

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2019**

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.**  
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**- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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## INDEPENDENT AUDITOR'S MANAGEMENT REPORT

Honorable President and Members  
of the Board of Trustees  
Robert Treat Academy Charter School, Inc.  
Newark, 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 Robert Treat Academy Charter School, Inc., State of New Jersey as of and for the fiscal year ended June 30, 2019, and have issued our report thereon dated December 17, 2019.

As part of our audit, we performed procedures required by the Department of Education, State of New Jersey 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 and use of management, the Board of Trustees, others within the School and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

LERCH, VINCI & HIGGINS, LLP  
Certified Public Accountants  
Public School Accountants

Andrew D. Parente  
Public School Accountant  
PSA Number CS00224600

Fair Lawn, New Jersey  
December 17, 2019

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Scope of Audit**

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

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Schedule of Insurance contained in the district's Comprehensive Annual Financial Report ("CAFR").

**Official Bonds**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Sung Yi	Board Secretary/ School Business Administrator	\$200,000

There is public employee dishonesty bond with faithful performance coverage for all other employees with coverage of \$250,000.

**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, certifications and proper itemization.

**Finding** – Our audit revealed purchases were made prior to the approval and issuance of a purchase order.

**Recommendation** – A purchase order be approved and issued prior to the purchase of goods or rendering of services.

**Payroll Account**

The net salaries of all employees of the School were deposited in the payroll account. Employees' payroll deductions and employer's share of fringe benefits were not deposited in the payroll agency account.

**Finding** – Our audit revealed that a separate payroll agency bank account has not been opened to account for employee payroll deductions.

**Recommendation** – The School open a separate payroll agency bank account in order to account for the financial transactions related to employee payroll deductions.

**Finding** – Our audit of employee deductions revealed that a detailed payroll deduction subsidiary ledger was not maintained by deduction category.

**Recommendation** – A payroll deduction subsidiary ledger be maintained by deduction category and reconciled with the monthly bank reconciliation.

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Financial Planning, Accounting and Reporting (Continued)**

**Payroll Account (Continued)**

All payrolls tested were not certified by the President of the Board, the Board Secretary/Business Administrator and Chief School Administrator.

**Finding** – Our audit revealed that the bi-monthly payrolls were not approved by the President of the Board, the Board Secretary/Business Administrator and Lead Person.

**Recommendation** – Each bi-monthly payroll be approved by the President of the Board, the Board Secretary/Business Administrator and Lead Person.

Salary withholdings were promptly remitted to the School’s payroll service provider for submission to the proper agencies. In addition, the School remitted the health benefit withholdings due to the General Fund in a timely manner.

**Reserve for Encumbrances and Accounts Payable**

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

**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, our sample selection included administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23-8.3. As a result of the procedures performed, no expenditure classification errors were noted and no additional testing was deemed necessary to test the propriety of expenditure classifications.

**Board Secretary's Records**

The financial records, books of account and minutes maintained by the Board Secretary were in fair condition.

The prescribed contractual order system was followed.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

**Finding (CAFR Finding 2019-001, 2019-002 and 2019-004)** – Our audit revealed that the School did not maintain the required detailed revenue and expenditure ledgers, in the schools accounting system, to account for both the budgeted and actual revenues and expenditures in accordance with the GAAP Technical Systems Manual and the Uniform Minimum Chart of Accounts for New Jersey Schools.

**Recommendation** – The School implement and maintain detailed revenue and expenditure ledgers, in the schools accounting system, to account for both the budgeted and actual revenues and expenditures in accordance with the GAAP Technical Systems Manual and Uniform Minimum Chart of Accounts for NJ Schools.

**Finding** – Our audit revealed that the use of additional surplus in the amount of \$304,638 was not approved in the official minutes.

**Recommendation** – The appropriation of surplus to increase the budget be approved by formal resolution and included in the official minutes.

