

NEPTUNE CITY SCHOOL DISTRICT

**AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2025**

**NEPTUNE CITY SCHOOL DISTRICT
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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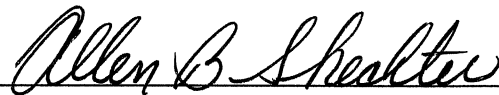
REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Education
Neptune City School District
County of Monmouth, 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 Education of the Neptune City School District in the County of Monmouth for the year ended June 30, 2025, and have issued our report thereon dated January 10, 2026.

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 Neptune City Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.



Licensed Public School Accountant

No. 2183

ALVINO & SHECHTER, L.L.C.

January 10, 2026
Neptune, New Jersey

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator, 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

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

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
George Gahles	School Business Administrator/Board Secretary	\$200,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond with New Jersey School Boards Association Insurance Group covering all other employees with multiple coverage of \$100,000.00.

P.L. 2020,c.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 school district.

The school district data certification was completed by the school business 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 not indicate any discrepancies with respect to signatures, certification or supporting documentation.

Payroll Account and Position Control Roster

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 Chief School Administrator and were certified by the President of the Board and the Board Secretary/Business Administrator.

Salary withholdings were promptly remitted to the proper agencies.

An inquiry and subsequent review of the position control roster found no inconsistencies between the payroll records, employee benefit records (eg. pension reports and health benefit coverage reports), the general ledger account to where wages are posted (administrative versus instruction), and the Position Control Roster.

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 reserves 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 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 no errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification and administrative classification.

A. General Classification Findings

None

B. Administrative Classification Findings

None

Board Secretary's Records

During our review of the financial records maintained by the Board Secretary we noted the following:

Finding 2025-001 (ACFR Finding 2025-001):

The District did not maintain an accurate general ledger that was reconciled monthly to the other subsidiary records for the current fiscal year.

Recommendation:

That the District properly maintain a general ledger and reconcile the ledger monthly with other subsidiary records.

Finding 2025-002 (ACFR Finding 2025-002 and 2025-006):

The monthly Board Secretary and Treasurer reports were not being prepared accurately, in agreement to each other and submitted on a timely basis.

Recommendation:

That the Board Secretary and Treasurer reports be in agreement and submitted to the Board on a timely basis.

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 the projects under Title I, Title II and Title IV of the Elementary and Secondary Education Act as amended and reauthorized.

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

Other Special Federal and/or State Projects

The district'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 indicated no areas of noncompliance.

T.P.A.F. Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. The following exception was noted:

Finding 2025-003 (ACFR Finding 2025-003):

The biweekly reimbursement filed for the report period June 16-30, 2025 omitted the amount of two eligible payrolls that occurred during the reporting period.

Recommendation:

That the biweekly reimbursements filed with the New Jersey Department of Education include the amount of all eligible payrolls that occur during the reporting period.

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(s) 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 made as required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and the following exception was noted.

Finding 2025-004 (ACFR Finding 2025-004):

The TPAF/FICA reimbursement made to the State was not made prior to the end of the 90 day grant liquidation period.

Recommendation:

That the TPAF/FICA reimbursement to the State for employees whose salaries are identified as being paid from federal funds be made during the 90 day grant liquidation period as required by the Office of Grant Management.

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 \$44,000.00 (with a Qualified Purchasing Agent) and \$32,000.00 (without a Qualified Purchasing Agent), respectively. The Interim Business Administrator was appointed as the qualified purchasing agent pursuant to N.J.S.A. 40A:11-9(b) and therefore the bid threshold was increased to \$44,000.00 per statute. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently \$22,400.00 for 2024-25.

The board of education has the responsibility of determining whether the expenditure 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.

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.

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

School Food Service

The School Food Service Fund 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 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.

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 statistical records of the school food service fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

The number of meals claimed for reimbursement was verified against meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement vouchers were timely filed, and meals claimed agreed with meal count records.

The Board of Education entered into a food service management contract (FSMC) with Maschio's Food Service, Inc., to operate the cafeteria for 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 beginning and ending inventories were accepted as submitted.

The cash disbursements 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 services.

