SPRINGFIELD BOARD OF EDUCATION

AUDITOR'S MANAGEMENT REPORT

COUNTY OF UNION

JUNE 30, 2025

ROBERT A. HULSART & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
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WALL, NEW JERSEY 07719

AUDITORS MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS

FINANCIAL, COMPLIANCE AND PERFORMANCE

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CERTIFIED PUBLIC ACCOUNTANTS

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REPORT OF INDEPENDENT AUDITORS

Honorable President and Members
of the Board of Education
Springfield School District
County of Union, 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 general purpose financial statements of the Board of Education of the Springfield School District in the County of Union for the year ended June 30, 2025, and have issued our report thereon dated December 19, 2025.

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 Springfield 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. 322
ROBERT A. HULSART AND COMPANY

December 19, 2025

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING

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, 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; Insurance Schedule contained in the district's ACFR.

Officials Bond

Name	Position	Amount
Michelle Calas	Board Secretary/School Business Administrator	$ 260,422.00
Manuel E. Vieira	Treasurer	285,000.00

There is a Public Employees' Faithful Performance Blanket Position Bond under the blanket policy covering all other employees with multiple coverage of $250,000.00.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made a proper adjustment to the billings to sending districts for the increase/decrease in per pupil costs in accordance with *N.J.A.C.* 6A:23-3.1(f)3.

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, certifications, or supporting documentation.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

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

Salary withholdings were promptly remitted to the proper agencies.

Reserve for Encumbrances and Accounts Payable

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

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C.* 6A:23-2.2(g) 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-2.4. As a result of the procedures performed, a transaction error rate of 0% overall was noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Board Secretary's Records

Our review of the financial and accounting records maintained by the Board Secretary disclosed no reportable conditions. The records were in good order.

Treasurer's Records

The Treasurer's records were in agreement with the records of the Board Secretary. All reconciliations were properly done.

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, Title IIA, Title III and Title IV of the E.S.E.A.

The study of compliance for E.S.E.A. indicated the following 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 reimbursement forms filed with 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 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 fund was made prior to the end of the 60 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 $22,400 for 2024-25.

The District Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contact or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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

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

School Food Service Fund

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

The food services for 2024-25 were awarded to Pomptonian Food Service on their proposal of a management fee of a per meal administrative/management fee of $0.2030 which will be multiplied by the total meals. The actual fee was $58,776 for 2025-2025. The food service provider was in compliance with all statutes and regulations. The operating results provision has been met. 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.

As a result of the uncertainties during the public health emergency there is no guaranteed operating result for 2024-2025 school year.

The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. 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 sales and 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.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days. The free and reduced price meal policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review.

Cash receipts and bank records were reviewed for timely deposits per state guidelines.

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 District deposited and expended program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. 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 exceeded three months average expenditures.

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

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G.

The 2024-25 operations produced a net loss of $157,384.

GAAP Accounting Implementation

The school district's double entry system of accounting records were maintained in accordance with the Department of Education's prescribed GAAP Technical Systems Manual, pursuant to N.J.S.A. 18:A4-14 and N.J.A.C. 6:20-2A.

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 handicapped, 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 without exception. The information that was included on the workpapers was verified without exception. 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 written procedures appear to be adequate 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.

Follow-Up on Prior Year Findings

None

Acknowledgment

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

2% Calculation of Excess Surplus

2024-25 Total General Fund Expenditures Per the ACFR	$ 56,651,416
Decreased by:	
On Behalf TPAF Pension and Social Security	(9,125,791)
Adjusted 2024-25 General Fund Expenditures	$ 47,525,625
2% of Adjusted 2024-25 General Fund Expenditures	$ 950,513
Enter Greater of Above or $250,000	$ 950,513
Increased by Allowable Adjustments	667,306
Maximum Unassigned Fund Balance	$ 1,617,819

