



**BOARD OF EDUCATION
OF THE
TOWNSHIP OF LAKEWOOD**

SYNOPSIS OF AUDIT REPORT

2019-2020

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

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
None
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, with the exception of those findings denoted by an asterisk (*).

A **Corrective Action Plan**, which outlines the actions the Board of Education of the Township of Lakewood will take to correct the findings listed above, has been prepared in accordance with federal and state requirements. A copy of the plan is on file and available for public inspection in the office of the Board of Education of the Township of Lakewood, 200 Ramsey Avenue, Lakewood, NJ 08701.

The above summary was prepared from the Comprehensive Annual Financial Report of the Board of Education of the Township of Lakewood for the fiscal year July 1, 2019 to June 30, 2020. The Comprehensive Annual Financial Report, submitted by Matthew Holman, CPA, PSA of Holman, Frenia & Allison, is on file in the office of the Board of Education of the Township of Lakewood, 200 Ramsey Avenue, Lakewood, NJ 08701 and may be inspected by any interested person. The information included herein is not intended to represent the complete financial information as presented in the Comprehensive Annual Financial Report.

Attachments:

Audit Exhibit B-1 – Balance Sheet

Audit Exhibit B-2 – Statement of Revenues, Expenditures and Changes in Fund Balances

Corrective Action Plan – Not required, no recommendations

Kevin Campbell

Kevin Campbell

Assistant Business Administrator/Board Secretary

**LAKWOOD TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
ASSETS:					
Cash & Cash Equivalents	\$ 109,895	\$ 10,332,324	\$ 139,652	\$ 273	\$ 10,582,144
Receivables, Net:					
Interfund Receivable	142,291	336,416	-	2,205	480,912
Due from Other Governments:					
State	29,740,379	-	-	-	29,740,379
Federal	-	7,906,917	-	-	7,906,917
Other Receivables	-	395,252	-	-	395,252
Other Assets	40,300	-	-	-	40,300
Restricted Cash & Cash Equivalents	1,029,858	-	-	-	1,029,858
Total Assets	\$ 31,062,723	\$ 18,970,909	\$ 139,652	\$ 2,478	\$ 50,175,762
LIABILITIES & FUND BALANCES:					
Liabilities:					
Cash Deficit	\$ 8,459,335	\$ -	\$ -	\$ -	\$ 8,459,335
Accounts Payable	3,562,018	9,401,413	-	-	12,963,431
Unearned Revenue	-	164,453	-	-	164,453
Interfunds Payable	-	-	44,033	-	44,033
Intergovernmental Payable:					
State	186,634	9,405,043	-	-	9,591,677
Total Liabilities	12,207,987	18,970,909	44,033	-	31,222,929
Fund Balances:					
Restricted for:					
Capital Reserve	1,029,858	-	-	-	1,029,858
Repayment of Advanced State Aid, Restricted Per N.J.A.S. 18A:7A-56	4,569,189	-	-	-	4,569,189
Capital Projects	-	-	53,369	-	53,369
Debt Service	-	-	-	2,478	2,478
Assigned to:					
Designated for Subsequent Year's Expenditures	1,491,220	-	-	-	1,491,220
Other Purposes	6,909,341	-	42,250	-	6,951,591
Unassigned (Deficit)	4,855,128	-	-	-	4,855,128
Total Fund Balances	18,854,736	-	95,619	2,478	18,952,833
Total Liabilities & Fund Balances	\$ 31,062,723	\$ 18,970,909	\$ 139,652	\$ 2,478	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$79,514,720 and the accumulated depreciation is \$38,507,231.	41,007,489
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred Outflows related to pensions	13,363,354
Deferred Inflows related to pensions	(9,687,635)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(292,827)
Accrued pension contributions for the June 30, 2020 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(1,426,262)
Long-term liabilities, including net pension liability, compensated absences payable and other post employment benefits are not due and payable in the current period and, therefore, are not reported as a liability in the funds.	(144,614,965)
Net position of Governmental Activities	\$ (82,698,013)

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

LAKWOOD TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR FISCAL YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 102,844,045	\$ -	\$ -	\$ 1,622,952	\$ 104,466,997
Rents and Royalties	10,694	-	-	-	10,694
Tuition	53,405	-	-	-	53,405
Miscellaneous	1,272,826	1,825,459	2,205	-	3,100,490
Total Local Sources	104,180,970	1,825,459	2,205	1,622,952	107,631,586
State Sources	47,114,703	34,914,163	-	659,028	82,687,894
Federal Sources	1,036,715	23,698,552	-	-	24,735,267
Total Revenues	152,332,388	60,438,174	2,205	2,281,980	215,054,747
Expenditures:					
Current Expense:					
Regular Instruction	17,931,252	18,769,095	-	-	36,700,347
Special Education Instruction	10,090,254	-	-	-	10,090,254
Other Special Instruction	4,254,260	-	-	-	4,254,260
Other Instruction	2,900,144	-	-	-	2,900,144
Support Services:					
Tuition	39,168,112	-	-	-	39,168,112
Attendance	256,726	-	-	-	256,726
Health Services	545,298	-	-	-	545,298
Student & Instruction Related Services	13,319,739	34,938,879	-	-	48,258,618
Educational Media Services/School Library	422,612	-	-	-	422,612
General Administrative Services	3,602,211	-	-	-	3,602,211
School Administrative Services	3,014,427	-	-	-	3,014,427
Central Services	1,356,544	-	-	-	1,356,544
Administrative Information Technology	934,697	-	-	-	934,697
Plant Operations & Maintenance	8,111,170	-	-	-	8,111,170
Pupil Transportation	31,267,884	1,287,916	-	-	32,555,800
Unallocated Benefits	24,641,528	2,545,819	-	-	27,187,347
On-Behalf TPAF Pension and Social Security Contributions	12,496,136	-	-	-	12,496,136
Capital Outlay	753,690	455,347	15,700	-	1,224,737
Debt Service:					
Redemption of Principal	-	-	-	1,400,000	1,400,000
Interest & Other Charges	640	-	-	889,638	890,278
Total Expenditures	175,067,324	57,997,056	15,700	2,289,638	235,369,718
Excess/(Deficiency) of Revenues Over (Under) Expenditures	(22,734,936)	2,441,118	(13,495)	(7,658)	(20,314,971)
Other Financing Sources/(Uses):					
Transfer to Charter School	(4,715,607)	-	-	-	(4,715,607)
State Aid Advance Loan	36,033,862	-	-	-	36,033,862
Cancellation of Prior Year Payables	314,564	-	-	-	314,564
Operating Transfer In	2,242,919	-	-	2,205	2,245,124
Operating Transfer Out	-	(2,242,919)	(2,205)	-	(2,245,124)
Total Other Financing Sources/(Uses)	33,875,738	(2,242,919)	(2,205)	2,205	31,632,819
Net Change in Fund Balance	11,140,802	198,199	(15,700)	(5,453)	11,317,848
Fund Balance - July 1	7,713,934	(198,199)	111,319	7,931	7,634,985
Fund Balance - June 30	\$ 18,854,736	\$ -	\$ 95,619	\$ 2,478	\$ 18,952,833