Net cash resources exceed three months average expenditures.

Finding 2025-005 (ACFR Finding 2025-005):

The Food Service Fund's net cash resources exceeded three months average expenditures by \$12,326.70.

Recommendation:

It is recommended that appropriate steps be taken to ensure that net cash resources does not exceed three months average expenditures.

Food Distribution Program commodities were received and a separate inventory was maintained on a first-in, first-out basis. No exceptions were noted.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds of the ACFR.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (ACFR Schedule B-5) does separate program and non-program revenue and non-program cost of goods sold.

We inquired of management about the public health emergency procedures/practices that the SFA 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 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.

Student Body Activities

The financial transactions of the student activity funds were reviewed. No exceptions were noted.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2024 Application for State School Aid (A.S.S.A.) for on roll, private school for the handicapped, and low-income. 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 without exceptions. The information that was included on the workpapers was verified without exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

The district maintained workpapers on the prescribed state forms or their equivalent.

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 2024/2025 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 service.

Facilities and Capital Assets

There were no active facilities projects funded with SDA grants during the current fiscal year.

Miscellaneous

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.

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

Follow-up on Prior Year Findings

In accordance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, our procedures included a review of all prior year recommendations including findings reported in the prior year's Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance. Correction action was not taken on all the prior year's findings which are repeated in this year's recommendations noted as current year findings:

2024-001 (See Finding 2025-001):

The District did not maintain an accurate general ledger that was reconciled monthly to the other subsidiary records.

2024-002 (See Finding 2025-002):

The monthly Board Secretary and Treasurer reports were not being prepared accurately in agreement to each other and submitted on a timely basis.

2024-001 (See Finding 2025-005):

The Food Service Fund's net cash resources exceeded three month's average expenditures.

Acknowledgment

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

Neptune City School District
Net Cash Resources Schedule
Proprietary Funds - Food Service
June 30, 2025

<u>Net Cash Resources:</u>		Food Service B - 4/5	
ACFR	Current Assets		
	Cash & Cash Equiv.	\$	68,981.60
B-4	Due from Other Gov'ts		5,800.29
B-4	Due from Other Funds		0.00
B-4	Accounts Receivable		6,219.05
B-4	Investments		0.00
ACFR	Current Liabilities		
B-4	Less Accounts Payable		6,345.10
B-4	Less Accruals		0.00
B-4	Less Due to Other Funds		982.79
B-4	Less Deferred Revenue		5,190.89
	Net Cash Resources	\$	68,482.16 (A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	200,118.42	
B-5	Less Depreciation	(12,933.56)	
	Adj. Tot. Oper. Exp.	\$ 187,184.86	(B)

Average Monthly Operating Expense:

B / 10	\$ 18,718.49	(C)
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Three times monthly Average:

3 X C	\$ 56,155.46	(D)
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TOTAL IN BOX A	\$ 68,482.16
LESS TOTAL IN BOX D	(56,155.46)
NET	12,326.70

From above:

Net Cash Resources Exceeds Three Months Expenditures

SCHEDULE OF AUDITED ENROLLMENTS

NEPTUNE CITY SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	2025-2026 Application for State School Aid						Sample for Verification						Private Schools for Disabled				
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on	Sample			
	A.S.S.A.		Workpapers				Selected from		Registers		Registers		A.S.S.A. as	for			
	On Roll		On Roll				Workpapers	On Roll	On Roll	On Roll	Private	Verifi-	Sample	Sample			
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	cation	Verified	Errors	
Half Day Preschool																	
Full Day Preschool	26		26				26		26								
Half Day Kindergarten																	
Full Day Kindergarten	25		25				25		25								
One	23		23				23		23								
Two	20		20				20		20								
Three	24		24				24		24								
Four	23		23				23		23								
Five	17		17				17		17								
Six	29		29				29		29								
Seven	11		11				11		11								
Eight	27		27				27		27								
Nine																	
Ten																	
Eleven																	
Twelve																	
Post-Graduate																	
Adult H.S. (15+CR.)																	
Adult H.S. (1-14 CR.)																	
Subtotal	225	0	225	0	0	0	225	0	225	0	0	0	0	0	0	0	
Special Ed - Elementary	26		26				26		26				4	4	4		
Special Ed - Middle School	11		11				11		11				4	4	4		
Special Ed - High School													7	7	7		
Subtotal	37	0	37	0	0	0	37	0	37	0	0	0	15	15	15	0	
Co. Voc. - Regular																	
Co. Voc. Ft. Post Sec.																	
Totals	262	0	262	0	0	0	262	0	262	0	0	0	15	15	15	0	
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%	

