EDGEWATER BOARD OF EDUCATION
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2025

EDGEWATER BOARD OF EDUCATION
TABLE OF CONTENTS

AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

LVB
LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

Honorable President and Members
of the Board of Education
Edgewater Board of Education
Edgewater, 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 Edgewater Board of Education, County of Bergen, State of New Jersey as of and for the fiscal year ended June 30 2025, and have issued our report thereon dated January 7, 2026.

As part of our audit, we performed procedures required by the Office of School Finance, 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 of management, the Board of Education, others within the District 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 & Bliss, LLP
LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
January 7, 2026

EDGEWATER BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30 2025

Scope of Audit

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

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 Annual Comprehensive Financial Report ("ACFR").

Official Bonds

Name	Position	Amount
James Tevis	Business Administrator/ Board Secretary	$250,000
Douglas Triplett	Treasurer of School Monies	$275,000

There is Public Employee Dishonesty and Faithful Performance policy with the New Jersey Schools Insurance Group covering all other employees with multiple coverage of $500,000.

P.L. 2020, c44

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 of audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did appear to include all health benefit plans offered by the school district.

The school district data certification was completed by the chief school administrator. The school district Chapter 44 data was submitted timely.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did indicate certain discrepancies with respect to signatures, certifications and supporting documentation.

- **Finding 2025-1 (ACFR Finding 2025-006) –** Our audit of purchases orders and claims paid during the year revealed the following:
  - Certain claims were paid without vendor invoices or other supporting documentation during the fiscal year.
  - Several purchase orders did not contain a receipt of goods signature as required.
  - Purchases were made and contracts were entered into prior to the approval and issuance of a purchase order (i.e. confirming orders).

Financial Planning, Accounting and Reporting (Continued)

Examination of Claims (Continued)

- Payments for health benefits were made without the issuance of a purchase order.
- In January 2025 vendors were paid twice with payments issued on January 23, 2025 and January 29, 2025. We noted duplicate checks were voided in the accounting system, however several cleared on the bank statement. In certain instances the duplicate payment was returned by the vendor. No accounting was provided regarding the tracking of the duplicate payments to ensure vendor overpayments were returned or applied to subsequent invoices.
- We noted the final TPAF and PERS pension payments for the quarter ending June 30, 2025 were paid twice. We noted duplicate payments were applied to the quarter ending September 30, 2025 with the excess refunded to the District.

Recommendation – Internal controls procedures be reviewed and revised over the processing of claims to be paid to ensure the following:

- Claims be paid only after invoices or other sufficient documentation is obtained and verified and receipt of goods signatures are obtained on purchase orders as required.
- Purchase orders be utilized for the payment of Health Benefit premiums.
- Procedures be implemented and strengthened to ensure duplicate vendor payments are not made. In addition, the District ensure all duplicate payments which cleared the bank are returned to the District.

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.

The School Business Administrator completed and filed the required Certification of Compliance with Federal and State Law respecting the reporting of compensation for certain employees.

All payrolls tested were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator.

A position control roster was maintained in an electronic (Excel) format, however it was not integrated with the District's budget and payroll accounting systems in accordance with N.J.A.C. 6A:23A-6.8. We did note the District is updating its financial accounting and reporting system to a new system which will include a fully integrated position control roster with the budget and payroll accounting systems. The new system has been installed and will be operational effective January 1, 2024.

- **Finding 2025-2** – Our audit of health benefit and waiver payments revealed the following:
  - Certain employee health benefit contribution amounts were not calculated in accordance with contractual agreements and Board policy.
  - Health benefit waiver payments to two individuals tested were not calculated correctly in accordance with contractual agreements and Board policy.

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

Recommendation – Procedures be reviewed and revised to ensure employee health benefit contributions and waiver payments are calculated in accordance with contractual agreements and Board policy.

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.

- **Finding 2025-3 (ACFR Finding 2025-005)** – Certain accounts payable in the General, Special Revenue and Food Service Fund were deemed invalid at June 30, 2025. Audit adjustments were made to cancel these accounts payable.

  Recommendation - Procedures be reviewed and revised to ensure open purchase orders are reviewed at year end and invalid payables be cancelled accordingly.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23 A-16.(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 additional testing was deemed necessary to test the propriety of expenditure classifications.

