

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
AUDITORS' MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE  
FINDINGS - FINANCIAL,  
COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
TABLE OF CONTENTS

	<u>Page</u>
Cover Letter	1
General Comments:	2
Scope of Audit	2
Administrative Practices and Procedures:	2
Insurance	2
Officials in Office and Surety Bonds	2
P.L. 2020, Chapter 44	2
Tuition Charges	2
Financial Planning, Accounting and Reporting:	2
Examination of Claims	2
Payroll Account and Position Control Roster	3
Reserve for Encumbrances and Accounts Payable	3
Classification of Expenditures:	4
General Classifications	4
Administrative Classifications	4
Board Secretary's Records	4
Treasurer's Records	4
Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act.	5
Other Special Federal and/or State Projects	5
T.P.A.F. Reimbursement	6
School Purchasing Programs:	7
Contracts and Agreements Requiring Advertisement for Bids	7
School Food Service Fund	8
Student Body Activities	9
Enrollment Counts and Submission to the Department/Charter School Aid	9
Travel Expense and Reimbursement Policy	9
Testing for Lead of all Drinking Water in Educational Facilities	9
Suggestions to Management	10
Status of Prior Year's Findings/Recommendations	10
Schedule of Meal Count Activity (Not Applicable)	
Schedule of Net Cash Resources (Not Applicable)	
Schedule of Audited Enrollments	11
Summary of Recommendations	12

November 8, 2023

The Honorable President and Members  
of the Board of Trustees  
Maria L. Varisco-Rogers Charter School  
County of Essex, NJ

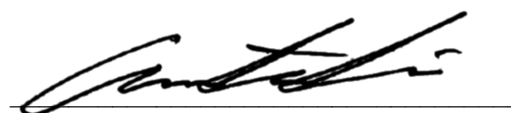
We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Board of Trustees of the Maria L. Varisco-Rogers Charter School for the fiscal year ended June 30, 2023, and have issued our report thereon dated November 8, 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 letter does not affect our report dated November 8, 2023, on the financial statements of the Board of Trustees.

We will review the status of the comments, if any, during our next audit engagement. We have already discussed any comments and suggestions with various management personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the suggestions and recommendations.

This report is intended solely for the information and use of the Maria L. Varisco-Rogers Charter School's Board of Trustees, the management, and the New Jersey Department of Education. However, this report is a matter of public record, and its distribution is not limited.

*Nisivoccia LLP*  
NISIVOCCIA LLP



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Andrew Kucinski  
Licensed Public School Accountant #2684  
Certified Public Accountant

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Scope of Audit

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

Administrative Practices and Procedures

Insurance

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

Officials in Office and Surety Bonds

<u>Name</u>	<u>Position</u>	<u>Coverage</u>
Jose A. Segarra	Board Secretary/School Business Administrator	\$ 220,000
Carmen Lebron	Board Treasurer	\$ 220,000

P.L. 2020, Chapter 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 the charter school. The charter school data certification was completed by the Lead Administrator. The charter school Chapter 44 data was submitted relatively timely. The original data submission did not require significant revision due to errors or omissions on the part of the Charter School.

Tuition Charges

A review of the financial statements indicated that no tuition was charged for any student attending the Charter School.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid, on a test basis, during the period under review did not indicate any discrepancies with respect to signatures, certification and supporting documentation except as noted below and on the following page.

Finding 2023-001:

During our review of internal controls, it was noted that preparation of purchase orders, recording of disbursements, payroll disbursements, bank reconciliations, and general ledger adjusting journal entries can be performed by one person.

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Examination of Claims (Cont'd)

Recommendation:

It is recommended that the segregation of duties for the finance department of the Charter School be reviewed to improve internal controls and ensure that the preparation of purchase orders, recording of disbursements, payroll disbursements, processing of payroll, bank reconciliations, and general ledger adjusting journal entries are not performed by one person.

Management Response:

Management will ensure that the segregation of duties for the finance department of the Charter School be reviewed to improve internal controls.

