

PRINCETON PUBLIC SCHOOLS
COUNTY OF MERCER
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022

PRINCETON PUBLIC SCHOOLS
COUNTY OF MERCER
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL,
COMPLIANCE AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
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January 10, 2023

The Honorable President and Members
of the Board of Education
Princeton Public Schools
County of Mercer, NJ

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 Princeton Public Schools in the County of Mercer for the fiscal year ended June 30, 2022, and have issued our report thereon dated January 10, 2023.

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 January 10, 2023, 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 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 suggestions and recommendations.

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

January 10, 2023
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

PRINCETON PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022

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 ACFR.

Officials in Office and Surety Bonds

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

P.L. 2020, c.44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year on audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did include all health benefit plans offered by the school district.

The school district data certification was completed by the chief school administrator., and the Chapter 44 data was submitted timely.

The data certification date does not reflect a submission date later than 60 days after the end of the enrollment period.

Tuition Charges

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

PRINCETON PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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.

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

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

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendent, and business administrator) to the NJ Department of Treasury was filed in a timely manner.

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. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. In addition to randomly selecting a test sample, we reviewed administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.2. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no significant 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.

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 no comments except as noted herein.

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 herein within the Special Revenue Section of the District's ACFR. This section of the ACFR documents the financial position pertaining to projects under Title I, Title II, Title III and Title IV of the Elementary and Secondary Education Act as amended and reauthorized.

PRINCETON PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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 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.

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 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 not remitted to the State of New Jersey prior to the required deadline of October 1, 2022.

Finding 2022-001:

During our audit, it was noted that the T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was not completed. There was no liability due to the State as of June 30, 2022. However, the reimbursement form should still be completed and submitted prior to the required deadline.

Recommendation:

It is recommended that the T.P.A.F. Reimbursement to the State for Federal Salary Expenditures is completed and remitted to the State of New Jersey prior to the statutory deadline.

Management's Response:

The District did not complete the T.P.A.F. Reimbursement to the State for Federal Salary Expenditures as there was no liability due to the State as of June 30, 2022. However, the District will ensure that it is completed and remitted to the State of New Jersey prior to the statutory deadline moving forward.

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.

PRINCETON PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022

School Purchasing Programs (Cont'd)

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

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 \$20,200 for 2021-22.

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.

PRINCETON PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(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 purchased, prepared or offered for sale. The Statement of Revenue, Expenses and Changes in Net Position in the ACFR Schedule B-5 does separate program and non-program revenue and program and non-program cost of goods sold.

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 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 herein.

Application for State School Aid

Our audit procedures included a test of enrollments and related services reported in the October 15, 2021 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, bilingual education and low income. 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 minor exceptions. The information that was included on the workpapers was verified on a test basis 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.

Facilities and Capital Assets

Our procedures included a review of the SDA grant agreements for consistency with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account and awarding of contracts for eligible facilities construction. Based on these procedures, we have no comments.

PRINCETON PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE
AND PERFORMANCE
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Travel Expense and Reimbursement Policy

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 require the District to establish a maximum travel amount for the year and to account that the maximum is not exceeded. The regulations also require that all travel be approved prior by the Board of Education and that the approval must be itemized by event, event total cost, and individuals attending.

Our review of the travel policies and records revealed that the District is in general compliance with the travel regulations.

Pupil Transportation

Our audit procedures included a test of on-roll status reported in the 2021/2022 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. 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.

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)

Management Suggestion

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.

Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding bank reconciliations, grant funds, non-public state aid expenditures, the 3% meal verification requirement, and net cash resources related to its food service operations have been resolved in the current year.

PRINCETON PUBLIC SCHOOLS
 APPLICATION FOR STATE SCHOOL AID SUMMARY
 SCHEDULE OF AUDITED ENROLLMENTS
 ENROLLMENT AS OF OCTOBER 15, 2021

	2022-2023 Application for State School Aid						Sample for Verification					
	Reported on		Reported on		Errors		Sample		Verified per		Errors per	
	A.S.S.A. On Roll	Shared	Full	Shared	Full	Shared	Workpapers On Roll	Shared	Full	Shared	Full	Shared
Full Day Prek-3YR	37		37				37		37			
Full Day Prek-4YR	59		44		15		44		44			
Full Day Kindergarten	183		183				183		183			
Grade One	176		176				176		176			
Grade Two	178		177		1		177		177			
Grade Three	188		186		2		186		186			
Grade Four	213		212		1		212		212			
Grade Five	193		193				193		193			
Grade Six	207		207				207		207			
Grade Seven	254		254				254		254			
Grade Eight	219		219				219		219			
Grade Nine	350		349		1		349		349			
Grade Ten	315		315				315		315			
Grade Eleven	318	3	321	3	(3)		321	3	321	3		
Grade Twelve	353	9	361	9	(8)		361	9	361	9		
Subtotal	3,243	12	3,234	12	9		3,197	12	3,197	12		
Special Ed - Elementary	156		153		3		7		7			
Special Ed - Middle School	124		135		(11)		6		6			
Special Ed - High School	190	14	223	14	(33)		12		12			
Subtotal	470	14	511	14	(41)		25		25			
Totals	3,713	26	3,745	26	(32)		3,222	12	3,222	12		- 0 -
Percentage Error					-0.86%							0.00%

