# ROSELLE PARK SCHOOL DISTRICT
# AUDITOR'S MANAGEMENT REPORT ON
# ADMINISTRATIVE FINDINGS -
# FINANCIAL, COMPLIANCE AND PERFORMANCE
# JUNE 30, 2025

**ROSELLE PARK SCHOOL DISTRICT**
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# AUDITOR'S MANAGEMENT REPORT

Honorable President and
Members of the Board of Education
Roselle Park School District
Roselle Park, 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 Roselle Park School District as of and for the fiscal year ended June 30, 2025 and have issued our report thereon dated May 4, 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 solely for the information and use of Roselle Park School District's management, the Board of Trustees, 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.

Respectfully submitted,

Lerch Vinci & Bliss LLP

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

Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
May 4, 2026

**ROSELLE PARK SCHOOL DISTRICT**
**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 Business Administrator/Board Secretary and Treasurer of School Monies, the activities of the Board of Education, 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 the Schedule of Insurance contained in the Statistical Section of the District's Annual Comprehensive Financial Report (the "ACFR").

### Official Bonds

| Name | Position | Amount |
|---|---|---|
| Patricia Mawer | Business Administrator/ Board Secretary | No Coverage |

There is a Public Employees' Faithful Performance Blanket Bond covering all other employees with multiple coverage of $500,000.

**Finding 2025-01** – Our audit revealed that the District did not maintain Surety Bond coverage for the Treasurer of School Monies and the Business Administrator for the 2024-2025 fiscal year.

**Recommendation** –Surety Bond coverage for the Treasurer of School Monies and Business Administrator be obtained in accordance with N.J.A.C. 6A:23A-16.4.

**Finding 2025-02** – Our audit revealed that the District did not document, in its meeting minutes, the designation of official depositories and/or the authorization of officials responsible for making payments.

**Recommendation** – The Board formally approve designated depositories and authorized payment officials in the official minutes on an annual basis.

### Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made a proper adjustment, as applicable, to the billings to sending districts in accordance with N.J.A.C. 6A:23A-17.1(f)3.

### P.L 2020, c. 44

Our audit procedures included an inquiry and subsequent review of health benefits data required per N.J.S.A. 18A:16-3.3 (Chapter 44) submitted for the year of audit. The Chapter 44 summary report was reviewed for reasonableness.

## 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.

**Finding 2025-03** – Our audit revealed that, in certain instances, the District did not issue a required IRS Form 1099s to applicable vendors.

**Recommendation** – Internal controls be enhanced to ensure the accurate and timely issuance of all required IRS Form 1099s.

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

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 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.

Payroll/Personnel

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.

Payrolls were approved by the Superintendent and were certified by the President of the Board, the Treasurer and the Chief School Administrator.

Salary withholdings were properly remitted to the proper agencies including health benefits withholding due to the general fund.

Employee Position Control Roster

The Board has implemented a personnel tracking and accounting (Position Control) system.

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 to determine 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 received for propriety and to determine that goods were received and services were rendered, as of June 30.

> **Finding 2025-04 (ACFR Finding 2025-001)** – Our audit revealed that the District did not record payroll accruals related to unsettled contracts, resulting in material audit adjustments and numerous budgetary line item overexpenditures.
>
> **Recommendation** – Payroll liabilities be accrued for retroactive salary payments owed to employees. In addition, sufficient funds be made available in the respective budgetary line items.

Travel

The Board of Trustees has adopted a travel policy that complies with N.J.S.A. 18A:11-12.

> **Finding 2025-05** – Our audit revealed that the District lacked effective internal controls with respect to reporting and documentation of employee travel reimbursements.
>
> **Recommendation** – The District review and enhance internal controls over documentation and reporting related to employee travel reimbursements.

Board Secretary's Records

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

The prescribed contractual order system was followed.

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

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

The Board Secretary's monthly reports were presented to the Board on a timely basis and were submitted to the Executive County Superintendent as prescribed by N.J.S.A. 18A:17-9 and 18A:17-36.