Finding 2023-003:

During our review of purchase orders, it was noted that receipt of goods/services signatures were not obtained for all purchase orders and invoices were often dated prior to purchase orders.

Recommendation:

It is recommended that receipt of goods/services signatures are obtained for all purchase orders and purchase orders are created prior to invoicing of goods/services to ensure availability of funds.

Management Response:

Management will ensure that receipt of goods/services signatures are obtained for all purchase orders and purchase orders are created prior to invoicing of goods/services to ensure availability of funds.

Payroll Account and Position Control Roster

The net salaries of employees of the Charter School were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account. Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the General Fund.

All payrolls were approved by the School Director and certified by the President of the Board of Trustees, School Business Administrator and Executive Director.

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

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made on a test basis as of June 30, 2023 for proper classification of orders as reserve for encumbrances and accounts payable. We have no comments.

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Classification of General and Administrative 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, we reviewed 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, no errors were noted, and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

In planning and performing our audit of the financial statements of the Board of Trustees, we considered the condition of the Board Secretary's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have the following comments:

Finding 2023-004:

During our review of the Board Secretary's records, it was noted that several balance sheet accounts had negative balances, certain line item appropriation accounts were over-expended, and the general ledger cash balances for several accounts do not match the bank reconciliations.

Recommendation:

It is recommended that the Board Secretary's Report is reviewed on a monthly basis for accuracy, appropriation transfers are approved in the minutes to avoid over-expenditures, and the general ledger cash balances be reconciled with the bank statements on a monthly basis.

Management Response:

Management will ensure that the Board Secretary's Report is reviewed on a monthly basis for accuracy, appropriation transfers are approved in the minutes to avoid over-expenditures, and the general ledger cash balances are reconciled with the bank statements on a monthly basis.

Finding 2023-005:

The Charter School did not submit the June 30, 2023 Board Secretary and Treasurer's reports to the County Superintendent by August 1<sup>st</sup>. However, since the reports were subsequently submitted, no formal recommendation is deemed necessary.

Treasurer's Records

In planning and performing our audit of the financial statements of the Board of Trustees, we considered the condition of the Treasurer's records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments except as noted under the Board Secretary's records.

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

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

The study of compliance for E.S.E.A. revealed no areas of noncompliance and/or questioned costs.

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 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.

The study of compliance for the special projects revealed areas of noncompliance.

The Charter School underwent a collaborative monitoring review in June 2023. The corrective action plan has not been approved as of the date of this report. Below are the applicable findings disclosed in the collaborative monitoring report and noted during our own review.

Findings 2023-002:

The following was noted with respect to federal grants:

1. The Charter School did not have formal written procedures which address Uniform Guidance grant requirements including the determination of allowability of costs in accordance with Federal cost principles and the terms and conditions of the Federal award and the mandatory disclosure of all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.
2. The Board meeting minutes available for audit review did not include the Charter School approvals of grant applications and/or budget amendments for certain grants including the dollar amount of the federal award and accept the funds upon subsequent approval of the applications by the State Department of Education.
3. Staff salaries, in whole or in part, charged to CRRSA ESSER II and wages incurred and charged to Title I and CRRSA ESSER Learning Acceleration for staff members who worked afterschool with students were not approved by the Board in the meeting minutes.
4. The Charter School did not maintain documentation confirming that vendors charged to grants for greater than \$25,000 were not checked for debarment, suspension, or other ineligibility to participate in Federal assistance programs or activities.
5. Reimbursement requests for federal grants were not submitted on a monthly or at least quarterly basis.
6. Budgeted amounts recorded in the Charter School's financial accounting software for IDEA and CRRSA ESSER II did not accurately reflect the grant award or unexpended carryover funds.

