AUDITORS MANAGEMENT REPORT
ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
SCHOOL DISTRICT OF THE
TOWNSHIP OF MOUNT OLIVE
COUNTY OF MORRIS, NEW JERSEY
JUNE 30, 2024

SCHOOL DISTRICT OF THE TOWNSHIP OF MOUNT OLIVE
COUNTY OF MORRIS, NEW JERSEY

AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Township of Mount Olive School District
County of Morris, 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 Board of Education of the Township of Mount Olive School District in the County of Morris for the year ended June 30, 2024, and have issued our report thereon dated January 15, 2025.

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 for the information of the Township of Mount Olive Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

Wielkotz & Company, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

January 15, 2025

TOWNSHIP OF MOUNT OLIVE BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL COMPLIANCE AND PERFORMANCE
YEAR ENDED JUNE 30, 2024

Scope of Audit

The audit covered the financial transactions of the Board Secretary, School Business Administrator, and the 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

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

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

Name	Position	Amount
Lynn Jones	Board Secretary	$ 30,000.00
Sherry Kolody	Treasurer of School Monies	400,000.00
Nicole Schoening	Business Administrator	400,000.00

There is a Blanket Employee Dishonesty Bond with the School Excess Liability Joint Insurance Fund covering all other employees with multiple coverage of $500,000.00 per occurrence.

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 school district.

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

Administrative Practices and Procedures (continued)

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was not made. The actual costs were less than the estimated costs. The District made proper adjustment to the billings to sending Districts for the decrease 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 material 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.

All payrolls were approved by a motion of the Board.

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

Payrolls were delivered to the Treasurer of School Monies with a warrant made to her order for the full amount of each payroll.

The required certification (E-CERT1) of compliance with requirements for income tax on compensation of administrators (superintendent, assistant superintendents, and business administrators) to the NJ Department of Treasury was filed by the March 15 due date.

Reporting of employee compensation for income tax related purposes did comply with federal and state regulations regarding the compensation which is required to be reported.

The Position Control Roster was reviewed and compared to payroll records, employee benefit records and charges made to the general ledger to ensure proper and consistent financial reporting and that employee benefits are only offered to current employees.

Financial Planning, Accounting and Reporting (continued)

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30th for goods not yet received or services not rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for priority and to determine that goods were received and services were rendered as of June 30, 2024.

Classification of Expenditures - General and Administrative

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, our sample selection specifically targeted 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 0.00% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

The Board Secretary's records were in satisfactory condition.

Treasurer's Records

Our review of the financial and accounting records maintained by the Treasurer disclosed no exceptions.

Elementary and Secondary Education (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 ACFR. This section of the ACFR documents the financial position pertaining to the projects under Title I, Title II, Title III and Title IV of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. indicated that there were 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 Exhibit K-3 and Exhibit K-4 located in the ACFR.

Financial Planning, Accounting and Reporting (continued)

Other Special Federal and/or State Projects (continued)

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 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 Report(s) for all federal awards for the school district to reimburse the State for the TPAF/FICA payments be 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.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-2 contains definitions for terms used throughout N.J.S.A. 18A:18A-1 et seq. It includes as subsection (p) the term 'competitive contracting', which is defined as "the method described in N.J.S.A. 18A:18A-4.1 through 18A:18A-4.5 and in rules promulgated by DCA at N.J.A.C. 5:34-4 of contracting for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated by the purchasing agent or counsel or school business administrator; and the board of education awards a contract to a vendor or vendors from among the formal proposals received." Also, subsection (aa) defines the term 'concession' to exclude vending machines.

N.J.S.A. 18A:18A-3(a) sets forth the bid threshold and requires award by board resolution. There is a higher threshold when there is a "Qualified Purchasing Agent" (QPA) in the district as defined at N.J.A.C. 5:34-1.1 and certified upon approval of an application submitted to DCA. Pursuant to N.J.S.A. 18A:18A-3(b), the bid threshold may be adjusted by the Governor, in consultation with the Department of Treasury, every five years.

School Purchasing Programs (continued)

Contracts and Agreements Requiring Advertisement for Bids (continued)

N.J.S.A. 18A:18A-4.4 provides boards of education the authority to pass a resolution authorizing the use of competitive contracting. "In order to initiate competitive contracting, the board of education shall pass a resolution authorizing the use of competitive contracting each time specialized goods or services enumerated in sections 45 of L. 1999, c.440 are desired to be contracted."