Travel Policy

The District had an approved Board travel policy as required by NJAC 6A:23A-6.13 and NJSA 18A:11-12.

Board Secretary's Records

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

Acknowledgement of the Board's receipt of the Board Secretary's monthly financial reports were included in the minutes.

The prescribed contractual order system was followed with exceptions noted.

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records (Continued)

- **Finding 2025-4 (ACFR Finding 2025-003 and 2025-007) –** The year-end monthly Board Secretary's and Treasurer's reports for June 2025 were not in agreement.

  Recommendation – The monthly financial reports of the Board Secretary and Treasurer of School Monies be reconciled and in agreement prior to submission to the Board for their approval.

- **Finding 2025-5 (ACFR Finding 2025-009) –** The District had aggregate transfers to and from certain budget lines that on a cumulative basis exceeded 10% of the total of the advertised budget category that were not submitted to the Executive County Superintendent for approval as required by N.J.A.C. 6A:23A-13.3(g).

  Recommendation – Procedures be revised to ensure transfers are reviewed monthly and submitted to the Executive County Superintendent for approval when the cumulative transfer amount exceeds 10% of the original advertised budget category amount as required.

- **Finding 2025-6 (ACFR Finding 2025-002) –** With respect to the general ledger accounting records of the various funds we noted the following:

  - Numerous misposted, misclassified and unrecorded receipts were noted requiring audit adjustments to the District's accounting records.

  - Numerous misposted, misclassified and unrecorded disbursements were noted requiring audit adjustments to the District's accounting records.

  - The State debit/credit memo entries were either misclassified or unrecorded at year end.

  Recommendation – Internal controls be enhanced and improved over the recording of financial transactions to ensure they are properly posted, classified and recorded in the District's financial accounting and reporting system.

We noted certain budget line accounts were over-expended at June 30, 2025. These overexpended budget line accounts were a result of adjustments made during the audit.

Treasurer's Records

The Treasurer did perform cash reconciliations for all District accounts with exception noted.

The Treasurer's bank reconciliations were not in agreement with the records of the School Business Administrator/Board Secretary as previously noted above.

- **Finding 2025-7 (ACFR Finding 2025-008) –** We noted the year-end monthly report of the Treasurer of School Monies for June 30, 2025 was not submitted to the Executive County Superintendent. It was noted only the Board Secretary's report for June 30, 2025 was submitted to the Executive County Superintendent timely. The Board Secretary and Treasurer reports for June 2025 were approved by the Board on August 21, 2025.

  Recommendation – Internal control procedures be reviewed and revised to ensure both the year-end Treasurer of School Monies and Board Secretary's monthly reports for June are submitted timely to the Executive County Superintendent as required.

Financial Planning, Accounting and Reporting (Continued)

Treasurer's Records (Continued)

- **Finding 2025-8 (ACFR Finding 2025-001)** – The Treasurer's bank reconciliations at June 30, 2025 did not include all reconciling items or included invalid reconciling items. We also noted several of the bank accounts reconciled by the Treasurer were not in agreement with the District's financial accounting records at year end.

  Recommendation – The Treasurer's monthly bank reconciliations properly reflect reconciling items and be in agreement with the District's financial accounting records.

Acknowledgement of the Board's receipt of the Treasurer's monthly financial reports was included in the minutes.

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

We noted final expenditure reports for the various federal and state grant programs did not agree to the District's accounting records. The differences were the results of audit adjustment made and therefore no recommendation is deemed warranted.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Exhibits K-3 and K-4 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.

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. No exceptions were noted.

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

The amount of the 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 reimbursement voucher was reviewed subsequent to it's submission and no exceptions were noted.

Financial Planning, Accounting and Reporting (Continued)

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

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 regulates bidding for public school student transportation contracts under NJSA 18A:39-3 which is $22,400.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c. 198 (c.40A:11-9), the board of education may establish that the bid threshold may be up to $44,000. 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. The Board designated the Interim School Business Administrator as the qualified purchasing agent and approved a bid threshold of $44,000.

The Board of Education 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 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.