PRINCETON PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2021

	Private Schools for Disabled				Resident Low Income				
	Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten					24	21	3	1	1
Grade One					26	23	3	1	1
Grade Two					15	14	1	1	1
Grade Three					21	20	1	2	2
Grade Four					20	16	4	1	1
Grade Five					24	21	3	2	2
Grade Six					24	24	0	2	2
Grade Seven					19	18	1	1	1
Grade Eight					26	25	1	2	2
Grade Nine					26	22	4	1	1
Grade Ten					11	14	-3	1	1
Grade Eleven					26	28	-3	2	2
Grade Twelve					29	28	1	2	2
Subtotal					291	274	17	19	19
Special Ed - Elementary	6	1	1		60	55	5	2	2
Special Ed - Middle School	4				60	59	1	2	2
Special Ed - High School	13	2	2		47	46	1	2	2
Subtotal	23	3	3		167	160	7	6	6
Totals	23	3	3	- 0 -	457	434	23	25	25

Percentage Error

0.00%

5.03%

- 0 -

PRINCETON PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2021

	Resident LEP Low Income					
	Reported on A.S.S.A. as LEP Low Income	Reported on Workpapers LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores, Application and Register	Sample Errors
Full Day Kindergarten	8	8		1	1	
Grade One	9	7	2	1	1	
Grade Two	12	8	4	1	1	
Grade Three	10	10		1	1	
Grade Four	8	8		1	1	
Grade Five	6	6		1	1	
Grade Six	4	4				
Grade Seven	11	11		1	1	
Grade Eight	5	5				
Grade Nine	4	6	(2)			
Grade Ten	5	5				
Grade Eleven	2	3	(1)			
Grade Twelve	1	2	(1)			
Subtotal	<u>85</u>	<u>83</u>	<u>2</u>	<u>7</u>	<u>7</u>	
Special Ed - Elementary	2	2		1	1	
Special Ed - High School	1	1				
Subtotal	<u>3</u>	<u>3</u>		<u>1</u>	<u>1</u>	
Totals	<u>88</u>	<u>86</u>	<u>2</u>	<u>8</u>	<u>8</u>	<u>- 0 -</u>
Percentage Error			<u>2.27%</u>			<u>0.00%</u>

PRINCETON PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
SCHEDULE OF AUDITED ENROLLMENTS
ENROLLMENT AS OF OCTOBER 15, 2021

	Resident LEP Not Low Income					
	Reported on A.S.S.A. as LEP Not Low Income	Reported on Workpapers as LEP Not Low Income	Errors	Sample Selected from Workpapers	Verified to Test Scores and Register	Sample Errors
Full Day Kindergarten	2	2				
Grade One	3	3				
Grade Two	3	3				
Grade Three	6	3	3			
Grade Four	4	4		1	1	
Grade Five	2	1	1			
Grade Six	3	3		1	1	
Grade Seven	3	3				
Grade Eight	3	3				
Grade Ten	3	3				
Grade Eleven	10	12	(2)	1	1	
Grade Twelve	6	6		1	1	
Subtotal	<u>48</u>	<u>46</u>	<u>2</u>	<u>4</u>	<u>2</u>	<u>2</u>
Special Ed - Elementary	5	5		1		
Special Ed - Middle	1	1		1		
Special Ed - High School	1	1				
Subtotal	<u>7</u>	<u>7</u>		<u>2</u>	<u>0</u>	<u>2</u>
Totals	<u><u>55</u></u>	<u><u>53</u></u>	<u><u>2</u></u>	<u><u>6</u></u>	<u><u>2</u></u>	<u><u>4</u></u>
Percentage Error			<u><u>3.64%</u></u>			<u><u>66.67%</u></u>

PRINCETON PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2021

	Transportation					
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	
Regular - Public Schools	997	997		8	8	
Regular - Special Education	37	37		3	3	
AIL - Non Public	130	130		4	4	
Transported - Non Public	160	160		5	5	
Special Needs Public	19	19		2	2	
Special Needs Private	22	22		3	3	
Totals	1,365	1,365	- 0 -	25	25	- 0 -
Percentage Error			0.00%			0.00%