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Financial Planning, Accounting and Reporting (Continued)**

Board Secretary's Records (Continued)

**Finding** – Our audit revealed that a petty cash resolution authorizing maximum expenditures and related petty cash requirements was not approved.

**Recommendation** – A resolution authorizing petty cash requirements be approved in accordance with the School's policy manual.

**Finding** – Our audit revealed that the amounts for payrolls were not transferred to the payroll bank account in the exact amount of the bi-monthly payroll.

**Recommendation** – Transfers to the schools payroll account be in the exact amount required to fund each respective bi-monthly payroll.

**Finding** – Employee payroll reports (timesheets) for hourly compensation were not approved by authorized personnel.

**Recommendation** – Employee payroll reports (timesheets) for hourly compensation be signed and approved by authorized School personnel.

Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act (E.S.S.A.)

The E.S.E.A. financial exhibits are contained within the Special Revenue section of the CAFR. This section of the CAFR documents the financial position pertaining to projects under Title I and II of the Elementary and Secondary Education Act as amended and reauthorized.

**Finding (CAFR Finding 2019-003)** – Our audit of salary charges to the ESEA Title I, Title II and IDEA grant programs revealed the following:

- Employees and their respective salaries charged were not formally approved in the school minutes.
- The school did not record salary and benefit costs on a consistent basis as program activities were performed.

**Recommendation** – Employees and their respective salaries charged to the ESEA Title I, Title II and IDEA grant programs be formally approved in the School minutes. In addition salary and benefit costs be charged to the respective grants as program activities are performed.

**Finding** – Our audit of the Title I, Title II, IDEA Basic and IDEA Preschool grant award programs revealed reimbursements were not requested and received timely for program expenditures made during the grant period resulting in a receivable balance at year end in the amount of \$358,276.

**Recommendation** – Federal program expenditure reimbursements be requested on a timely basis for Title I, Title II and IDEA grants.

The State Department of Education conducted a fiscal audit of the NCLB Title I funds for the period of July 1, 2016 through June 30, 2017.

The findings noted in the Office of Fiscal Accountability and Compliance (OFAC) report dated May 2, 2019 were as follows:

- Adequate documentation was not provided demonstrating that \$90,647.91 charged to the Title I, Part A program represent allowable costs.
- Title I funded personnel did not prepare detailed time and activity reports in a manner consistent with the requirement of UGG, 2 C.F.R. & 200.430(i) and department guidelines.

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.**  
**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Financial Planning, Accounting and Reporting (Continued)**

Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act (E.S.S.A.) (Continued)

- Appointments of Title I, Part A instructional personnel recorded in the board of education meeting minutes did not contain all of the required information.
- The charter school did not accurately record salary or benefit costs on a consistent basis as program activities were performed.
- The charter schools did not review vendors for suspension/debarment.
- Appropriations recorded by the charter school for the Title I, Part A program were not consistent with the SEA approved budget.
- Certain records were not maintained in accordance with departmental and Federal guidelines.

On June 4, 2019 the District approved a corrective action plan to address the findings noted in the State's monitoring report. The District must continue to monitor the approved corrective action plan to ensure each finding has been properly addressed.

Other Special Federal and/or State Projects

The School's Special Projects were approved as listed on Exhibits K-3 and K-4 located in the CAFR.

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 CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

I.D.E.A.

Separate accounting records were maintained for each approved project. Grant applications approvals and acceptance of grant funds were made by Board resolution.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for District employees who are members of the Teachers Pension and Annuity Fund.

**Finding** – The bi-monthly TPAF/FICA reimbursements were not requested in a timely manner resulting in a receivable balance at year end in the amount of \$133,743.

**Recommendation** – The bi-monthly TPAF/FICA reimbursements due from the State be requested in the month of payment for each respective payroll.

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures

The amount of expenditure charged to the current year's Final Report 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 not 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.

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**School Purchasing Programs**

**Contracts and Agreements Requiring Advertisement for Bids**

Effective July 1, 2015 and thereafter, the bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively.