SCHEDULE OF AUDITED ENROLLMENTS

**NEPTUNE CITY SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024**

	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	19	19		19	19		4	4		4	4	
One	17	17		17	17		3	3		3	3	
Two	15	15		15	15		3	3		3	3	
Three	15	15		15	15		1	1		1	1	
Four	17	17		17	17		3	3		3	3	
Five	12	12		12	12		1	1		1	1	
Six	22	22		22	22		3	3		3	3	
Seven	7	7		7	7							
Eight	19	19		19	19		2	2		2	2	
Nine	11	11		11	11		1	1		1	1	
Ten	15	15		15	15		7	7		7	7	
Eleven	10	10		10	10		2	2		2	2	
Twelve	19.5	19.5		19.5	19.5		7.5	7.5		7.5	7.5	
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	198.5	198.5	0	198.5	198.5	0	37.5	37.5	0	37.5	37.5	0
Special Ed - Elementary	18	18		18	18							
Special Ed - Middle	9	9		9	9							
Special Ed - High	12.5	12.5		12.5	12.5							
Subtotal	39.5	39.5	0	39.5	39.5	0	0	0	0	0	0	0
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	238	238	0	238	238	0	37.5	37.5	0	37.5	37.5	0
Percentage Error			0.00%			0.00%			0.00%			0.00%

	Transportation						Reported	Recalculated
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors		
Reg. - Public Schools, col. 1	15	15		15	15			
Nonpublic Transported, col.2								
Reg -SpEd, col. 4	2	2		2	2			
Transported - Non-Public, col. 3								
Special Ed Spec, col. 6	12	12		12	12			
Totals	29	29	0	29	29	0		
Percentage Error			0.00%			0.00%		
Reg Avg. (Mileage) = Regular Including Grade PK students (Part A)							5.2	5.2
Reg Avg. (Mileage) = Regular Excluding Grade PK students (Part A)							5.2	5.2
Spec Avg. = Special Ed with Special Needs							5.6	5.6

SCHEDULE OF AUDITED ENROLLMENTS**NEPTUNE CITY SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024**

	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	3	3		3	3	
One	1	1		1	1	
Two	1	1		1	1	
Three	1	1		1	1	
Four	2	2		2	2	
Five						
Six	1	1		1	1	
Seven	1	1		1	1	
Eight	1	1		1	1	
Nine	1	1		1	1	
Ten						
Eleven						
Twelve	0.5	0.5		0.5	0.5	
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	12.5	12.5	0.0	12.5	12.5	0.0
Special Ed - Elementary	1	1		1	1	
Special Ed - Middle						
Special Ed - High						
Subtotal	1	1	0	1	1	0
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	13.5	13.5	0.0	13.5	13.5	0.0
Percentage Error			0.00%			0.00%

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT

SECTION 1

A. 2% Calculation of Excess Surplus

2024-2025 Total General Fund Expenditures per the ACFR, Ex. C-1	\$ <u>9,784,132.31</u> (B)
Increased by Applicable Operating Transfers:	
Transfer from Capital Outlay to Capital Projects Fund	\$ _____(B1a)
Transfer from Capital Reserve to Capital Projects Fund	\$ _____(B1b)
Transfer from General Fund to SRF for Pre K - Regular	\$ <u>29,884.00</u> (B1c)
Transfer from General Fund to SRF for Pre K - Inclusion	\$ _____(B1d)
Decreased by:	
On-Behalf TPAF Pension & Social Security	\$ <u>1,156,526.10</u> (B2a)
Assets Acquired Under Capital Leases	\$ _____(B2b)
Adjusted 2024-2025 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ <u>8,657,490.21</u> (B3)
2% of Adjusted 2024-2025 General Fund Expenditures	
[(B3) times .02]	\$ <u>173,149.80</u> (B4)
Enter Greater of (B4) or \$250,000	\$ <u>250,000.00</u> (B5)
Increased by: Allowable Adjustment	\$ <u>295,434.00</u> (K)
Maximum Unassigned/Undesignated - Unreserved Fund Balance [(B5)+(K)]	\$ <u>545,434.00</u> (M)