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Financial Planning, Accounting and Reporting (Cont'd)

Other Special Federal and/or State Projects (Cont'd)

Recommendations:

It is recommended that the Charter School:

1. The Charter School implement formal written procedures which address Uniform Guidance grant requirements including the determination of allowability of costs in accordance with Federal cost principles and the terms and conditions of the Federal award and the mandatory disclosure of all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.
2. The Board meeting minutes include approvals of grant applications and/or budget amendments for federal grants including the dollar amount of the federal award and accept the funds upon subsequent approval of the applications by the New Jersey Department of Education.
3. Ensure that Board approval is obtained for staff members prior to their performance of federal grant funded activities and that Board minutes contain details such as the grant name and related account number, employee name, position and an hourly rate/salary.
4. Procedures be implemented to ensure that the required verification to determine whether vendors were debarred or suspended for purchase orders in amounts equal to or greater than \$25,000 is performed and that documentation of the verification is maintained on file.
5. Reimbursement requests for federal grants and submitted on a monthly or at least a quarterly basis.
6. The Charter School ensure that budgeted amounts and unexpended carryover funds are properly recorded in the Charter School's financial accounting software for the IDEA and CRRSA ESSER II funds.

Management Response:

Management will ensure that a corrective action plan is prepared and implemented to address the recommendations regarding federal grants.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for Charter School employees who are members of the Teachers' Pension and Annuity Fund.

Finding 2023-006:

The Charter School did not submit the April 2023 through June 2023 T.P.A.F. reimbursements until September 2023. However, since the reimbursements were subsequently submitted and received, no formal recommendation is deemed necessary.

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

The T.P.A.F. Reimbursement to the State for Federal Salary Expenditures was not remitted to the State of New Jersey prior to the required deadline of October 1, 2023. The reimbursement form was reviewed for completeness.



MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

T.P.A.F. Reimbursement to the State for Federal Salary Expenditures (Cont'd)

Finding 2023-007:

The Charter School did not submit the T.P.A.F. reimbursement to the state for federal salary expenditures until November 2023. However, since the reimbursements were subsequently submitted, no formal recommendation is deemed necessary.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-3 states:

a. "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the Board of Education without public advertising for bids and bidding therefore, except that the Board of Education may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c. 198 the Board of Education may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Commencing in the fifth year after the year in which P.L. 1999, c. 440 takes effect and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the Board of Education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.A. 18A:18A-2, and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made . . . ."

N.J.S.A. 18A:18A-4 states, "Every contract for the provision or performance of any goods or services the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the Board of Education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law . . . ."

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 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 Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

School Purchasing Programs (Cont'd)

Contracts and Agreements Requiring Advertisement for Bids (Cont'd)

The results of our examination indicated that no individual payments, contracts, or agreements were 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 with the provision of N.J.S.A. 18A:18A-4.

Resolutions were 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 Charter School 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.

School Food Service

The school food service program was not selected as a major federal and/or state program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or the appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted. (modify as needed)

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.

Non-program foods were not purchased, prepared or offered for sale.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled "Proprietary Fund", Section G of the ACFR.

Finding 2023-008:

During our review of the Food Service fund, it was noted that net cash resources exceeded three months average expenditures by \$418,493.

Recommendation:

It is recommended that the Charter School develop a plan to utilize the excess net cash resources in the food service fund.

Management Response:

Management will ensure that a plan is developed to utilize the excess net cash resources in the food service fund.

We inquired of management about the public health emergency procedures/practices that the Charter School instituted to provide meals to all 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. We also inquired if the FSMC received a loan in accordance with the Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP Loan was subsequently forgiven and the FSMC refunded or credited the applicable amounts to the SFA if the FSMC received a PPP loan.

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Student Body Activities

In planning and performing our audit of the financial statements of the Board of Trustees, we considered the condition of the Student Activities records for the purpose of expressing our opinion on the financial statements and not to provide specific assurance on the condition of the records. Based on these procedures, we have no comments.

Enrollment Counts and Submission to the Department

Our audit procedures included a test of information reported on the enrollment count reports for October 15, 2022 and the last day of school for on-roll, special education, bilingual and low-income students, and a review of the Charter School's procedures related to its completion. The information on the enrollment reports agreed to the Charter School's workpapers without exception. The information included on the workpapers was verified on a test basis without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Travel Expense and Reimbursement Policy

Travel regulations require each Charter School to adopt a formal policy and procedure pertaining to travel and expense reimbursement for its employees and board members. The regulations include requirements for the Charter School to establish a maximum travel amount for the year and to ensure that the maximum amount is not exceeded. The regulations also require that all travel must be preapproved by the Board of Trustees and that a brief report detailing the key issues addressed at the travel event must be submitted after the travel event has occurred.