The School has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Board attorney's opinion should be obtained before a commitment is made.

The results of our examination did indicate that 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 advertising for bids, in accordance with the provision of N.J.S.A. 18A:18A-4, as amended.

**Finding (CAFR Finding 2019-004)** – Our audit of purchases related to compliance with the Public School Contracts Law revealed the following:

- Contracts awarded in excess of the bid threshold were not publicly bid and or approved in the minutes.
- Supporting detail for purchases made in accordance with State contracts was not available.
- Quotes were not available for services rendered in excess of the quote threshold.
- A contract awarded for professional services was not subsequently advertised.

**Recommendation** – Efforts be made by the School to ensure compliance with the requirements of the Local School Public Contracts Law.

Resolutions were not 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. Our examination did reveal that purchases were made through the use of state contracts.

**School Food Service**

The financial transactions and statistical records of the school food services were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

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, 19-1 through 19-4.1. Provisions of the FSMC Cost Reimbursable contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return a profit of at least \$30,000. The operating results provision has been met.

Expenditures are separately recorded as food, labor and other costs. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expense records were maintained in order to substantiate the non-profit status of the school food service.



**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**School Food Service (Continued)**

Net cash resources did exceed three months average expenditures.

**Finding** – Our audit noted the Food Service Fund’s net cash resources at June 30, 2019 exceeded the three month average of expenditures for the 2018/2019 school year.

**Recommendation** – Appropriate action be taken in the Food Service Fund to ensure net cash resources do not exceed the three month average of expenditures.

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 submitted/certified in a timely manner. No exceptions 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/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.

U.S.D.A. 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.

Non-program foods were purchased, prepared, sold, or offered for sale. The Statement of Revenues, Expenses, and Changes in Fund Net Assets (CAFR 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, Section B4-B6 of the CAFR.

**Before and After School Program**

The financial transactions of the Before and After School Program were maintained as an Enterprise Fund. The financial accounts and records for the program were reviewed on a test-check basis.

Cash disbursement records had supporting documentation and reflected program related expenses.

**Finding** – Our audit of the Before and After Care Program revealed the following:

- A billing and receivable ledger was not maintained for students paid through Program for Parents.
- Deposits were not made in a timely manner.

**Recommendation** – Billing and receivable ledgers be maintained for all students enrolled in the Before and After Care Program. In addition deposits of program funds be completed in a timely manner.

**Charter School Enrollment System/Charter School Aid**

Our audit procedures included a test of enrollment information reported on October 15, 2018, and the last day of school for on-roll, special education, bilingual and low income. We also performed a review of the school’s procedures related to its completion for the two required enrollment counts. The information was compared to the School’s workpapers with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments. The school has adequate written procedures for the recording of student enrollment data.

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Facilities and Capital Assets**

A review of the capital assets were performed and no exceptions were noted.

**Testing for Lead of all Drinking Water in Educational Facilities**

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

**Follow-up Prior Year Findings**

In accordance with government standards, our procedures included a review of all prior year recommendations.

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
 FOOD SERVICE FUND  
 NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
 ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**SCHEDULE OF MEAL COUNT ACTIVITY**

<u>Program</u>	<u>Meals/Milks Category</u>	<u>Meals/Milks Claimed</u>	<u>Meals/Milks Tested</u>	<u>Meals/Milks Verified</u>	<u>Difference</u>
National School Lunch (Regular Rate)	Paid	22,538	10,025	10,025	-
	Reduced	15,479	5,433	5,433	-
	Free	<u>64,204</u>	<u>22,866</u>	<u>22,866</u>	-
	Total Lunch	<u>102,221</u>	<u>38,324</u>	<u>38,324</u>	-
School Breakfast (Regular)	Paid	4,130	1,288	1,288	
	Reduced	4,545	1,582	1,582	
	Free	<u>17,337</u>	<u>6,279</u>	<u>6,279</u>	-
	Total Breakfast	<u>26,012</u>	<u>9,149</u>	<u>9,149</u>	-
School Snacks (Regular)	Paid	-		-	
	Reduced	-		-	
	Free	<u>70,773</u>	<u>24,699</u>	<u>24,699</u>	-
	Total Snacks	<u>70,773</u>	<u>24,699</u>	<u>24,699</u>	-
		<u>199,006</u>	<u>72,172</u>	<u>72,172</u>	-