Effective July 1, 2020 and thereafter, 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 currently $22,400.

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, amended.

Resolutions were adopted authorizing the awarding of contract or agreements for "Professional Services" per *N.J.S.A.* 18A:18A-5.

School Food Service

School Food Authorities (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 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.

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.

Finding 2024-01: Net cash resources did exceed three months average expenditures.

Recommendation: That steps be taken to reduce net cash resources.

School Food Service (continued)

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.

We also inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to eligible 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.

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. No exceptions were noted.

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

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 addendum were reviewed and audited. The FSMC contact includes an operating results provision which guarantees the food service program will return a profit at lease $100,000. 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. No exceptions were noted.

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. No exceptions were noted.

The cash disbursements records reflected expenditures for program related good and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service. No exceptions were noted.

Net cash resources did exceed three months average expenditures.

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.

School Food Service (continued)

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 complete. Reimbursement claims were submitted in a timely manner. No exceptions were noted.

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 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. The required verification procedures for free and reduced price applications were complete and available for review. No exceptions were noted.

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the ACFR. No exceptions were noted.

Student Body/Athletic Account Activities

Cash receipts and disbursement records were maintained in good order.

Application for State School Aid

Our audit procedures included a test of information reported in the October 13, 2023 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and bilingual students. 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 with the following 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 written procedures appear to be adequate for the recording of student enrollment data.

Finding 2024-02: There were multiple classification errors between the District workpapers and the A.S.S.A. Report.

Recommendation: That District workpapers agree with the A.S.S.A. Report.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2023-2024 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with the following 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

The general fixed asset records were updated for the additions and disposals of general fixed assets made during the year.

Our procedures included a review of the SDA grant agreements, if any, for consistency with recording SDA revenue, transfer of local funds from the general fund, and awarding of contracts for eligible facilities construction.

Testing for Lead of All Drinking Water in Educational Facilities

The School District did submit 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 Years' Findings

In accordance with Government Auditing Standard, our procedures include a review of all prior year recommendations. Corrective action has been taken on all prior year findings with the exception of the following, which are repeated in this year's recommendations as current year finding.

Finding 2023-01: That steps need to be taken to reduce net cash resources.

Finding 2023-02: That the District workpapers agree with the A.S.S.A. submission.

Acknowledgment

We received the complete cooperation of all the officials of the Mount Olive Board of Education and we greatly appreciate the courtesies extended to the members of the audit team.

Steven D. Wielkotz

Steven D. Wielkotz, C.P.A.
Licensed Public School Accountant
No. 816

Wielkotz & Company, LLC

Wielkotz & Company, LLC
Certified Public Accountants

NET CASH RESOURCE SCHEDULE
MOUNT OLIVE TOWNSHIP SCHOOL DISTRICT

Net cash resources did exceed three months of expenditures
Proprietary Funds - Food Service
FYE 2024

			Food Service B - 4/5	
Net Cash Resources:				
ACFR	*	**Current Assets**		
B-4		Cash & Cash Equiv.	667,112.00	
B-4		Due from Other Gov'ts	107,140.00	
B-4		Accounts Receivable	190,397.00	
B-4		Investments	-	
ACFR		**Current Liabilities**		
B-4		Less Accounts Payable	(116,212.00)	
B-4		Less Accruals	-	
B-4		Less Due to Other Funds	-	
B-4		Less Deferred Revenue	(33,948.00)	
		Net Cash Resources	**814,489.00**	**(A)**
Net Adj. Total Operating Expense:				
B-5		Tot. Operating Exp.	1,696,461.00	
B-5		Less Depreciation	(35,698.00)	
		Adj. Tot. Oper. Exp.	**1,660,763.00**	**(B)**
Average Monthly Operating Expense:				
		B / 10	**166,076.30**	**(C)**
Three times monthly Average:				
		3 X C	**498,228.90**	**(D)**