Our review of the travel policies and records revealed that the Charter School is in general compliance with the travel regulations.

Testing for Lead of All Drinking Water in Educational Facilities

The Charter School did submit the annual Statement of Assurance to the NJ Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Management Suggestions:

COVID-19 Federal Funding

It is likely that the District will undergo some review of its COVID-19 federal funding if only at a desk review level by state and/or federal agencies. We strongly suggest that the District ensures that these funds are utilized in accordance with the applicable federal requirements, especially with respect to procurement. Additionally, we strongly suggest that the District ensures that these funds are accounted for in the state account numbers designated by the NJ Department of Education and that any applicable Board policies are current with respect to federal grant requirements.

Interest Revenue

During our review of General Fund revenue, it was noted that the Charter School does not receive interest revenue from its banking institutions. It is suggested that the Charter School investigate the feasibility and benefits of using banking institutions that provide interest revenue.

Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding segregation of duties and excess net cash resources in the food service fund were not resolved and are included as recommendations in the current year.

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
SCHEDULE OF AUDITED ENROLLMENTS  
APPLICATION FOR CHARTER SCHOOL AID

ENROLLMENT COUNT AS OF OCTOBER 15, 2022

	Submission to DOE Reported on Roll	50% Verification		Verified Signed Registration Forms	Errors	Reported on Workpapers	Verified # Days Enrolled	Submission to DOE Reported			Verified Docu-mentation	Errors	Low Income	Selected Low Income	Verified Docu-mentation	Errors
		Required 10/15/22	Required 10/15/22					Special Ed/ Bilingual	Special Ed/ Bilingual	Special Ed/ Bilingual						
Kindergarten	62.0	31.0	31.0	31.0		62.0	31.0	2.0	1.0	1.0	1.0		60.0	30.0	30.0	
Grade 1	68.0	34.0	34.0	34.0		68.0	34.0	3.0	2.0	2.0	2.0		67.0	34.0	34.0	
Grade 2	62.0	31.0	31.0	31.0		62.0	31.0	5.0	3.0	3.0	3.0		57.0	29.0	29.0	
Grade 3	64.0	32.0	32.0	32.0		64.0	32.0	5.0	3.0	3.0	3.0		62.0	31.0	31.0	
Grade 4	61.0	31.0	31.0	31.0		61.0	31.0	8.0	4.0	4.0	4.0		55.0	28.0	28.0	
Grade 5	65.0	33.0	33.0	33.0		65.0	33.0	11.0	6.0	6.0	6.0		59.0	30.0	30.0	
Grade 6	67.0	34.0	34.0	34.0		67.0	34.0	8.0	4.0	4.0	4.0		59.0	30.0	30.0	
Grade 7	60.0	30.0	30.0	30.0		60.0	30.0	11.0	6.0	6.0	6.0		55.0	28.0	28.0	
Grade 8	61.0	31.0	31.0	31.0		61.0	31.0	5.0	3.0	3.0	3.0		55.0	28.0	28.0	
Totals	570.0	287.0	287.0	287.0	-0-	570.0	287.0	58.0	32.0	32.0	32.0	-0-	529.0	268.0	268.0	-0-
Percentage Error		0.00%			0.00%							0.00%				0.00%