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

Cash Reconciliations

N.J.S.A. 18A:13-14 allows for a board of education to make the treasurer of school monies an optional position. Upon the Board's election to eliminate the treasurer's position, the law requires a shifting of internal control and internal reporting responsibilities from the treasurer to the Board Secretary and Chief School Administrator.

All cash receipts were promptly deposited.

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, II, III, and IV of the Elementary and Secondary Education Act, as amended.

The audit indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

I.D.E.A. Part B

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

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Exhibit K-3 and Exhibit K-4 located in the ACFR.

Our audit 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.

> **Finding 2025-06 –** Our audit identified discrepancies between the District's internal financial records and amounts reflected in the federal grant reporting system (EWEG).
>
> **Recommendation –** The District strengthen internal controls over federal grant reporting to ensure consistency and accuracy between internal financial records and data reported in the EWEG system.

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.

TPAF Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Reports 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 prior to the end of the 90-day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

**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 regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently $20,200. The Board has designated the Business Administrator/Board Secretary as the qualified purchasing agent.

**School Purchasing Programs (Continued)**

Contracts and Agreements Requiring Advertisement for Bids (Continued)

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.

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

Contracts and Agreements Requiring Advertisement for Bids

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, however, that purchases were made through the use of State contracts.

**Finding 2025-07** – Our audit of purchases related to compliance with Public School Contract Law revealed the following:

- Supporting documentation for purchases made through cooperative purchasing contracts was not obtained or verified against vendor invoice amounts.
- National cooperative purchasing requirements were not adhered to.
- Contracts and purchases exceeding the bid threshold were not approved by formal resolution in the Board meeting minutes.
- The District did not approve change orders and/or contracts requiring change orders through formal action by the Board in the official minutes.

**Recommendation** – With respect to school purchasing:

- Amounts paid through cooperative purchasing agreements be verified against supporting cooperative contract documentation.
- National cooperative purchasing requirements be adhered to.
- All contracts and purchases exceeding the bid threshold be formally approved by the Board and included in the official minutes.
- All change orders be formally approved by the Board and included in the official minutes.

**School Food Service**

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

Cash receipts and bank records were reviewed for timely deposit.

**School Food Service (Continued)**

The district/charter school/renaissance school project utilized as food service management company (FSMC) and is deposited 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 Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. The FSMC contract does not include an operating results guarantee provision. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account and reconciled to supporting documentation at least annually.

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

The cash disbursements records reflected expenditures for program related goods and services. The appropriated 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 month's average expenditures.

The number of meals claimed for reimbursement was compared to sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement claims were/were not submitted/certified in a timely manner.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications/or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was reviewed for uniform administration throughout the school system. Sites approved to participate in Provisions I and II were examined for compliance with all counting and claiming requirements. The required verification procedures for free and reduced price applications were completed and available for review.

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

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

**Scholarship Program**

The financial records of the Scholarship Program were maintained in good condition.

## Student Body Activities

The Board has a policy establishing the regulation of student activity funds.

**Finding 2025-08** – Our audit of student activity accounts revealed the following:

- Bank account reconciliations were not consistently performed or verified against transaction ledgers.
- Detailed transaction ledgers and supporting documentation for funds collected and disbursed were not consistently maintained or available for audit.

**Recommendation** – The District continue efforts to strengthen internal controls over the maintenance and oversight of student activity accounts.

## 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 schools for the disabled, bilingual 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 District workpapers and information on the workpapers was verified. 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 2024-25 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with immaterial exceptions. The information on the DRTRS was verified with immaterial exceptions. 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

Our procedures included a review of the District's capital assets and related depreciation for the awarding and accounting of contracts for eligible facilities construction.

**Finding 2025-009** – Our audit revealed that the District has not obtained an annual appraisal report for the current or previous fiscal year with respect to District owned capital assets and related depreciation.

**Recommendation** – A third-party consultant be engaged on an annual basis to prepare an updated appraisal report on District owned capital assets with related depreciation.

**Finding 2025-010** – Our audit revealed that transactions related to projects funded in part by Schools Development Authority (SDA) grants were accounted for in the General Fund rather than the Capital Projects Fund.

