

**BOARD OF EDUCATION OF THE**  
**BOROUGH OF LAWNSIDE SCHOOL DISTRICT**  
**SUMMARY OF AUDIT REPORT**

The following is a summary of the audit for the fiscal year July 1, 2019 to June 30, 2020, as required by N.J.S.A.18A:23-4 and 5.

**BOROUGH OF LAWNSIDE SCHOOL DISTRICT**

Balance Sheet  
Governmental Funds  
June 30, 2020

	<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	\$ 2,525,062.99			\$ 1.96	\$ 2,525,064.95
Receivables from Other Governments	508,071.50	\$ 290,344.00			798,415.50
Interfunds Receivable	121,947.12				121,947.12
<b>Total Assets</b>	<b>\$ 3,155,081.61</b>	<b>\$ 290,344.00</b>	<b>\$ -</b>	<b>\$ 1.96</b>	<b>\$ 3,445,427.57</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 413,481.91	\$ 51,833.83			\$ 465,315.74
Due to Grantor		1,718.00			1,718.00
Interfunds Payable	51,423.80	76,093.23			127,517.03
Unearned Revenue		168,858.00			168,858.00
<b>Total Liabilities</b>	<b>464,905.71</b>	<b>298,503.06</b>	<b>\$ -</b>	<b>\$ -</b>	<b>763,408.77</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Excess Surplus - Designated for Subsequent Years Expenditures	571,124.80				571,124.80
Excess Surplus - Current Year	1,210,849.62				1,210,849.62
Maintenance Reserve	100,052.28				100,052.28
Tuition Reserve					
2018-2019 Adjustments	200,000.00				200,000.00
2019-2020 Adjustments	200,000.00				200,000.00
Debt Service				1.96	1.96
<b>Assigned:</b>					
Encumbrances	1,600.00				1,600.00
Subsequent Year's Expenditures	71,898.20				71,898.20
Unassigned (Deficit)	334,651.00	(8,159.06)			326,491.94
<b>Total Fund Balances (Deficit)</b>	<b>2,690,175.90</b>	<b>(8,159.06)</b>	<b>-</b>	<b>1.96</b>	<b>2,682,018.80</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,155,081.61</b>	<b>\$ 290,344.00</b>	<b>\$ -</b>	<b>\$ 1.96</b>	<b>\$ 3,445,427.57</b>

(Continued)

**BOROUGH OF LAWNSIDE SCHOOL DISTRICT**

Balance Sheet  
Governmental Funds  
June 30, 2020

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Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Total Fund Balances (Brought Forward from Previous Page)	\$ 2,682,018.80
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$8,852,697.14, and the accumulated depreciation is \$3,246,810.59.	5,605,886.55
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(1,907,788.53)
Accrued interest on bonds payable, is not due and payable in the current period and therefore are not reported as liabilities in the funds.	(22,885.42)
Net Pension Liability	(985,204.00)
Accounts payable related to the April 1, 2021 required PERS pension contribution that is not liquidated with current financial resources	(62,303.00)
Deferred Outflows of Resources - Related to Pensions	230,154.00
Deferred Inflows of Resources - Related to Pensions	<u>(486,142.00)</u>
Net position of governmental activities	<u>\$ 5,053,736.40</u>

**BOROUGH OF LAWNSIDE SCHOOL DISTRICT**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2020

	<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 Tax Levy	\$ 4,720,711.74			\$ 271,656.26	\$ 4,992,368.00
Miscellaneous	453,507.31				453,507.31
State Sources	5,271,898.22	\$ 85,846.26			5,357,744.48
Federal Sources		311,488.70			311,488.70
<b>Total Revenues</b>	<b>10,446,117.27</b>	<b>397,334.96</b>	<b>\$ -</b>	<b>271,656.26</b>	<b>11,115,108.49</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	1,415,381.22	365,721.07			1,781,102.29
Special Education Instruction	338,101.01				338,101.01
Other Instruction	17,733.36				17,733.36
<b>Support Services &amp; Undistributed Costs:</b>					
Tuition	2,685,916.00				2,685,916.00
Student & Instruction Related Services	878,567.67	23,522.00			902,089.67
School Administrative Services	390,381.68				390,381.68
Other Administrative Services	145,542.33				145,542.33
Plant Operations and Maintenance	482,083.12				482,083.12
Pupil Transportation	355,235.05				355,235.05
Unallocated Benefits	1,700,671.12	42,667.63			1,743,338.75
Capital Outlay	113,769.71				113,769.71
<b>Debt Service:</b>					
Principal				200,000.00	200,000.00
Interest and Other Charges				71,656.26	71,656.26
Assessment for Debt Service on SDA Funding	34,985.00				34,985.00
Transfer to Charter Schools	184,595.00				184,595.00
<b>Total Expenditures</b>	<b>8,742,962.27</b>	<b>431,910.70</b>	<b>-</b>	<b>271,656.26</b>	<b>9,446,529.23</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Preschool Programs	(33,920.00)	33,920.00	-	-	-
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>1,669,235.00</b>	<b>(655.74)</b>	<b>-</b>	<b>-</b>	<b>1,668,579.26</b>
<b>Fund Balance (Deficit) -- July 1</b>	<b>1,020,940.90</b>	<b>(7,503.32)</b>	<b>-</b>	<b>1.96</b>	<b>1,013,439.54</b>
<b>Fund Balance (Deficit) -- June 30</b>	<b>\$ 2,690,175.90</b>	<b>\$ (8,159.06)</b>	<b>\$ -</b>	<b>\$ 1.96</b>	<b>\$ 2,682,018.80</b>

BOROUGH OF LAWNSIDE SCHOOL DISTRICT

AUDIT RECOMMENDATIONS SUMMARY  
For the Fiscal Year Ended June 30, 2020

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

None

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

That the District Report of Transported Resident Students (DRTRS) report students who can be traced to attendance records and retain documentation that supports the District's classifications.

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings.

The above summary was prepared from the Comprehensive Annual Financial Report of the Board of Education of the Borough of Lawnside School District for the fiscal year July 1, 2019 to June 30, 2020. This Report of Audit, submitted by Kirk N. Applegate, Public School Accountant of Bowman & Company LLP, Certified Public Accountants & Consultants, is on file at the Board Secretary's office and may be inspected by any interested person. This information included herein is not intended to represent complete financial information as presented in the Comprehensive Annual Financial Report.

A Corrective Action Plan, which outlines the remedial actions the management of the Borough of Lawnside School District, will take in response to the recommendation contained in the *Schedule of Findings and Questioned Costs* included in the Report of Audit, will be prepared in accordance with state guidelines. A copy of the Corrective Action Plan will be placed on file and be made available for public inspection.

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Business Administrator/Board Secretary