and/or questionable costs.

Other Special Federal and/or State Projects

The District's special projects were approved as listed on Schedules A (K-3) and B (K-4) 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.

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.

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The study of compliance for the special projects indicated the following areas of noncompliance:

Finding 2021-002:

During our test of transactions over the Coronavirus Relief Fund grant, we noted one instance where an item purchased was not allowable per the grant agreement. The amount was below the Uniform Guidance questioned costs threshold and therefore has not been reported in the Schedule of Findings and Questioned Costs in the ACFR.

Recommendation:

We suggest that the Grant Administrator ensure items purchased utilizing grant funds are allowable per the grant agreements.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursement 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 Reports 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 and no exceptions were noted.

Non-Public State Aid

Our review of the Nonpublic State Aid completion reports disclosed no exceptions. The following was identified:

Finding 2021-003:

During our audit, we noted a potential misappropriation of funds relating to expenditures for nonpublic state aid where an individual employed by the District was potentially utilizing funds for personal use.

Recommendation:

We suggest the District strengthen controls surrounding the expenditures related to nonpublic state aid funds to ensure that the nonpublic schools verify purchases made and received.

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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 \$44,000 (with a Qualified Purchasing Agent) and \$32,000 (without a Qualified Purchasing Agent), respectively. The law regulating bidding for public school transportation contracts under *N.J.S.A. 18A:39-3* is \$19,600 for 2020-21.

The District 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 solicitor's opinion should be sought before a commitment is made.

Based on the results of our examination, we did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, 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*.

No exceptions were identified.

School Food Service

PUBLIC HEALTH EMERGENCY

In accordance with the Governor's Declaration of Emergency pertaining to the COVID-19 Virus, all Public, Charter, and Non-Public schools were ordered to close effective 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 Free and Reduced Price 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 (SFAs) 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.

SFAs 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 SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of all

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children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFAs 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 financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

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 result provision with guarantees that the food service program will breakeven. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

Expenditures should be separately recorded as 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.

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

The FSMC did not apply for and receive a loan in accordance with the Payroll Protection Plan and did not use the funds to pay for costs applicable to the Food Service Programs. The PPP loan was not subsequently forgiven and the FSMC did not refund or credit the applicable amounts to the SFA.

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Net cash resources did exceed three months average expenditures.

Finding 2021-004:

During of testing of the food service program, we noted that net cash resources exceeded three months average expenditures.

Recommendation:

We suggest that the District ensure it is in compliance with the net cash resources compliance requirement.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Service employees authorized by the board of education. No exceptions were noted.

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.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. 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 were completed and not available for review. However, the following was identified:

Finding 2021-005:

Per our testing of the 3% verification, the supporting documentation was not available for review.

Recommendation:

We suggest that the District maintain the supporting documentation for the 3% verification.

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

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

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Student Body Activities

During our audit of the student activity funds, no exceptions were identified.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2020 Application for State School Aid (ASSA) for on-roll, private schools for students with disabilities, 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 without exception. The information included as part of the workpapers was verified without exception. 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.

Miscellaneous

Testing for Lead of All Drinking Water in Educational Facilities

The school district adhered to all the 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.

The school district submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Follow-up on Prior Year's Findings

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations including findings. There were no findings in the prior year and therefore corrective action was not required.

There were no audit reports issued by the Office of Fiscal Accountability and Compliance (OFAC) during the 2021 fiscal year.

Acknowledgment

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

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SCHEDULE OF MEAL COUNT ACTIVITY

PROPRIETARY FUNDS - FOOD SERVICE
NUMBER OF MEALS SERVED - FEDERAL
YEAR ENDED JUNE 30, 2021

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
National School Lunch (Regular Rate)	Paid	-	-	-	-	\$ 0.33	\$ -
National School Lunch (Regular Rate)	Reduced	-	-	-	-	3.11	-
National School Lunch (Regular Rate)	Free	152,565	152,565	152,565	-	3.51	-
	TOTAL	152,565	152,565	152,565			-
National School Lunch	HHFKA	152,565	152,565	152,565	-	\$ 0.07	\$ -
School Breakfast (Regular Rate)	Paid	-	-	-	-	\$ 0.32	\$ -
	Reduced	-	-	-	-	1.59	-
	Free	152,565	152,565	152,565	-	1.89	-
	TOTAL	152,565	152,565	152,565			-
Special Milk Prg. - Free	Free	-	-	-		\$ -	\$ -
Special Milk Prg. - Paid	Paid	-	-	-		\$ 0.20	\$ -
Total Net (Over) Underclaim							\$ -

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SCHEDULE OF MEAL COUNT ACTIVITY