**Recommendation** – The Capital Projects Fund be utilized to account for all SDA grant-related transactions.

## 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 did submit 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 government auditing standards, our procedures included a review of all prior year recommendations, including findings.

# ROSELLE PARK SCHOOL DISTRICT
# FOOD SERVICE FUND
# NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM
# ENTERPRISE FUNDS
# FOR THE FISCAL YEAR ENDED JUNE 30, 2025

## SCHEDULE OF MEAL COUNT ACTIVITY

| Program | Meals Category | Meals Claimed | Meals Tested | Meals Verified | Difference |
|---|---|---|---|---|---|
| National School Lunch | | | | | |
| | Paid | 87,866 | 57,860 | 57,860 | - |
| | Reduced | 21,396 | 8,497 | 8,497 | - |
| | Free | 103,991 | 43,589 | 43,589 | - |
| | | 213,253 | 109,946 | 109,946 | - |
| National School Breakfast-Regular | | | | | |
| | Paid | 7,235 | 4,386 | 4,386 | - |
| | Reduced | 1,979 | 1,337 | 1,337 | - |
| | Free | 15,932 | 8,815 | 8,815 | - |
| | | 25,146 | 14,538 | 14,538 | - |
| | | 238,399 | 124,484 | 124,484 | - |

**ROSELLE PARK SCHOOL DISTRICT**
**FOOD SERVICE FUND**
**NET CASH RESOURCE SCHEDULE**
**ENTERPRISE FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Net cash resources did not exceed three months of expenditures**
**Proprietary Funds - Food Service**
**FYE 2025**

| | | | |
|---|---|---|---|
| **Current Assets** | | | |
| | Due from Other Gov'ts | $ | 44,540 |
| | Accounts Receivable | | 51,594 |
| **Current Liabilities** | | | |
| | Less Accounts Payable | | (18,041) |
| | Less Due to Other Funds | | (35,959) |
| | Unearned Revenue | | (11,552) |
| | **Net Cash Resources** | **$** | **30,582** |
| **Net Adjusted Total Operating Expense:** | | | |
| B-5 | Total Operating Exp. | | 1,490,337 |
| B-5 | Less Depreciation | | (147) |
| | Adjusted Total Operating Exp. | **$** | **1,490,190** |
| **Average Monthly Operating Expense:** | | **$** | **149,019** |
| **Three times monthly Average:** | | **$** | **447,057** |

| | | |
|---|---|---|
| Total Net Cash Resources | $ | 30,582 |
| Three Times Monthly Average | $ | 447,057 |
| Amount Above Allowable Net Cash Resources | **$** | **(416,475)** |

**ROSELLE PARK BOARD OF EDUCATION**
**APPLICATION FOR STATE SCHOOL AID**
**SCHEDULE OF AUDITED ENROLLMENTS**
**OCTOBER 15, 2024**