TOTAL IN BOX A	$	814,489.00
LESS TOTAL IN BOX D	$	498,228.90
NET	**$**	**316,260.10**

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

SCHEDULE OF AUDITED ENROLLMENTS

MOUNT OLIVE SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 13, 2023

	2024-2025 Application for State School Aid						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 Registrars On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Reported on Workpapers	Errors	Sample for Verify-	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Share	Full	Shared	Full	Shared						
Half Day Preschool 3YR	19		19				1		1									
Half Day Preschool 4YR	18		18				1		1									
Full Day Kindergarten	279		279				17		17									
One	323		323				20		20									
Two	278		278				17		17									
Three	278		278				17		17									
Four	302		302				18		18									
Five	284		284				17		17									
Six	320		320				20		20									
Seven	324		324				20		20									
Eight	315		315				19		19									
Nine	318		318				19		19									
Ten	318		318				19		19									
Eleven	307	11	307	11			19	9	19	9								
Twelve	295	9	295	9			18	8	18	8								
Subtotal	3978	20	3978	20			243	17	243	17								
Special Ed - Elementary	373		373				107		107				4	4		3	3	
Special Ed - Middle School	172		172				50		50				5	5		4	4	
Special Ed - High School	246	7	246	7			72	6	72	6			8	8		7	7	
Subtotal	791	7	791	7			229	6	229	6			17	17		14	14	
Total	4769	27	4769	27			472	23	472	23			17	17		14	14	
Percent Error																		

SCHEDULE OF AUDITED ENROLLMENTS

MOUNT OLIVE SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 13, 2023

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
Enrollment Category	Reported on ASSA as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Error	Reported on ASSA as LEP Low Income	Reported on Workpapers as LEP Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Error
Full Day Kindergarten	52	50	2	13	13		12	13	-1	8	8	
One	67	68	-1	17	17		20	19	1	14	14	
Two	57	56	1	14	14		8	9	-1	6	6	
Three	51	47	4	13	12	-1	10	10		7	7	
Four	60	61	-1	15	15		6	6		4	4	
Five	54	52	2	13	12	-1	3	4	-1	2	2	
Six	69	69		17	17		3	3		2	2	
Seven	74	61	13	18	18		8	8		6	6	
Eight	44	55	-11	11	11		5	4	1	3	3	
Nine	48	48		12	12		6	5	1	4	4	
Ten	61	61		15	15		6	6		4	4	
Eleven	54.5	54.5		14	14		3	3		2	2	
Twelve	43	43		11	11		2	2		1	1	
Subtotal	735	726	9	183	181	(2)	92	92		64	64	
Special Ed - Elementary	84	116	-32	21	21		12	12		8	8	
Special Ed - Middle School	38	44	-6	9	9		2	4	-2	1	1	
Special Ed - High School	72.5	70	3	18	18		1	1		1	1	
Subtotal	194.5	230	(36)	49	49		15	17	(2)	10	10	
Total	929.0	956	(27)	232	230	(2)	107	109	(2)	74	74	
Percent Error			-2.85%			-0.96%			-1.87%			

SCHEDULE OF AUDITED ENROLLMENTS

MOUNT OLIVE SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 13, 2023

	Resident LEP NOT Low Income			Sample for Verification		
Enrollment Category	Reported on ASSA as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Error
Full Day Kindergarten	16	7	9	8	8	
One	32	25	7	17	17	
Two	22	15	7	12	12	
Three	12	8	4	6	6	
Four	6	4	2	3	3	
Five	5	3	2	3	3	
Six	9	9		5	5	
Seven	5	6	-1	3	3	
Eight	7	6	1	4	4	
Nine	3	3		2	2	
Ten						
Eleven	5	5		3	3	
Twelve	1	1		1	1	
Subtotal	123	92	31	65	65	
Special Ed - Elementary	14	14		7	7	
Special Ed - Middle School						
Special Ed - High School						
Subtotal	14	14		7	7	
Total	137	106	31	72	72	
Percent Error			22.63%			

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public Schools, A2, A3,A4,A5	2,462	2,462		291	291	
Transported - Non-Public - A6	23	23		20	20	(0)
Transported - Non-Public and AIL ,A7	72	72		72	72	
Regular - SpEd A8, A9, A10	15	15		13	12	1
Special Ed Spec, B1, B3	571	571		195	194	1
Totals	3,143	3,143		591	589	2
Percentage Error						0.30%