PROPRIETARY FUNDS - FOOD SERVICE

NUMBER OF MEALS SERVED - STATE

YEAR ENDED JUNE 30, 2021

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE (a)</u>	<u>(OVER) UNDER CLAIM (b)</u>
State Reimbursement - National School Lunch (Regular Rate)	Paid	-	-	-	-	\$ 0.05	\$ -
State Reimbursement - National School Lunch (Regular Rate)	Reduced	-	-	-	-	0.055	-
State Reimbursement - National School Lunch (Regular Rate)	Free	152,565	152,565	152,565	-	0.255	-
	TOTAL	<u>152,565</u>	<u>152,565</u>	<u>152,565</u>			<u>-</u>
Total Net (Over) Underclaim							<u><u>\$ -</u></u>

PRINCETON PUBLIC SCHOOLS

NET CASH RESOURCE SCHEDULE

Net cash resources exceeded three months of expenditures
 Proprietary Funds - Food Service
 Year ended June 30, 2021

<u>Net Cash Resources:</u>		<u>Food Service B - 4/5</u>	
CAFR	*	Current Assets	
B-4		Cash & Cash Equiv.	\$ 272,432
B-4		Accounts Receivable - State	4,174
B-4		Accounts Receivable - Federal	92,609
B-4		Accounts Receivable - Other	13,114
B-4		Interfund Receivable	94,903
CAFR		Current Liabilities	
B-4		Less Accounts Payable	(6,779)
B-4		Less Due to Other Funds	(10,955)
B-4		Less Unearned Revenue	(67,485)
		Net Cash Resources	<u>\$ 392,013</u> (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	807,208	
B-5	Less Depreciation	(47,142)	
	Adj. Tot. Oper. Exp.	<u>\$ 760,066</u>	(B)

Average Monthly Operating Expense:

B / 10	<u>\$ 76,007</u>	(C)
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Three times monthly Average:

3 X C	<u>\$ 228,020</u>	(D)
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TOTAL IN BOX A	\$ 392,013
LESS TOTAL IN BOX D	\$ 228,020
NET	<u>\$ 163,993</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.

PRINCETON PUBLIC SCHOOLS

**SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY**

ENROLLMENT AS OF OCTOBER 15, 2020

	2021-22 Application for State School Aid (10/15/20 data)						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		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	28.0	-	28.0	-	-	-	14	-	14	-	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	130.0	-	130.0	-	-	-	40	-	40	-	-	-	-	-	-	-	-
One	176.0	-	176.0	-	-	-	43	-	43	-	-	-	-	-	-	-	-
Two	175.0	-	175.0	-	-	-	43	-	43	-	-	-	-	-	-	-	-
Three	203.0	-	203.0	-	-	-	46	-	46	-	-	-	-	-	-	-	-
Four	198.0	-	198.0	-	-	-	56	-	56	-	-	-	-	-	-	-	-
Five	200.0	-	200.0	-	-	-	54	-	54	-	-	-	-	-	-	-	-
Six	231.0	-	231.0	-	-	-	231	-	231	-	-	-	-	-	-	-	-
Seven	215.0	-	215.0	-	-	-	215	-	215	-	-	-	-	-	-	-	-
Eight	241.0	-	241.0	-	-	-	241	-	241	-	-	-	-	-	-	-	-
Nine	306.0	-	306.0	-	-	-	306	-	306	-	-	-	-	-	-	-	-
Ten	327.0	-	327.0	-	-	-	327	-	327	-	-	-	-	-	-	-	-
Eleven	355.0	2.0	355.0	2.0	-	-	355	2	355	2	-	-	-	-	-	-	-
Twelve	356.0	9.0	356.0	9.0	-	-	356	9	356	9	-	-	-	-	-	-	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	3,141.0	11.0	3,141.0	11.0	-	-	2,327	11	2,327	11	-	-	-	-	-	-	-
Special Education Elementary School	183.0	-	183.0	-	-	-	54	-	54	-	-	-	-	5.0	6.0	6.0	-
Special Education Middle School	116.0	-	116.0	-	-	-	116	-	116	-	-	-	-	1.0	1.0	1.0	-
Special Education High School	187.0	16.0	187.0	16.0	-	-	187	16	187	16	-	-	-	16.0	12.0	12.0	-
Subtotal	486.0	16.0	486.0	16.0	-	-	357	16	357	16	-	-	-	22.0	19.0	19.0	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - First Post Secondary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	3,627.0	27.0	3,627.0	27.0	-	-	2,684	27	2,684	27	-	-	-	22.0	19.0	19.0	-

Percentage Error

0.0% 0.0% 0.0% 0.0%

PRINCETON PUBLIC SCHOOLS

SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY (continued)