| | 2025-2026 Application 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 Register 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 - 3 years | | | | | | | | | | | | | | | | |
| Half Day Preschool - 4 years | | | | | | | | | | | | | | | | |
| Full Day Preschool - 3 years | 59 | | 60 | | (1) | | | | | | | | | | | |
| Full Day Preschool - 4 years | 86 | | 85 | | 1 | | | | | | | | | | | |
| Half Day Kindergarten | | | | | - | | | | | | | | | | | |
| Full Day Kindergarten | 111 | | 111 | | - | | 30 | | 29 | | 1 | | | | | |
| One | 108 | | 108 | | - | | 36 | | 36 | | - | | | | | |
| Two | 126 | | 126 | | - | | 42 | | 40 | | 2 | | | | | |
| Three | 138 | | 137 | | 1 | | 47 | | 46 | | 1 | | | | | |
| Four | 116 | | 116 | | - | | 51 | | 51 | | - | | | | | |
| Five | 120 | | 120 | | - | | 47 | | 46 | | 1 | | | | | |
| Six | 116 | | 116 | | - | | 116 | | 116 | | - | | | | | |
| Seven | 122 | | 122 | | - | | 122 | | 122 | | - | | | | | |
| Eight | 130 | | 131 | | (1) | | 131 | | 131 | | - | | | | | |
| Nine | 96 | | 96 | | - | | 96 | | 96 | | - | | | | | |
| Ten | 126 | 5 | 126 | 5 | - | | 126 | 5 | 126 | 5 | - | | | | | |
| Eleven | 119 | 8 | 119 | 8 | - | | 119 | 8 | 119 | 8 | - | | | | | |
| Twelve | 139 | 3 | 140 | 3 | (1) | - | 140 | 3 | 139 | 3 | 1 | - | - | - | - | - |
| Subtotal | 1,712 | 16 | 1,713 | 16 | (1) | - | 1,103 | 16 | 1,097 | 16 | 6 | - | - | - | - | - |
| Spec Ed - Elementary | 153 | | 155 | | (2) | | 38 | | 33 | | 5 | | 6.0 | 2.0 | 2.0 | |
| Spec Ed- Middle School | 71 | | 71 | | - | | 71 | | 72 | | (1) | | 6.0 | 2.0 | 2.0 | |
| Spec Ed - High School | 85 | 10 | 86 | 10 | (1) | - | 85 | 10 | 84 | 10 | 1 | - | 9.0 | 2.0 | 1.0 | 1.0 |
| Subtotal | 309 | 10 | 312 | 10 | (3) | - | 194 | 10 | 189 | 10 | 5 | - | 21.0 | 6.0 | 5.0 | 1.0 |
| Totals | 2,021 | 26 | 2,025 | 26 | (4) | - | 1,297 | 26 | 1,286 | 26 | 11 | - | 21.0 | 6.0 | 5.0 | 1.0 |
| Percentage Error | | | | | -0.20% | 0.00% | | | | | 0.85% | 0.00% | | | | 16.67% |

**ROSELLE PARK BOARD OF EDUCATION**
**APPLICATION FOR STATE SCHOOL AID**
**SCHEDULE OF AUDITED ENROLLMENTS**
**OCTOBER 15, 2024**

| | Low Income | | | Sample for Verification | | | 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 Low Income | Reported on Workpapers as Low Income | Errors | Sample Selected from Workpapers | Verified to Application and Register | Sample Errors |
| Half Day Pre-School (3 Yrs) | | | | | | | | | | | | |
| Half Day Pre-School (4 Yrs) | | | | | | | | | | | | |
| Full Day Preschool - 3 years | | | | | | | | | | | | |
| Full Day Preschool - 4 years | | | | | | | | | | | | |
| Half Day Kindergarten | | | | | | | | | | | | |
| Full Day Kindergarten | 43.0 | 43.0 | | 2.0 | 2.0 | | 15.0 | 15.0 | | 2.0 | 2.0 | |
| One | 51.0 | 51.0 | | 2.0 | 2.0 | | 12.0 | 12.0 | | 2.0 | 2.0 | |
| Two | 63.0 | 63.0 | | 2.0 | 2.0 | | 17.0 | 17.0 | | 2.0 | 2.0 | |
| Three | 58.0 | 58.0 | - | 2.0 | 2.0 | | 21.0 | 21.0 | | 3.0 | 2.0 | 1.0 |
| Four | 53.0 | 53.0 | - | 2.0 | 2.0 | | 19.0 | 19.0 | | 3.0 | 3.0 | |
| Five | 58.0 | 58.0 | | 2.0 | 2.0 | | 14.0 | 14.0 | | 2.0 | 2.0 | |
| Six | 64.0 | 64.0 | | 2.0 | 2.0 | | 1.0 | 1.0 | | - | - | |
| Seven | 62.0 | 62.0 | - | 2.0 | 2.0 | | 3.0 | 3.0 | | - | - | |
| Eight | 68.0 | 68.0 | | 2.0 | 2.0 | | 5.0 | 5.0 | | 1.0 | 1.0 | |
| Nine | 56.0 | 56.0 | | 2.0 | 2.0 | - | 5.0 | 5.0 | | 1.0 | 1.0 | |
| Ten | 73.0 | 73.0 | - | 3.0 | 3.0 | | 12.0 | 12.0 | - | 2.0 | 2.0 | |
| Eleven | 62.0 | 62.0 | | 2.0 | 2.0 | | 13.0 | 13.0 | | 2.0 | 2.0 | |
| Twelve | 80.0 | 80.0 | - | 3.0 | 3.0 | - | 8.0 | 8.0 | - | 1.0 | 1.0 | - |
| Subtotal | 791.0 | 791.0 | - | 28.0 | 28.0 | - | 145.0 | 145.0 | - | 21.0 | 20.0 | 1.0 |
| Spec Ed - Elementary | 86.0 | 86.0 | | 3.0 | 3.0 | | 18.0 | 18.0 | | 3.0 | 3.0 | |
| Spec Ed- Middle School | 42.0 | 42.0 | | 2.0 | 2.0 | | 10.0 | 10.0 | | 1.0 | 1.0 | |
| Spec Ed - High School | 44.0 | 44.0 | - | 2.0 | 2.0 | - | 3.0 | 3.0 | - | - | - | - |
| Subtotal | 172.0 | 172.0 | - | 7.0 | 7.0 | - | 31.0 | 31.0 | - | 4.0 | 4.0 | - |
| Totals | 963.0 | 963.0 | - | 35.0 | 35.0 | - | 176.0 | 176.0 | - | 25.0 | 24.0 | 1.0 |
| Percentage Error | | | 0.00% | | | 0.00% | | | 0.00% | | | 4.00% |