The results of our examination indicated that no 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 no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

- **Finding 2025-9 (ACFR Finding 2025-010) –** Our audit of purchases and contract awards in excess of the bid and quote thresholds revealed the following as it related to compliance with the Public School Contracts Law and State procurement regulations:
  - We noted cooperative purchasing program contract award information was not on file in the District and not being reviewed to ensure amounts invoiced were goods or services and prices in the approved cooperative purchasing program award. In addition, the resolution approving cooperative purchasing program contract awards by vendor did not indicate the specific cooperative purchasing program, goods or services being procured or contract award number associated with each vendor.
  - We noted payments made for several goods and services which exceeded the quote threshold, however competitive quotations were not provided for audit.
  - Political Contribution Disclosure Forms (PCD) were not provided or available for certain vendors.
  - We noted approved professional service contract awards for which the post-award contract advertisement notices were not provided for audit.
  - We noted change orders in excess of 20% of the original contract award amount for construction services that were not advertised as required.
  - We noted the purchase for textbooks which exceeded the bid threshold, although exempt from public bidding, was not approved by Board resolution.

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

> **Recommendation -** Internal control procedures over purchasing be reviewed and revised to ensure all contract awards and purchases which exceed the bid and quote thresholds are made in accordance with the requirements of the Public School Contracts Law and State procurement regulations. In addition, contract award documentation be maintained on file and verified to vendor invoices to support purchases made through cooperative purchasing programs.

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 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.

Food Service Fund

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

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.

The financial transactions and records of the school food services were maintained in satisfactory condition. The financial accounts and records were reviewed on a test-check basis.

- **Finding 2025-10 –** The federal/state meal reimbursement voucher for the month of June 2025 was not certified by the District timely and therefore no reimbursement was received subsequent to year-end.

  Recommendation – Procedures over the federal and state meal reimbursement vouchers be enhanced to ensure reimbursement vouchers are reviewed and certified in a timely manner.

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, and 19-1 through 19-4.1. Provisions of the FSMC contract/addendum were reviewed. The FSMC contract includes an operating results provision which guarantees that the Food Service program will have a profit of $10,000. The operating results provision was met for the 2024/2025 school year.

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

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

Net cash resources did not exceed three months average expenditures.

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid (ASSA).

U.S.D.A. commodities were received and a separate inventory were maintained on a first-in, first-out basis.

Food Service Fund (Continued)

The Statement of Revenues, Expenses and Changes in Net Position (ACFR 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.

Student Body Activities

The Board has a policy which clearly establishes the regulation of student activity funds.

All cash disbursements tested had proper supporting documentation.

- **Finding 2025-11 –** Our audit of the George Washington student account revealed that a complete cash receipt and cash disbursement transaction ledger is not maintained. In addition, formal bank reconciliations are not prepared on a monthly basis.

  Recommendation – The District implement standardized accounting records and procedures to strengthen the internal controls in the George Washington School student activity account.

Preschool Program

The District operates a pre-kindergarten program for resident children based on an annual fee.

- **Finding 2024-12 (ACFR Finding 2025-004) –** With respect to the Preschool Program we noted the following:

  - The program ended the year in a net position deficit of $223,427 at June 30, 2025.
  - Program salaries and employee benefits of the Preschool Program Enterprise Fund were not being charged to the program during the school year. An audit adjustment was required to reallocate program salaries and employee benefits costs from the General Fund budget.

  Recommendation – With respect to the Preschool Program:

  - Appropriate action be taken to eliminate the deficit in net position at June 30, 2025 in the Preschool Program Enterprise Fund.
  - Program salaries and employee benefits be properly charged to the Preschool Program Enterprise Fund during the year.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2024 Application for State School Aid (ASSA) for on-roll, private schools for the disabled, related services, low income and bilingual. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers with exceptions noted. The information that was included on the workpapers was verified with exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District did maintain workpapers on the prescribed state forms or their equivalent for all reporting categories.

The District has adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2024-25 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

The District had an active SDA grant project during the current year for the HVAC system upgrades at the Eleanor Van Gelder School.

Testing for Lead of all Drinking Water in Educational Facilities

The school district 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.

Suggestions to Management

- Interfund balances be liquidated prior to year-end.
- Program fees of the preschool program be approved by Board resolution.
- Long Range Facilities Plan be updated and made current.
- The District review its capital assets inventory and make appropriate adjustment for prior and current year unrecorded additions.
- A payroll check distribution verification be performed by May 30, 2026.
- Pre-approval of employee overtime be obtained in accordance with the terms of bargaining unit contract.
- The payroll deduction ledger be maintained by individual payroll deduction category.
- SDA grant reimbursement requests be submitted for the EVG HVAC project.
- District monitor and review grant expenditures on a periodic basis to ensure funds are expended during the grant program period.