SECTION 2

Total General Fund - Fund Balances @ 6-30-25 (Per ACFR Budgetary Comparison Schedule C-1)	\$ <u>1,831,323.57</u> (C)
Decreased by:	
Year-End Encumbrances	\$ _____(C1)
Legally Restricted-Designated for Subsequent Year's Expenditures	\$ _____(C2)
Legally Restricted-Excess Surplus-Designated for Subsequent Year's Expenditures	\$ <u>39,659.56</u> (C3)
Other Restricted Fund Balances	\$ <u>410,536.49</u> (C4)
Assigned Fund Balance-Unreserved-Designated for Subsequent Year's Expenditures	\$ <u>353,445.44</u> (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u>102,682.08</u> (U1)

SECTION 3

Restricted Fund Balance-Excess Surplus [(U1)-(M)] IF NEGATIVE ENTER -0- \$ 482,248.08(E)

Recapitulation of Excess Surplus as of June 30, 2025

Restricted Excess Surplus-Designated for Subsequent Year's Expenditures	\$ <u>39,659.56</u> (C3)
Restricted Excess Surplus [(E)]	\$ <u>482,248.08</u> (E)
Total Excess Surplus [(C3)+(E)]	\$ <u>521,907.64</u> (D)

Detail of Allowable Adjustments

Impact Aid	\$ _____(H)
Sales & Lease-back	\$ _____(I)
Extraordinary Aid	\$ <u>295,434.00</u> (J1)
Additional Nonpublic School Transportation Aid	\$ _____(J2)
Current Year School Bus Advertising Revenue Recognized	\$ _____(J3)
Family Crisis Transportation Aid	\$ _____(J4)
Supplemental Stabilization Aid & Maintenance of Equity Aid	\$ _____(J5)
Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)+(J5)]	\$ <u>295,434.00</u> (K)

Detail of Other Restricted Fund Balance

Statutory restrictions:	
Approved unspent separate proposal	\$ _____
Sale/lease-back reserve	\$ _____
Capital reserve	\$ <u>313,859.49</u>
Maintenance reserve	\$ _____
Emergency reserve	\$ _____
Tuition reserve	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - current year	\$ _____
School Bus Advertising 50% Fuel Offset Reserve - prior year	\$ _____
Impact Aid General Fund Reserve (Sections 8002 and 8003)	\$ _____
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	\$ _____
Other state/government mandated reserve	\$ _____
Reserve for Unemployment Fund	\$ <u>96,677.00</u>
Other Restricted Fund Balance not noted above	\$ _____
Total Other Restricted Fund Balance	\$ <u>410,536.49</u> (C4)

NEPTUNE CITY SCHOOL DISTRICT
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

It is recommended:

- * That the District properly maintain a general ledger and reconcile the ledger monthly with other subsidiary records.
- * That the monthly Board Secretary and Treasurer reports be in agreement and submitted to the board for approval on a timely basis.

That the biweekly reimbursements filed with the New Jersey Department of Education include the amount of all eligible payrolls that occur during the reporting period.

That the TPAF/FICA reimbursement to the State for employees whose salaries are identified as being paid from federal funds be made during the 90 day grant liquidation period as required by the Office of Grant Management.

3. School Purchasing Programs

None

4. School Food Service

- * It is recommended that appropriate steps be taken to ensure that net cash resources does not exceed three months average expenditures.

5. Student Body Activities

None

6. Application for State School Aid

None

7. Pupil Transportation

None

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Follow-up on Prior Year Findings

A review was performed on the prior year recommendations including findings and corrective action was not taken on the items denoted with an asterisk (*).