Section 2

Total General Fund – Fund Balance @ 6-30-25	$ 23,097,978
Decreased by:	
Reserved for Encumbrances	(1,933,465)
Designated for Subsequent Years Expenditures – Capital Reserve	(500,000)
Designated for Subsequent Years Expenditures – Maintenance Reserve	(900,000)
Reserve for Unemployment	(84,373)
Designated for Subsequent Years Expenditures – Excess Surplus	(650,000)
Designated for Subsequent Years Expenditures BOE	(1,000,000)
Other Reserves	(15,835,655)
Total Unassigned Fund Balance	$ 2,194,485
Reserved Fund Balance – Excess Surplus	$ 576,666

Section 3

Reserved Fund Balance – Excess Surplus - Designated for Subsequent Expenditures	$ 650,000
Excess Surplus	576,666
	$ 1,226,666

Detail of Allowable Adjustments

Non-Public Transportation Aid	$ 139,166
Extraordinary Aid	528,140
	$ 667,306

Detail of Other Reserved Fund Balance

Capital Reserve	$ 13,085,655
Maintenance Reserve	2,500,000
Emergency Reserve	250,000
	$ 15,835,655

SPRINGFIELD SCHOOL DISTRICT

APPLICATION FOR STATE SCHOOL AID SUMMARY

ENROLLMENT AS OF OCTOBER 15, 2024

	2025-26 Application for State School Aid						Sample for Verification						Private Schools for Handicapped			
	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 Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool - 3yrs	1		1				1		1							
Full Day Preschool - 4yrs	96		96				38		38							
Full Day Kindergarten	143		143				57		57							
One	136		136				136		136							
Two	140		140				140		140							
Three	136		136				100		100							
Four	133		133				58		58							
Five	140		140				75		75							
Six	131		131				131		131							
Seven	130		130				130		130							
Eight	150		150				150		150							
Nine	121		121				114		114							
Ten	125	3	125	3			121	3	121	3						
Eleven	138	13	138	13			132	13	132	13						
Twelve	145	3	145	3			130	3	130	3						
Subtotal	1865	19	1865	19	0	0	1513	19	1513	19	0	0	0	0	0	0
Special Ed. - Elementary	142		142				113		113				7	7	7	
Special Ed. - Middle School	62		62				62		62				12	12	12	
Special Ed. - High School	97	8	97	8			97	8	97	8			15	15	15	
Subtotal	301	8	301	8	0	0	272	8	272	8	0	0	34	34	34	0
Co. Voc. - Regular																
Co. Voc. - Ft. Post Sec.																
Totals	2166	27	2166	27	0	0	1785	27	1785	27	0	0	34	34	34	0
Percentage Error					0%	0%					0%	0%				0%

SPRINGFIELD SCHOOL DISTRICT

APPLICATION FOR STATE SCHOOL AID SUMMARY

ENROLLMENT AS OF OCTOBER 15, 2024

	Low Income			Sample for Verification			Resident LEP Not 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	Reported on Workpapers as LEP	Errors	Sample Selected From Workpapers	Verified to Test Score & Register	Sample Errors
Full Day Preschool 4yrs	5	5		3	3							
Full Day Kindergarten	23	23		13	13		2	2		2	2	
One	14	14		6	6		2	2		2	2	
Two	21	21		12	12		3	3		3	3	
Three	13	13		6	6		4	4		4	4	
Four	20	20		11	11		3	3		3	3	
Five	18	18		10	10		1	1		1	1	
Six	15	15		7	7		2	2		2	2	
Seven	24	24		13	13		1	1		1	1	
Eight	34	34		17	17		1	1		1	1	
Nine	27	27		11	11							
Ten	28	28		14	14							
Eleven	21.5	21.5		9	9		1	1		1	1	
Twelve	20.5	20.5		7	7		1	1		1	1	
Subtotal	284	284	0	139	139	0	21	21	0	21	21	0
Special Ed. - Elementary	37	37		22	22		2	2		2	2	
Special Ed. - Middle School	12	12		5	5							
Special Ed. - High School	28	28		9	9							
Subtotal	77	77	0	36	36	0	2	2	0	2	2	0
Totals	361	361	0	175	175	0	23	23	0	23	23	0
Percentage Error			0%			0%			0%			0%