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
NET CASH RESOURCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**Net Cash Resources:**

**Current Assets**

Cash and Cash Equivalents	\$	180,040
Intergovernmental Receivable		26,788
Accounts Receivable		260

**Current Liabilities**

Less:

Accounts Payable		(25,628)
Unearned Revenue		(3,258)

<b>Net Cash Resources</b>	<b>\$</b>	<b><u>178,202</u></b>
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**Adjusted Total Operating Expense:**

Total Operating Expenses	\$	449,865
Less Depreciation		(6,224)

Adjusted Total Operating Expense	\$	<u>443,641</u>
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<b><u>Average Monthly Operating Expense:</u></b>	<b>\$</b>	<b><u>44,364</u></b>
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<b><u>Three Times Monthly Average:</u></b>	<b>\$</b>	<b><u>133,092</u></b>
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Total Net Cash Resources	\$	178,202
Three Times Monthly Average		<u>133,092</u>

Net Cash Resources above Three Month Average Expenses	\$	<u>45,110</u>
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**Robert Treat Academy Charter School  
Application for Charter School Aid  
Enrollment Count as of October 15, 2018**

**SCHEDULE OF AUDITED ENROLLEMENTS:**

<b>Grades</b>	<b>Submission to DOE Reported on Roll</b>	<b>Reported on Workpapers</b>	<b>Errors</b>	<b>Sample Selected</b>	<b>Verified Signed Registration</b>	<b>Errors</b>	<b>Verified # of Days Enrolled</b>	<b>Errors</b>
K	80	80	-	40	40	-	40	-
1	80	80	-	40	40	-	40	-
2	80	80	-	40	40	-	40	-
3	78	78	-	39	39	-	39	-
4	76	76	-	38	38	-	38	-
5	76	76	-	38	38	-	38	-
6	74	74	-	37	37	-	37	-
7	67	67	-	34	34	-	34	-
8	73	73	-	37	37	-	37	-
<b>Total</b>	<b>684</b>	<b>684</b>	<b>-</b>	<b>343</b>	<b>343</b>	<b>-</b>	<b>343</b>	<b>-</b>

<b>Grades</b>	<b>Special Ed</b>	<b>Verified Documentation</b>	<b>Errors</b>	<b>Low Income</b>	<b>Verified Documentation</b>	<b>Errors</b>
K	1	1	-	33	33	-
1	2	2	-	31	31	-
2	2	2	-	33	33	-
3	2	2	-	33	33	-
4	2	2	-	23	23	-
5	4	4	-	30	30	-
6	2	2	-	23	23	-
7	1	1	-	23	23	-
8	2	2	-	23	23	-
<b>Total</b>	<b>18</b>	<b>18</b>	<b>-</b>	<b>252</b>	<b>252</b>	<b>-</b>

**Robert Treat Academy Charter School  
Application for Charter School Aid  
Enrollment Count as of the Last Day of the School Year**