Follow-up Prior Year Findings

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

EDGEWATER BOARD OF EDUCATION
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30 2025

N/A – INFORMATION NOT REQUIRED

EDGEWATER BOARD OF EDUCATION
FOOD SERVICE FUND
COMPARISON OF NET CASH RESOURCES TO THREE MONTHS AVERAGE EXPENDITURES
ENTERPRISE FUND
AS OF JUNE 30 2025

NET CASH RESOURCE SCHEDULE

Net Cash Resources:			Total	Reference
ACFR Exhibit				
	Current Assets			
B-4	Cash & Cash Equivalents	$	234,705	
B-4	Intergovernmental Receivable		6,950	
B-4	Other Accounts Receivable		5,704	
B-4	Due From Other Funds			
ACFR	**Current Liabilities**			
B-4	Less Accounts Payable		(19,018)	
B-4	Less Due to Other Funds		(208,493)	
B-4	Less Unearned Revenue		(8,644)	
	Net Cash Resources	$	11,204	(A)
Total Net Adjusted Operating Expenses:				
B-5	Total Operating Expenses	$	374,886	
B-5	Less Depreciation		(18,845)	
	Total Net Adjusted Total Operating Expenditures	$	356,041	(B)
Average Monthly Operating Expenses:				
	Total Net Adjusted Operating Expenses (B) / 10 months	$	35,604	(C)
Three Times Monthly Average:				
	3 X Average Monthly Expenses (C)	$	106,812	(D)

TOTAL NET CASH RESOURCES	**$**	**11,204**	**(A)**
LESS THREE MONTHS AVERAGE EXPENDITURES	**$**	**106,812**	**(D)**
NET OVER (UNDER)	**$**	**(95,608)**	

NET CASH RESOURCES DOES NOT EXCEED THREE MONTH AVERAGE EXPENDITURES

*** Inventories are not to be included in total current assets.**

SOURCE - USDA resource management comprehensive review form

EDGEWATER BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024
SCHEDULE OF AUDITED ENROLLMENTS

	2025-26Application for State School Aid						**Sample for Verification**						**Private Schools for Disabled**			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi-cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool - 3yr		-		-	-	-		-		-		-				
Half Day Preschool - 4yr		-		-	-	-		-		-		-				
Full Day Preschool - 3yr		-		-	-	-		-		-	-	-				
Full Day Preschool - 4yr	12	-	12.0	-	-	-	12.0	-	12.0	-	-	-				
Full Day Kindergarten	108	-	107.0	-	1.0	-	107.0	-	107.0	-	-	-				
One	83	-	83.0 -	-	-	-	83.0	-	83.0	-	-	-				
Two	73	-	73.0	-	-	-	73.0	-	73.0	-	-	-				
Three	91	-	90.0	-	1.0	-	90.0	-	90.0	-	-	-				
Four	85	-	85.0	-	-	-	85.0	-	85.0	-	-	-				
Five	96	-	96.0	-	-	-	96.0	-	96.0	-	-	-				
Six	70	-	69.0	-	1.0	-	69.0	-	69.0	-	-	-				
Seven		-		-	-	-		-		-	-	-				
Eight		-		-	-	-		-		-	-	-				
Nine																
Ten																
Eleven																
Twelve																
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14 CR.)																
Subtotal	- 618.0 -	- -	615.0 -	- -	3 -	- -	615.0 -	- -	615.0 -	-	-	-	-	-	- -	-
Special Ed - Elementary	93.0	-	95.0	-	(2.0)	-	29.0	-	29.0	-	-	-	2.0	2.0	2.0	-
Special Ed - Middle School	6.0	-	7.0	-	(1.0)	-	3.0	-	3.0	-	-		-	-	-	-
Special Ed - High School		-		-	- -	-		-		-	-		9.0	9.0	8.0	1
Subtotal	99.0	- -	102.0	- -	(3) -	- -	32.0 -	- -	32.0 -	-	-	-	11.0	11.0	10.0	1
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	717.0	-	717.0	-	-	-	647.0	-	647.0	-	-	-	11.0	11.0	10.0	1.0
Percentage Error					0.00%	0.00%					0.00%	0.00%				9.09%