ENROLLMENT AS OF OCTOBER 15, 2020

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Preschool	8	8	-	3	3	-	-	-	-	-	-	-
Half Day Kindergarten	-	-	-	-	-	-	-	-	-	-	-	-
Full Day Kindergarten	12.0	12.0	-	6	6	-	2.0	2.0	-	2.0	2.0	-
One	19.0	19.0	-	10	10	-	1.0	1.0	-	1.0	-	-
Two	26.0	26.0	-	10	10	-	4.0	4.0	-	4.0	-	-
Three	18.0	18.0	-	5	5	-	5.0	5.0	-	4.0	4.0	-
Four	25.0	25.0	-	11	11	-	6.0	6.0	-	5.0	5.0	-
Five	27.0	27.0	-	8	8	-	5.0	5.0	-	4.0	4.0	-
Six	17.0	17.0	-	5	5	-	3.0	3.0	-	3.0	3.0	-
Seven	28.0	28.0	-	13	13	-	2.0	2.0	-	2.0	2.0	-
Eight	15.0	15.0	-	6	6	-	2.0	2.0	-	1.0	1.0	-
Nine	16.0	16.0	-	3	3	-	3.0	3.0	-	3.0	3.0	-
Ten	34.0	34.0	-	11	11	-	13.0	13.0	-	8.0	8.0	-
Eleven	28.0	28.0	-	9	9	-	7.0	7.0	-	5.0	5.0	-
Twelve	25.0	25.0	-	14	14	-	5.5	5.5	-	6.0	6.0	-
Post-Graduate	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-	-	-	-	-	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	298.0	298.0	-	114.0	114.0	-	58.5	58.5	-	46.0	46.0	-
Special Education Elementary School	69.0	69.0	-	33.0	33.0	-	8.0	8.0	-	6.0	6.0	-
Special Education Middle School	52.0	52.0	-	24.0	24.0	-	1.0	1.0	-	1.0	1.0	-
Special Education High School	52.0	52.0	-	26.0	26.0	-	-	-	-	-	-	-
Subtotal	173.0	173.0	-	83.0	83.0	-	9.0	9.0	-	7.0	7.0	-
County Vocational - Regular	-	-	-	-	-	-	-	-	-	-	-	-
County Vocational - First Post Secondary	-	-	-	-	-	-	-	-	-	-	-	-
Total	471.0	471.0	-	197.0	197.0	-	67.5	67.5	-	53.0	53.0	-

Percentage Error 0.0% 0.0% 0.0%

Transportation

	Reported on			Sample for Verification			Average Mileage		
	DOE/County	DRTS by District	Errors	Tested	Verified	Errors	including Grade PK students	excluding Grade PK students	education with special needs
Regular - Public	999	999	-	192	192	-	3.5	3.5	3.5
Transported Non-Public	146	146	-	28	28	-	3.5	3.5	3.5
AIL - Non Public	136	136	-	26	26	-	-	-	-
Special Education-Public	36	37	(1)	7	7	-	-	-	-
Special Education Needs	56	58	(2)	11	11	-	-	-	-
Totals	1,373	1,376	(3)	264	264	-	-	-	-

Percentage Error -0.2% 0.0%

PRINCETON PUBLIC SCHOOLS

**SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR STATE SCHOOL AID SUMMARY**

ENROLLMENT AS OF OCTOBER 15, 2020

	Resident LEP NOT Low Income		Sample for Verification	
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Sample Selected from Workpapers	Verified to Application and Register
Half Day Preschool	-	-	-	-
Full Day Preschool	-	-	-	-
Half Day Kindergarten	-	-	-	-
Full Day Kindergarten	4.0	4.0	3	3
One	10.0	10.0	6	6
Two	7.0	7.0	6	6
Three	7.0	7.0	4	4
Four	10.0	10.0	7	7
Five	4.0	4.0	3	3
Six	5.0	5.0	3	3
Seven	5.0	5.0	2	2
Eight	5.0	5.0	3	3
Nine	4.0	4.0	2	2
Ten	8.0	8.0	2	2
Eleven	3.0	3.0	1	1
Twelve	1.0	1.0	1	1
Post-Graduate	-	-	-	-
Adult H.S. (15 + CR)	-	-	-	-
Adult H.S. (1-14 CR)	-	-	-	-
Subtotal	73.0	73.0	43.0	43.0
Special Education Elementary School	2.0	2.0	1.0	1.0
Special Education Middle School	-	-	-	-
Special Education High School	3.0	3.0	2.0	2.0
Subtotal	5.0	5.0	3.0	3.0
County Vocational - Regular	-	-	-	-
County Vocational - First Post Secondary	-	-	-	-
Total	78.0	78.0	46.0	46.0

