

***RIDGE AND VALLEY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT
FISCAL YEAR ENDED JUNE 30, 2023***

***Barre & Company LLC
Certified Public Accountants & Consultants***

RIDGE AND VALLEY CHARTER SCHOOL

**AUDITOR’S 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 Trustees
Ridge and Valley Charter School
County of Warren, New Jersey

We have audited, in accordance with generally accepted audit standards and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Board of Trustees of the Ridge and Valley Charter School in the for the year ended June 30, 2023, and have issued our report thereon dated November 28, 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 report is intended for the information of the Ridge and Valley Charter School Board of Trustees' management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.


BARRE & COMPANY LLC
Certified Public Accountants
Public School Accountants


Richard M. Barre
Public School Accountant
PSA Number CS-O1181

Union, New Jersey
November 28, 2023

Administrative Findings – Financial, Compliance and Performance

Scope of Audit

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

Administrative Practices and Procedures

Insurance

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

Official Bonds (N.J.S.A. 18A:17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
All Board Members (Per Incident)		\$1,000,000

Tuition Charges

A review of financial statements indicated that the Charter School charged no tuition for any student attending the Charter School and all proceeds for a before/after school program were accounted for in an Enterprise Fund.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account

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 the designee in the Charter School and were certified by the President of the Board, the Board Secretary/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.

Payrolls were delivered to the treasurer of school moneys with a warrant made to his order for the full amount of each payroll.

Administrative Findings – Financial, Compliance and Performance

Financial Planning, Accounting and Reporting (Continued)

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. No exceptions were noted during our review.

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 the 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 1.90% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. General Classification Findings

No exceptions or discrepancies were noted in the general classification of expenditures.

B. Administrative Classification Findings

No exceptions or discrepancies were noted in the administrative classification of expenditures.

Board Secretary's Records

Our review of the financial and accounting records maintained by the business office disclosed no exceptions or discrepancies.

Treasurer's Records

There were no items noted during our review of the records of the Treasurer.

Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (IASA) as reauthorized by the No Child Left Behind Act of 2001

The E.S.E.A./NCLB 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 Titles I and VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. did not indicate any areas of noncompliance and/or questionable cost.

Administrative Findings – Financial, Compliance and Performance

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

The Charter School'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 the 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.

The study of compliance for the special projects did not indicate any areas of noncompliance.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements (electronic, but Charter Schools can print out the DOENET screen for an auditor) filed with the Department of Education for Charter School employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and school contracts in general (as of June 2007) is available on the website: <http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>.

Current statute is posted on the New Jersey Legislature website at:
http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_Pg42

Auditors should refer to Section I, Chapter 5, Bids & Contracts/Purchasing for highlights of *N.J.S.A. 18A:18A-3* and 4.

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 2022-2023.

The Charter School board of trustees 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 Solicitor's opinion should be sought before a commitment is made.

Administrative Findings – Financial, Compliance and Performance

School Purchasing Programs (Continued)

Based on the results of my examination, I did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance of *N.J.S.A. 18A:18A-4*, amended.

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

Student Body Activities

During our review of the student activity funds, there were no items noted.

Enrollment Counts and Submissions to the Department

Our audit procedures included a test of enrollment information reported on October 15, 2022 and the last day of school for on-roll, special education, bilingual and low-income.

Follow-up on Prior Year Findings

Not Applicable

Acknowledgment

We received the complete cooperation of all the officials of the Charter School and we greatly appreciate the courtesies extended to the members of the audit team.

SCHEDULE OF AUDITED ENROLLMENTS

RIDGE AND VALLEY CHARTER SCHOOL
 APPLICATION FOR CHARTER SCHOOL AID
 ENROLLMENT COUNT AS OF OCTOBER 15, 2022

Grades	Submission to DOE Reported on Roll	Sample										Totals	Percentage			
		Reported on Workpapers	Verified Signed Registration Forms	Errors	Verified # Days Enrolled	Errors	Special Ed/ Bilingual	Verified Documentation	Errors	Verified # of Days Service Provided	Errors			Low Income	Verified Documentation	Errors
Kindergarten	15	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-
One	15	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-
Two	15	8	8	-	8	-	5	5	-	5	-	-	-	-	-	-
Three	16	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-
Four	15	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-
Five	14	7	7	-	7	-	5	5	-	5	-	-	-	-	-	-
Six	15	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-
Seven	15	8	8	-	8	-	1	1	-	1	-	-	-	-	-	-
Eight	10	5	5	-	5	-	4	4	-	4	-	-	-	-	-	-
Totals	130	65	65	-	65	-	25	25	-	25	-	-	25	-	-	-
Percentage				0.00%		0.00%			0.00%		0.00%			0.00%		0.00%

SCHEDULE OF AUDITED ENROLLMENTS

RIDGE AND VALLEY CHARTER SCHOOL
 APPLICATION FOR CHARTER SCHOOL AID
 ENROLLMENT COUNT AS OF LAST DAY OF SCHOOL YEAR 2023

Grades	Submission to DOE Reported on Roll	Sample										Errors	Percentage				
		Reported on Workpapers	Verified Signed Registration Forms	Errors	Verified # Days Enrolled	Errors	Special Ed/ Bilingual	Verified Documentation	Errors	Verified # of Days Service Provided	Errors			Low Income	Verified Documentation	Errors	
Kindergarten	15	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-	-
One	14	7	7	-	7	-	2	2	-	2	-	-	-	-	-	-	-
Two	15	8	8	-	8	-	5	5	-	5	-	-	-	-	-	-	-
Three	16	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-	-
Four	15	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-	-
Five	14	7	7	-	7	-	5	5	-	5	-	-	-	-	-	-	-
Six	15	8	8	-	8	-	2	2	-	2	-	-	-	-	-	-	-
Seven	14	7	7	-	7	-	1	1	-	1	-	-	-	-	-	-	-
Eight	10	5	5	-	5	-	4	4	-	4	-	-	-	-	-	-	-
Totals	128	64	64	-	64	-	25	25	-	25	-	-	-	25	-	-	-
Percentage				0.00%		0.00%			0.00%		0.00%						0.00%

**FOUNDATION ACADEMY CHARTER SCHOOL
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Findings and 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/Charter School Enrollment System/Charter School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

None