| | Transportation | | | | | |
|---|---|---|---|---|---|---|
| | Reported on DRTRS by DOE | Reported on DRTRS by District | Errors | Tested | Verified | Errors |
| Regular- Public Schools | 143.0 | 143.0 | | 22.0 | 22.0 | - |
| Regular - Sped. | 5.0 | 5.0 | | | | |
| Transported- Non- Public | - | - | | - | - | |
| Special Needs- Public | 16.0 | 16.0 | - | 2.0 | 1.0 | 1.0 |
| Totals | 164.0 | 164.0 | - | 24.0 | 23.0 | 1.0 |
| | | | 0.00% | | | 4.17% |

# ROSELLE PARK BOARD OF EDUCATION
## APPLICATION FOR STATE SCHOOL AID
## SCHEDULE OF AUDITED ENROLLMENTS
## 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 Register | Sample Errors |
| Half Day Pre-School (3 Yrs) | | | | | | |
| Half Day Pre-School (4 Yrs) | | | | | | |
| Full Day Pre-School (3 Yrs) | | | | | | |
| Full Day Pre-School (4 Yrs) | | | | | | |
| Half Day Kindergarten | | | | | | |
| Full Day Kindergarten | 7.0 | 7.0 | | 1.0 | 1.0 | |
| One | 7.0 | 6.0 | (1.0) | 1.0 | 1.0 | |
| Two | 8.0 | 8.0 | | 1.0 | 1.0 | |
| Three | 8.0 | 8.0 | | 1.0 | 1.0 | |
| Four | 5.0 | 5.0 | | 1.0 | 1.0 | |
| Five | 3.0 | 3.0 | | 1.0 | 1.0 | |
| Six | - | - | - | | | |
| Seven | 2.0 | 2.0 | - | | | |
| Eight | 1.0 | 1.0 | - | | | |
| Nine | 2.0 | 2.0 | | | | |
| Ten | 1.0 | 1.0 | | | | |
| Eleven | 2.0 | 2.0 | | 1.0 | 1.0 | |
| Twelve | 2.0 | 2.0 | - | - | - | - |
| Subtotal | 48.0 | 47.0 | (1.0) | 7.0 | 7.0 | - |
| Spec Ed - Elementary | 4.0 | 4.0 | | 1.0 | 1.0 | |
| Spec Ed- Middle School | 2.0 | 2.0 | | 1.0 | 1.0 | |
| Spec Ed - High School | - | - | - | - | - | - |
| Subtotal | 6.0 | 6.0 | - | 2.0 | 2.0 | - |
| Totals | 54.0 | 53.0 | (1.0) | 9.0 | 9.0 | - |
| Percentage Error | | | -1.85% | | | 0.00% |