EDGEWATER BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024
SCHEDULE OF AUDITED ENROLLMENTS

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool												
Full Day Preschool						-						
Half Day Kindergarten	-	-		-		-						
Full Day Kindergarten	10.0	10.0	0.0	3	3	-	4.0	3	1.0	3	3	-
One	11.0	9.0	2.0	3	3	-	2.0	2	-	2	2	-
Two	7.0	7.0	0.0	3	3	-	-	0	-	0	0	-
Three	16.0	15.0	1.0	5	5	-	1.0	0	1.0	0	0	-
Four	16.0	15.0	1.0	5	5	-	4.0	2	2.0	2	2	-
Five	12.0	12.0	0.0	4	4	-	-	0	-	0	0	-
Six	17.0	16.0	1.0	5	5	-	-	0	-	0	0	-
Seven	25.0	25.0	0.0	8	8	-	2.0	2	-	2	2	-
Eight	13.0	12.0	1.0	4	4	-	2.0	2	-	2	2	-
Nine	20.0	19.0	1.0	6	6	-	3.0	3	-	3	3	-
Ten	9.0	9.0	0.0	3	3	-	-	0	-	0	0	-
Eleven	24.0	24.0	0.0	4	4	-	1.0	1	-	1	1	-
Twelve	19.0	19.0	0.0	6	5	1.0	1.0	1	-	1	1	-
Post-Graduate									-			
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	199.0	192.0	7.0	59.0	58.0	1.0	20.0	16.0	4.0	16.0	16.0	-
Special Ed - Elementary	30.0	24.0	6.0	7.0	7.0	-	-	-	-	-		-
Special Ed - Middle	11.0	10.0	1.0	3.0	2.0	1.0	-	-	-	-	-	-
Special Ed - High	32.0	28.0	4.0	7.0	7.0	-	-	-	-	-	-	-
Subtotal	73.0	62.0	11.0	17.0	16.0	1.0	-	-	-	-	-	-
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	272.0	254.0	18.0	76.0	74.0	2.0	20.0	16.0	4.0	16.0	16.0	-
Percentage Error			6.62%			2.63%			20.00%			0.00%

Transportation

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	993.0	993.0	-	64.0	61.0	3.0
Reg -SpEd, col. 4	46.0	46.0	-	3.0	3.0	-
Transported - Non-Public, col. 2	-	-	-		-	-
Special Ed Spec Needs, col. 6	26.0	26.0	-	2.0	2.0	-
Totals	1,065.0	1,065.0	$ -	69.0	66.0	3.0
Percentage Error			0.00%			4.35%

EDGEWATER BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024
SCHEDULE OF AUDITED ENROLLMENTS

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten			-			
Full Day Kindergarten	25	27	(2.0)	8	8	-
One	25	25	-	7	7	-
Two	19	17	2.0	5	5	-
Three	16	11	5.0	3	3	-
Four	9	9	-	3	3	-
Five	7	8	(1.0)	3	3	-
Six	6	6	-	2	2	-
Seven	6	6	-	2	2	-
Eight	3	2	1.0	1	1	-
Nine	-	-	-	0	0	-
Ten	4	4	-	1	1	-
Eleven	2	2	-	1	1	-
Twelve	3	3	-	1	1	-
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	125.0	120.0	5.0	37.0	37.0	-
Special Ed - Elementary	10.0	10.0	-	3.0	3.0	-
Special Ed - Middle	-	1.0	(1.0)	1.0	1.0	-
Special Ed - High	-	-	-	-	-	-
Subtotal	10.0	11.0	(1.0)	4.0	4.0	-
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	135.0	131.0	4.0	41.0	41.0	-
Percentage Error			2.96%			0.00%

EDGEWATER BOARD OF EDUCATION
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30 2025

SECTION 1A

2024-2025 Total General Fund Expenditures per the ACFR		$ 35,047,103	
Increased by:			
Transfer to Capital Projects Fund		566,236	
Decreased by:			
On-Behalf TPAF Pension & Social Security		(3,286,085)	
Supplies Acquired Under Other Financing Agreement		(175,000)	
Adjusted 2024-2025 General Fund Expenditures		$ 32,152,254	
2.0% of Adjusted 2024-2025 General Fund Expenditures		$ 643,045	
Enter Greater of 2.0% of Adjusted 2024-2025 General Fund Expenditures or $250,000		$ 643,045	
Increased by: Allowable Adjustments		809,343	
Maximum Unassigned Fund Balance			$ 1,452,388