TRANSPORTATION

	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	277	277		145	145	
Transported - Non-Public						
Special Ed. - Regular	27	27		27	27	
Special Needs - Public & Private	85	85		65	65	
Totals	389	389	0	237	237	0
Percentage Error						0%

	Reported	Recalculated
Avg. Mileage - Regular Including Grade PK Students	6.8	6.8
Avg. Mileage - Regular Excluding Grade PK Students	6.8	6.8
Avg. Mileage - Special Ed. With Special Needs	5.8	5.8

SPRINGFIELD SCHOOL DISTRICT

APPLICATION FOR STATE SCHOOL AID SUMMARY

ENROLLMENT AS OF OCTOBER 15, 2024

	Resident LEP - Low Income			Sample for Verification		
	Reported on A.S.S.A. as LEP	Reported on Workpapers as LEP	Errors	Sample Selected From Workpapers	Verified to Test Score & Register	Sample Errors
Half Day Preschool						
Full Day Kindergarten	1	1		1	1	
One	1	1		1	1	
Two	4	4		4	4	
Three	1	1		1	1	
Four	4	4		4	4	
Five	2	2		2	2	
Six						
Seven						
Eight	4	4		4	4	
Nine	2	2		2	2	
Ten	4	4		4	4	
Eleven	2	2		2	2	
Twelve	1	1		1	1	
Subtotal	26	26	0	26	26	0
Special Ed. - Elementary	4	4		4	4	
Special Ed. - Middle School						
Special Ed. - High School	2.5	2.5		2.5	2.5	
Subtotal	6.5	6.5	0	6.5	6.5	0
Totals	32.5	32.5	0	32.5	32.5	0
			0%			0%

SCHEDULE OF MEAL COUNT ACTIVITY

SPRINGFIELD SCHOOL DISTRICT

FOOD SERVICE FUND

NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - FEDERAL

ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Program	Meal Category	Meals Claimed	Meals Tested	Meals Verified	Difference	Rate	(Over)/ Under Claim
National School Lunch							
(Regular Rate)*	Paid	114,843	43,457	43,457	-	$ 0.48	-
	Reduced	9,516	3,546	3,546	-	4.10	-
	Free	28,309	10,995	10,995	-	4.50	-
Total Net Overclaim		152,668	57,998	57,998	-		-
Breakfast Program							
(Regular)	Paid	5,702	2,582	2,582	-	$ 0.39	-
	Reduced	1,173	454	454	-	2.07	-
	Free	5,021	2,242	2,242	-	2.37	-
Total Net Overclaim		11,896	5,278	5,278	-		-
National School Lunch (NJEIE)	NJEIE	761	538	538	-	$ 4.01	-
Breakfast Program (NJEIE)	NJEIE	213	172	172	-	1.98	-
Total Net Overclaim		974	710	710	-		-

* - $.09 for Federal HHFKA Lunch - Healthy Hunger-Free Kids Act

SPRINGFIELD SCHOOL DISTRICT

NET CASH RESOURCE SCHEDULE

NET CASH RESOURCES DID NOT EXCEED 3 MONTHS OF EXPENDITURES

PROPRIETARY FUNDS - FOOD SERVICE

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

		Food Service G - 1/2	
Net Cash Resources:			
ACFR	**Current Assets**		
G-1	Cash & Cash Equivalents	$ 255,770	
G-1	Accounts Receivables	43,538	
	Current Liabilities		
G-1	Less Accounts Payable	(181,114)	
	Net Cash Resources	$ 118,194	(A)
Net Adjustment Total Operating Expense:			
G-2	Total Operating Expenses	1,405,725	
G-2	Less Depreciation	(31,417)	
	Adjusted Total Operating Expenses	1,374,308	(B)
Average Monthly Operating Expense:			
	B / 10	$ 137,431	(C)
Three Times Monthly Average			
	3 X C	$ 412,292	(D)
Total in (A)		$ 118,194	
Less Total in (D)		(412,292)	
Net		$ (294,098)	

SPRINGFIELD 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

   None

3. School Purchasing Programs

   None

4. School Food Service

   None

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. Status of Prior Year Audit Findings/Recommendations

    None