**ROSELLE PARK SCHOOL DISTRICT**
**CALCULATION OF EXCESS SURPLUS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

| | | |
|---|---|---|
| 2024-2025 Total General Fund Expenditures per the ACFR | | $ 51,172,470 |
| Increased by: | | |
| Transfer from General Fund to Special Revenue Fund Pre-K | $ 396,950 | |
| Transfer from Capital Reserve to Capital Projects | 3,800,000 | |
| | | 4,196,950 |
| Decreased by: | | |
| On-Behalf TPAF Pension & Social Security | | (9,597,871) |
| Adjusted 2024-2025 General Fund Expenditures | | $ 45,771,549 |
| 2% of Adjusted 2024-2025 General Fund Expenditures | | $ 915,431 |
| Increased by: | | |
| Allowable Adjustment | | 1,153,239 |
| Maximum Unassigned Fund Balance | | $ 2,068,670 |
| Total General Fund - Fund Balance at June 30, 2025 | | $ 20,324,098 |
| Decreased by: | | |
| Year-End Encumbrances | $ 1,232,353 | |
| Other Restricted Fund Balance - Capital Reserve | 1,239,594 | |
| Other Restricted Fund Balance - Maintenance Reserve | 2,314,872 | |
| Other Restricted Fund Balance - Unemployment Reserve | 96,787 | |
| Excess Surplus - Designated for Subsequent Year's Expenditures | 2,700,000 | |
| Assigned - Designated for Subsequent Year's Expenditures | 847,624 | |
| | | 8,431,230 |
| Total Unassigned Fund Balance | | $ 11,892,868 |
| **SECTION 3** | | |
| **Fund Balance - Excess Surplus** | | 9,824,198 |

**Recapitulation of Excess Surplus as of June 30, 2025**

| | |
|---|---|
| Excess Surplus- Designated in Subsequent Year's Budget | $ 2,700,000 |
| Excess Surplus | 9,824,198 |
| | $ 12,524,198 |

* **Detail of Allowable Adjustments**

| | |
|---|---|
| Unbudgeted Extraordinary Aid | $ 1,153,239 |

## ROSELLE PARK SCHOOL DISTRICT
## RECOMMENDATIONS

### I. Administrative Practices and Procedures

It is recommended that:

1. Surety Bond coverage for the Treasurer of School Monies and Business Administrator be obtained in accordance with N.J.A.C. 6A:23A-16.4.

2. The Board formally approve designated depositories and authorized payment officials in the official minutes on an annual basis.

### II. Financial Planning, Accounting and Reporting

It is recommended that:

3. Internal controls be enhanced to ensure the accurate and timely issuance of all required IRS Form 1099s.

4. Payroll liabilities be accrued for retroactive salary payments owed to employees. In addition, sufficient funds be made available in the respective budgetary line items.

5. The District review and enhance internal controls over documentation and reporting related to employee travel reimbursements.

6. The District strengthen internal controls over federal grant reporting to ensure consistency and accuracy between internal financial records and data reported in the EWEG system.

### III. School Purchasing Program

7. With respect to school purchasing it is recommended that:

   - Amounts paid through cooperative purchasing agreements be verified against supporting cooperative contract documentation.
   - National cooperative purchasing requirements be adhered to.
   - All contracts and purchases exceeding the bid threshold be formally approved by the Board and included in the official minutes.
   - All change orders be formally approved by the Board and included in the official minutes.

### IV. School Food Services

There are none.

### V. Scholarships

There are none.

### VI. Student Body Activities

8. It is recommended that the District continue efforts to strengthen internal controls over the maintenance and oversight of student activity accounts.

## VII. Application for State School Aid

There are none.

## VIII. Pupil Transportation

There are none.

## IX. Facilities and Capital Assets

It is recommended that:

9. A third-party consultant be engaged on an annual basis to prepare an updated appraisal report on District owned capital assets with related depreciation.

10. The Capital Projects Fund be utilized to account for all SDA grant-related transactions.

## X. Miscellaneous

There are none.

## XI. Status of Prior Years' Audit Findings/Recommendations

There were none.

## 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

Dieter P. Lerch
Public School Accountant
PSA Number CS00756