SECTION 2

Total General Fund - Fund Balance at June 30, 2025 (Per ACFR Budgetary Comparison Schedule/Statement)		$ 25,270,185	
Decreased by:			
Year End Encumbrances	$ 55,273		
Capital Reserve	18,584,860		
Maintenance Reserve	1,038,374		
Emergency Reserve	348,425		
Excess Surplus - Designated for Subsequent Year Expenditures	1,580,865		
Tuition Adjustment Reserve	2,210,000		
		23,817,797	
Total Unassigned Fund Balance			$ 1,452,388

SECTION 3

Restricted Fund Balance - Reserved Excess Surplus	$ -

Recapitulation of Excess Surplus as of June 30, 2025

Reserved Excess Surplus	$ -
Reserved Excess Surplus - Designated for Subsequent Year Expenditures	1,580,865
Total Reserved Excess Surplus	$ 1,580,865

Detail of Allowable Adjustments

Extraordinary Aid (Excess of Budget)	$ 744,430
Non Public School Transportation Aid	64,913
	$ 809,343

EDGEWATER BOARD OF EDUCATION
RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

I. Administration Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

1. Internal controls procedures be reviewed and revised over the processing of claims to be paid to ensure the following:

*   – Claims be paid only after invoices or other sufficient documentation is obtained and verified and receipt of goods signatures are obtained on purchase orders as required.

   – Purchase orders be utilized for the payment of Health Benefit premiums.

   – Procedures be implemented and strengthened to ensure duplicate vendor payments are not made. In addition, the District ensure all duplicate payments which cleared the bank are returned to the District.

* 2. Procedures be reviewed and revised to ensure employee health benefit contributions and waiver payments are calculated in accordance with contractual agreements and Board policy.

* 3. Procedures be reviewed and revised to ensure open purchase orders are reviewed at year end and invalid payables be cancelled accordingly.

* 4. The monthly financial reports of the Board Secretary and Treasurer of School Monies be reconciled and in agreement prior to submission to the Board for their approval.

5. Procedures be revised to ensure transfers are reviewed monthly and submitted to the Executive County Superintendent for approval when the cumulative transfer amount exceeds 10% of the original advertised budget category amount as required.

6. Internal controls be enhanced and improved over the recording of financial transactions to ensure they are properly posted, classified and recorded in the District's financial accounting and reporting system.

7. Internal control procedures be reviewed and revised to ensure both the year-end Treasurer of School Monies and Board Secretary's monthly reports for June are submitted timely to the Executive County Superintendent as required.

* 8. The Treasurer's monthly bank reconciliations properly reflect reconciling items and be in agreement with the District's financial accounting records.

III. School Purchasing Program

* 9. It is recommended that internal control procedures over purchasing be reviewed and revised to ensure all contract awards and purchases which exceed the bid and quote thresholds are made in accordance with the requirements of the Public School Contracts Law and State procurement regulations. In addition, contract award documentation be maintained on file and verified to vendor invoices to support purchases made through cooperative purchasing programs.

IV. School Food Service

10. It is recommended that procedures over the federal and state meal reimbursement vouchers be enhanced to ensure reimbursement vouchers are reviewed and certified in a timely manner.

V. Student Body Activities

11. It is recommended that the District implement standardized accounting records and procedures to strengthen the internal controls in the George Washington School student activity account.

VI. Preschool Program

12. It is recommended that with respect to the Preschool Program:

* – Appropriate action be taken to eliminate the deficit in net position at June 30, 2025 in the Preschool Program Enterprise Fund.

* – Program salaries and employee benefits be properly charged to the Preschool Program Enterprise Fund during the year.

VII. Application for State School Aid

There are none.

VIII. Pupil Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Testing for Lead of all Drinking Water in Educational Facilities

There are none.

XI. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken except those recommendations denoted with an asterisk (*).

ACKNOWLEDGEMENT

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

Respectfully submitted,
LERCH, VINCI & BLISS, LLP

Jeffrey C. Bliss
Public School Accountant
Certified Public Accountant