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

CORRECTIVE ACTION PLAN

NAME OF SCHOOL DISTRICT LAKWOOD TOWNSHIP COUNTY OCEAN
 TYPE OF AUDIT COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR YEAR ENDED JUNE 30, 2020
 DATE OF BOARD MEETING JANUARY 27, 2021
 CONTACT PERSON KEVIN CAMPBELL, ASSISTANT BUSINESS ADMINISTRATOR PHONE (732) 364-2400 x. 7044

RECOMMENDATION NUMBER	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
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No recommendations	No recommendations	No recommendations	No recommendations	N/A
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<u>Laura Winters</u>	<u>1/27/2021</u>	<u>Kevin Campbell</u>	<u>1/27/2021</u>	
CHIEF SCHOOL ADMINISTRATOR	DATE	SCHOOL BUSINESS ADMINISTRATOR	DATE	
Laura Winters		Kevin Campbell		

c: Executive Ocean County Superintendent of Schools

CERTIFICATION OF IMPLEMENTATION OF CORRECTIVE ACTION PLAN
For the Fiscal Year ended 6/30/2020
Please submit by June 30, 2021

County OCEAN

Name of School District LAKWOOD

I hereby certify that all corrective actions listed on the district's Corrective Action Plan have been
_____ fully implemented. * _____ implemented with the following exceptions:

*** No attachments or comments required if fully implemented.**

CAP Recommendation Number	Comments
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NO RECOMMENDATIONS

Laura A. Winters

Chief School Administrator
Laura A. Winters

01/27/21
Date

Kevin Campbell

Board Secretary/Assistant Business
Administrator
Kevin Campbell

01/27/21
Date



Lakewood Board of Education

200 Ramsey Avenue, Lakewood, NJ 08701

Main Office: (732) 364-2400 Fax: (732) 905-3687

Laura A. Winters, Superintendent of Schools

Kevin Campbell, Assistant Business Administrator

RESOLUTION

M. Move that the Board, in accordance with N.J.S.A. 18A:23-5, acknowledges the receipt of and accepts the Comprehensive Annual Financial Report and Auditor's Management Report on Administrative Findings for the fiscal year ended June 30, 2020, as prepared by the firm of Holman, Frenia & Allison, Toms River, New Jersey.

Furthermore, that the Board has publicly reviewed the Audit Synopsis, Auditor's Findings and Recommendations and the Corrective Action Plan prepared by the School Business Administrator as appended to and made a part of these minutes.

Furthermore, that the Board approves the Corrective Action Plan as follows:

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
None
8. Facilities and Capital Assets
None
9. Miscellaneous
None

Furthermore, that the Board authorizes the School Business Administrator to forward the Corrective Action Plan and the Audit Synopsis to the Executive Ocean County Superintendent of Schools.

MOTION TO APPROVE TO ACCEPT THE CORRECTIONS & ADDITIONS TO THE AGENDA, BUSINESS & SUPERINTENDENT AGENDA (passed)

Motion: Mr. Rodriguez **Second:** Ms. Gonzalez

9 Ayes: Mrs. Ada Gonzalez, Mr. Meir Grunhut, Mr. Chanina Nakdimen, Mr. Bentzion Treisser,



Lakewood Board of Education

200 Ramsey Avenue, Lakewood, NJ 08701

Main Office: (732) 364-2400 Fax: (732) 905-3687

Laura A. Winters, Superintendent of Schools

Kevin Campbell, Assistant Business Administrator

Mr. Heriberto Rodriguez, Mr. Moshe Bender, Mr. Shlomie Stern, Mr. Isaac Zlatkin, Mr. Raitzik

0 Nays:

0 Abstained:

0 Absent:

Payment will not be made by the Board of Education Business Office until a contract is fully executed by the Board and prior to work commencing reviewed and initialed by General Counsel.

CERTIFICATION

I, Kevin Campbell, Assistant Business Administrator/ Board Secretary to the Board of Education of the Township of Lakewood, hereby certify the foregoing is a true copy of the Resolution adopted by the Board of Education of the Township of Lakewood, County of Ocean, at the public meeting held on the 27th day of January, 2021.

Kevin Campbell/Assistant Business Administrator/ Board Secretary