**SCHEDULE OF AUDITED ENROLLEMENTS:**

<b>Grades</b>	<b>Submission to DOE Reported on Roll</b>	<b>Reported on Workpapers</b>	<b>Errors</b>	<b>Sample Selected</b>	<b>Verified Signed Registration</b>	<b>Errors</b>	<b>Verified # of Days Enrolled</b>	<b>Errors</b>
K	80	80	-	40	40	-	40	-
1	80	80	-	40	40	-	40	-
2	80	80	-	40	40	-	40	-
3	78	78	-	39	39	-	39	-
4	77	77	-	39	39	-	39	-
5	76	76	-	38	38	-	38	-
6	70	70	-	35	35	-	35	-
7	67	67	-	33	33	-	33	-
8	75	75	-	38	38	-	38	-
<b>Total</b>	<b>683</b>	<b>683</b>	<b>-</b>	<b>342</b>	<b>342</b>	<b>-</b>	<b>342</b>	<b>-</b>

<b>Grades</b>	<b>Special Ed</b>	<b>Verified Documentation</b>	<b>Errors</b>	<b>Low Income</b>	<b>Verified Documentation</b>	<b>Errors</b>
K	2	2	-	19	19	-
1	2	2	-	27	27	-
2	2	2	-	25	25	-
3	5	5	-	32	32	-
4	1	1	-	26	26	-
5	2	2	-	24	24	-
6	2	2	-	27	27	-
7	0	0	-	25	25	-
8	2	2	-	22	22	-
<b>Total</b>	<b>18</b>	<b>18</b>	<b>-</b>	<b>227</b>	<b>227</b>	<b>-</b>

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
RECOMMENDATIONS**

**I. Administration Practices and Procedures**

There are none.

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

It is recommended that:

1. A purchase order be approved and issued prior to the purchase of goods or rendering of services.
2. The School open a separate payroll agency bank account in order to account for the financial transaction related to employee payroll deductions.
3. A payroll deduction subsidiary ledger be maintained by deduction category and reconciled with the monthly bank reconciliation.
4. Each bi-monthly payroll be approved by the President of the Board, the Board Secretary/Business Administrator and Lead Person.
5. The school implement and maintain detailed revenue and expenditure ledgers, in the schools accounting system, to account for both the budgeted and actual revenues and expenditures in accordance with the GAAP Technical Systems Manual and Uniform Minimum Chart of Accounts for NJ Schools.
6. The appropriation of surplus to increase the budget be approved by formal resolution and included in the official minutes.
7. A resolution authorizing petty cash requirements be approved in accordance with the School's policy manual.
8. Transfers to the schools payroll account be in the exact amount required to fund each respective bi-monthly payroll.
9. Employee payroll reports (timesheets) for hourly compensation be signed and approved by authorized School personnel.
10. Employees and their respective salaries charged to the ESEA Title I, Title IIA and IDEA grant programs be formally approved in the School minutes. In addition salary and benefit costs be charged to the respective grants as program activities are performed.
11. Federal program expenditure reimbursements be requested on a timely basis for Title I, Title II and IDEA grants.
12. The bi-monthly TPAF/FICA reimbursements due from the State be requested in the month of payment for each respective payroll.

**III. School Purchasing Program**

It is recommended that efforts be made by the School to ensure compliance with the requirements of the Local School Public Contracts Law.

**IV. Food Service Fund**

It is recommended that appropriate action be taken in the Food Service Fund to ensure net cash resources do not exceed three month average expenditures.

**ROBERT TREAT ACADEMY CHARTER SCHOOL, INC.  
RECOMMENDATIONS**

**V. Before and After Care**

It is recommended that a billing and receivable ledger be maintained for all students enrolled in the Before and After Care Program. In addition deposits of program funds be completed in a timely manner.

**VI. Charter School Enrollment System/Charter School Aid**

There are none.

**VII. Facilities and Capital Assets**

There are none.

**VIII. Miscellaneous**

There are none.

**IX. Status of Prior Years' Audit Findings/Recommendations**

A review was performed on all prior years' recommendations and corrective action was taken on all.

**ACKNOWLEDGEMENT**

We received the complete cooperation of all the officials of the school and we greatly appreciate the courtesies extended to us.

Respectfully submitted,  
LERCH, VINCI & HIGGINS, LLP



Andrew D. Parente  
Public School Accountant  
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