ENROLLMENT COUNT AS OF LAST DAY OF SCHOOL YEAR 2023

	Submission to DOE Reported on Roll	50% Verification		Verified Signed Registration Forms	Errors	Reported on Workpapers	Verified # Days Enrolled	Submission to DOE Reported			Verified Docu-mentation	Errors	Low Income	Selected Low Income	Verified Docu-mentation	Errors
		Required 6/30/23	Required 6/30/23					Special Ed/ Bilingual	Special Ed/ Bilingual	Special Ed/ Bilingual						
Kindergarten	65.0	33.0	33.0	33.0		65.0	33.0	2.0	1.0	1.0	1.0		58.0	29.0	29.0	
Grade 1	70.0	34.0	34.0	34.0		70.0	34.0	3.0	2.0	2.0	2.0		64.2	32.0	32.0	
Grade 2	62.0	31.0	31.0	31.0		62.0	31.0	5.0	3.0	3.0	3.0		57.0	29.0	29.0	
Grade 3	66.0	33.0	33.0	33.0		66.0	33.0	4.2	2.0	2.0	2.0		59.1	30.0	30.0	
Grade 4	64.0	32.0	32.0	32.0		64.0	32.0	8.0	4.0	4.0	4.0		53.1	27.0	27.0	
Grade 5	66.0	33.0	33.0	33.0		66.0	33.0	9.0	5.0	5.0	5.0		55.7	28.0	28.0	
Grade 6	67.0	34.0	34.0	34.0		67.0	34.0	8.0	4.0	4.0	4.0		57.1	29.0	29.0	
Grade 7	62.0	31.0	31.0	31.0		62.0	31.0	11.0	6.0	6.0	6.0		54.6	27.0	27.0	
Grade 8	63.0	32.0	32.0	32.0		63.0	32.0	5.0	3.0	3.0	3.0		55.0	28.0	28.0	
Totals	585.0	293.0	293.0	293.0	-0-	585.0	293.0	55.2	30.0	30.0	30.0	-0-	513.8	259.0	259.0	-0-
Percentage Error		0.00%			0.00%							0.00%				0.00%

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
SUMMARY OF RECOMMENDATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

Finding 2023-001 - The segregation of duties for the finance department of the Charter School be reviewed to improve internal controls and ensure that the preparation of purchase orders, recording of disbursements, payroll disbursements, bank reconciliations, and general ledger adjusting journal entries are not performed by one person.

Finding 2023-003 - Receipt of goods/services signatures are obtained for all purchase orders and purchase orders are created prior to invoicing of goods/services to ensure availability of funds.

Finding 2023-004 - The Board Secretary's Report is reviewed on a monthly basis for accuracy, appropriation transfers are approved in the minutes to avoid over-expenditures, and the general ledger cash balances be reconciled with the bank statements on a monthly basis.

Findings 2023-002 for Federal Grants:

1. The Charter School implement formal written procedures which address Uniform Guidance grant requirements including the determination of allowability of costs in accordance with Federal cost principles and the terms and conditions of the Federal award and the mandatory disclosure of all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.
2. The Board meeting minutes include approvals of grant applications and/or budget amendments for federal grants including the dollar amount of the federal award and accept the funds upon subsequent approval of the applications by the New Jersey Department of Education.
3. Ensure that Board approval is obtained for staff members prior to their performance of federal grant funded activities and that Board minutes contain details such as the grant name and related account number, employee name, position and an hourly rate/salary.
4. Procedures be implemented to ensure that the required verification to determine whether vendors were debarred or suspended for purchase orders in amounts equal to or greater than \$25,000 is performed and that documentation of the verification is maintained on file.
5. Reimbursement requests for federal grants and submitted on a monthly or at least a quarterly basis.
6. The Charter School ensure that budgeted amounts and unexpended carryover funds are properly recorded in the Charter School's financial accounting software for the IDEA and CRRSA ESSER II funds.

3. School Purchasing Program

None

MARIA L. VARISCO-ROGERS CHARTER SCHOOL  
SUMMARY OF RECOMMENDATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

It is recommended that: (Cont'd)

4. School Food Service

Finding 2023-008 - The Charter School develop a plan to utilize the excess net cash resources in the food service fund.

5. Transportation

None

6. Student Body Activities

None

7. Enrollment Counts and Submission to the Department

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year's Findings/Recommendations

The prior year recommendations regarding segregation of duties and excess cash resources in the food service fund were not resolved and are included as recommendations in the current year.