Percentage Error

0.0%

0.0%

PRINCETON PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION

JUNE 30, 2021

SECTION 1

A. 4% Calculation of Excess Surplus

2020-21 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>110,521,595</u>	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	\$ _____	(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ <u>839,238</u>	(B1b)
Transfer from General Fund to SRF for PreK-Regular	\$ <u>22,000</u>	(B1c)
Transfer from General Fund to SRF for PreK-Inclusion	\$ _____	(B1d)
Decreased by:		
On-Behalf TPAF Pension, PRM, LTD and Social Security	\$ <u>15,847,375</u>	(B2a)
Assets Acquired Under Capital Leases	\$ <u>3,240,000</u>	(B2b)
Adjusted 2020-21 General Fund Expenditures [(B) + (B1s) - (B2s)]	\$ <u>92,295,458</u>	(B3)
4% of Adjusted 2020-21 General Fund Expenditures [(B3) times .04]	\$ <u>3,691,818</u>	(B4)
Enter Greater of (B4) or \$250,000	\$ <u>3,691,818</u>	(B5)
Increased by: Allowable Adjustment*	\$ <u>2,384,039</u>	(K)
Maximum Unassigned/Undesignated - Unreserved Fund Balance [(B5) + (K)]	\$ <u>6,075,857</u>	(M)

SECTION 2

Total General Fund - Fund Balances at 6-30-21 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>13,427,686</u>	(C)
Decreased by:		
Assigned Year End Encumbrances	\$ <u>408,578</u>	(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ _____	(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>2,248,120</u>	(C3)
Other Restricted Fund Balances****	\$ <u>4,094,950</u>	(C4)
Assigned Fund Balance-Unreserved- Designated for Subsequent Year's Expenditures	\$ <u>1,054,932</u>	(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u>5,621,106</u>	(U1)

PRINCETON PUBLIC SCHOOLS

EXCESS SURPLUS CALCULATION

JUNE 30, 2021

SECTION 3

Restricted Fund Balance - Excess Surplus ***

[(U1)-(M)] IF NEGATIVE ENTER -0- \$ _____ - (E)

Recapitulation of Excess Surplus as of June 30, 2021

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **

\$ 2,248,120 (C3)

Reserved Excess Surplus *** [(E)]

\$ _____ - (E)

Total Excess Surplus [(C3)+(E)]

\$ 2,248,120 (D)

***Detail of Allowable Adjustments**

Impact Aid

\$ _____ - (H)

Sales & Lease-back

\$ _____ - (I)

Extraordinary Aid

\$ 2,317,905 (J1)

Additional Nonpublic School Transportation Aid

\$ 66,134 (J2)

Current Year School Bus Advertising Revenue Recognized

\$ _____ - (J3)

Family Crisis Transportation Aid

\$ _____ - (J4)

Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]

\$ 2,384,039 (K)

** This amount represents the June 30, 2020 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amount must agree to the June 30, 2021 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 another 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.

PRINCETON PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION

JUNE 30, 2021

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$	-
Sale/lease-back reserve	\$	-
Capital reserve	\$	2,885,813
Emergency reserve	\$	-
Maintenance reserve	\$	710,773
Tuition reserve	\$	-
Unemployment reserve	\$	498,364
School Bus Advertising 50% Fuel Offset-current year	\$	-
School Bus Advertising 50% Fuel Offset-prior year	\$	-
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$	-
Impact Aid General Fund Reserve (Sections 8007 and 8008)	\$	-
Other State / government madated reserve	\$	-
[Other Restricted Fund Balance not noted above]****	\$	-
 Total Other Restricted Fund Balance	 \$	 4,094,950 (C4)

Princeton Public Schools

Audit Recommendations Summary

June 30, 2021

1. **Administrative Practices and Procedures**

None

2. **Financial Planning, Accounting and Reporting**

Finding 2021-001:

We suggest that the responsible party review the outstanding items on bank reconciliations on a regular basis to write off or void and reissue outstanding items.

Finding 2021-002:

We suggest that the Grant Administrator ensure items being purchased utilizing grant funds are allowable per the grant agreement.

Finding 2021-003:

We suggest that the District strengthen controls surrounding the expenditures of the Non-Public State Aid funds ensuring that the Non-Public schools verify purchases made and received.

3. **School Purchasing Programs**

None

4. **School Food Service**

Finding 2021-004:

We suggest that the District ensure it is in compliance with the net cash resources requirement related to its food service operations.

Finding 2021-005:

We suggest that the District maintain the supporting documentation for the 3% meal verification requirement.

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 findings in the prior year.