EXCESS SURPLUS CALCULATION -

REGULAR DISTRICTS/CHARTER SCHOOL/RENAISSANCE SCHOOL PROJECT

SECTION 1

A. 2% Calculation of Excess Surplus

2023-24 Total General Fund Expenditures per the ACFR, Ex.C-1	$ 134,524,871	(B)	
Increased by:			
Transfer from Capital Outlay to Capital Projects Fund	$	(B1a)	
Transfer from Capital Reserve to Capital Projects Fund	$ 2,000,400	(B1b)	
Transfer from General Fund to SRF for PreK-Regular	$	(B1c)	
Transfer from General Fund to SRF for PreK-Inclusion	$	(B1d)	
Decreased by:			
On-Behalf TPAF Pension & Social Security	$ 21,670,003	(B2a)	
Assets Acquired Under Capital Leases and Financed Purchases	$ 1,545,202	(B2b)	
Adjusted 2023-24 General Fund Expenditures [(B)+(B1s)-(B2s)]	$ 113,310,066	(B3)	
2% of Adjusted 2023-24 General Fund Expenditures [(B3) times .02]	$ 2,266,201	(B4)	
Enter Greater of (B4) or $250,000	$ 2,266,201	(B5)	
Increased by: Allowable Adjustment *	$ 2,133,590	(K)	
Maximum Unassigned/Undesignated-Unreserved Fund Balance [(B5)+(K)]			$ 4,399,791 (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-24 (Per CAFR Budgetary Comparison Schedule C-1)	$ 23,854,777	(C)	
Decreased by:			
Year-end Encumbrances	$ 4,227,157	(C1)	
Legally Restricted - Designated for Subsequent Year's Expenditures	$	(C2)	
Legally Restricted Excess Surplus - Designated for Subsquent Year's Expenditures **	$ 4,626,405	(C3)	
Other Restricted Fund Balances****	$ 9,066,277	(C4)	
Assigned Fund Balance - Unreserved - Designated for Subsequent Year's Expenditures	$	(C5)	
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]			$ 5,934,938 (U1)

SECTION 3

Restricted Fund Balance - Excess Surplus*** [(U1)-(M)] IF NEGATIVE ENTER -0- $ 1,535,147 (E)

Recapitulation of Excess Surplus as of June 30, 2024

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures **	$	4,626,405	(C3)
Reserved Excess Surplus ***[(E)]	$	1,535,147	(E)
Total Excess Surplus [(C3) + (E)]	$	6,161,552	(D)

Footnotes:

* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below) is to be utilized when applicable for:

(H) Federal Impact Aid. The passaage of P.L. 2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);

(I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);

(J1) Extraordinary Aid;

(J2) Additional Nonpublic School Transportation Aid;

(J3) Recognized current year School Bus Advertising Revenue; and

(J4) Family Crisis Transportation Aid.

Detail of Allowable Adjustments

Impact Aid		$	-	(H)
Sale & Lease-back		$	-	(I)
Extraordinary Aid		$	2,092,664	(J1)
Additional Nonpublic School Transportation Aid		$	40,926	(J2)
Current Year School Bus Advertising Revenue Recognized		$	-	(J3)
Family Crises Transportation Aid		$	-	(J4)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]		$	2,133,590	(K)

** This amount represents the June 30, 2021 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amount must agree to the June 30, 2021 CAFR and must agree to Audit Summary Worksheet Line 90030.

**** Amount for Other Reserved 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.

Detail of Other Restricted Fund Balance

Statutory restrictions:		
Approved unspent separate proposal	$	
Sale/Lease-back reserve	$	
Capital reserve	$	7,226,626
Maintenance reserve	$	1,415,444
Emergency reserve	$	
Tuition reserve	$	
School Bus Advertising 50% Fuel Offset Reserve-Current Year	$	
School Bus Advertising 50% Fuel Offset Reserve-Prior Year	$	
Impact Aid General Fund Reserve (Sections 8002 and 8003)	$	
Impact Aid General Fund Reserve (Sections 8007 and 8008)	$	
Other state/government mandated reserve	$	
Reserve for Unemployment Fund	$	424,207
[Other Restricted Fund Balance not noted above]****	$	
Total Other Restricted Fund Balance	$	9,066,277 (C4)

TOWNSHIP OF MOUNT OLIVE
BOARD OF EDUCATION

AUDIT FINDINGS & RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

RECOMMENDATIONS:

1. **Administrative Practices and Procedures**

   None

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

   None

3. **School Purchasing Programs**

   None

4. **School Food Service**

   *The District should take steps to reduce net cash resources.

5. **Student Activity Fund**

   None

6. **Application for State School Aid**

   *That District workpapers agree with the A.S.S.A. Report.

7. **Pupil Transportation**

   None

8. **Facilities and Capital Assets**

   None

9. **Miscellaneous**

   None

10. **Follow-up on Prior Year Findings**

    A review was performed on the prior year recommendations and corrective action was taken on all prior year findings except those denoted with an asterisk(*).