	Reported	Recalculated
Average Mileage - Regular Including Grade PK Students	3.5	3.5
Average Mileage - Regular Excluding Grade PK Students	3.5	3.5
Average Mileage - Special Education with Special Needs	12.0	12.0

PRINCETON PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2022

REGULAR DISTRICT

SECTION 1

4% Calculation of Excess Surplus

2021-22 Total General Fund Expenditures per the ACFR, Ex. C-1	<u>\$ 112,682,315</u> (B)
Increased by:	
Transfer from Capital Outlay to Capital Projects Fund	<u>\$ 109,585</u> (B1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>\$ 2,180,175</u> (B1b)
Transfer from General Fund to SRF for PreK - Regular	<u>\$ - 0 -</u> (B1c)
Transfer from General Fund to SRF for PreK - Inclusion	<u>\$ 68,900</u> (B1d)
Decreased by:	
On-Behalf TPAF Pension and Social Security	<u>\$ 19,794,297</u> (B2a)
Assets Acquired Under Financed Purchases and Leases	<u>\$ - 0 -</u> (B2b)
Adjusted 2021-22 General Fund Expenditures [(B)+(B1's)-(B2's)]	<u>\$ 95,246,678</u> (B3)
4% of Adjusted 2021-22 General Fund Expenditures [(B3) times .04]	<u>\$ 3,809,867</u> (B4)
Enter Greater of (B4) or \$250,000	<u>\$ 3,809,867</u> (B5)
Increased by: Allowable Adjustments	<u>\$ 2,394,091</u> (K)
Maximum Unassigned Fund Balance [(B5)+(K)]	<u>\$ 6,203,958</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6/30/2022 (Per ACFR Budgetary Comparison Schedule C-1)	<u>\$ 12,419,942</u> (C)
Decreased by:	
Year-End Encumbrances	<u>\$ 830,604</u> (C1)
Legally Restricted:	
Designated for Subsequent Year's Expenditures	<u>\$ - 0 -</u> (C2)
Restricted - Excess Surplus - Designated for Subsequent Year's Expenditure:	<u>\$ - 0 -</u> (C3)
Other Restricted Fund Balance	<u>\$ 3,094,607</u> (C4)
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	<u>\$ 1,765,949</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 6,728,782</u> (U1)

PRINCETON PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

SECTION 3

Restricted Fund Balance - Excess Surplus [(U1)-(M)] IF NEGATIVE, ENTER -0- \$ 524,824 (E)

Recapitulation of Excess Surplus as of June 30, 2022

Restricted Excess Surplus - Designated for Subsequent Year's Expenditures \$ - 0 - (C3)

Restricted Excess Surplus [(E)] \$ 524,824 (E)

Total [(C3)+(E)] \$ 524,824 (D)

Detail of Allowable Adjustments

Impact Aid \$ - 0 - (H)

Sale & Lease-back \$ - 0 - (I)

Extraordinary Aid \$ 2,324,305 (J1)

Additional Nonpublic School Transportation Aid \$ 69,786 (J2)

Total Adjustments [(H)+(I)+(J1)+(J2)] \$ 2,394,091 (K)

Detail of Other Restricted Fund Balance

Statutory Restrictions:

Approved Unspent Separate Proposal \$ - 0 -

Sale/Lease-back Reserve \$ - 0 -

Capital Reserve \$ 1,318,184

Maintenance Reserve \$ 1,111,707

Emergency Reserve \$ - 0 -

Tuition Reserve \$ - 0 -

Unemployment Compensation \$ 664,716

Other State/Government Mandated Reserve \$ - 0 -

Other Restricted Fund Balance Not Noted Above \$ - 0 -

Total Other Restricted Fund Balance \$ 3,094,607 (C4)

PRINCETON PUBLIC SCHOOLS
SUMMARY OF RECOMMENDATIONS
FISCAL YEAR ENDED JUNE 30, 2022

It is recommended that:

1. Administrative Practices and Procedures
None
2. Financial Planning, Accounting and Reporting
Finding 2022-001: the T.P.A.F. Reimbursement to the State for Federal Salary Expenditures is completed and remitted to the State of New Jersey prior to the statutory deadline.
3. School Purchasing Program
None
4. School Food Service
None
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's Findings/Recommendations
The prior year recommendations regarding bank reconciliations, grant funds, non-public state aid expenditures, the 3% meal verification requirement, and net cash resources related to its food service operations have been resolved in the current year.