

**ROSELLE PUBLIC SCHOOLS  
AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS -  
FINANCIAL, COMPLIANCE AND PERFORMANCE  
JUNE 30, 2024**

**ROSELLE PUBLIC SCHOOLS  
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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## AUDITOR'S MANAGEMENT REPORT

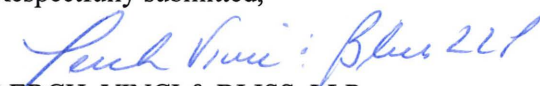
Honorable President and  
Members of the Board of Education  
Roselle Public Schools  
Roselle, New Jersey

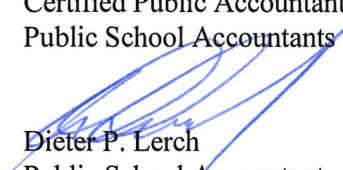
We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Roselle Public Schools as of and for the fiscal year ended June 30, 2024 and have issued our report thereon dated January 28, 2025.

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 Public School'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  
Certified Public Accountants  
Public School Accountants

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
January 28, 2025

**ROSELLE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**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**

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Anthony Juskiewicz	Business Administrator/Board Secretary	\$310,000
Emidio D'Andrea	Business Administrator/Board Secretary	\$310,000
Brian P. McCarthy	Treasurer of School Monies	\$310,000

There is a Public Employees' Faithful Performance Blanket Bond with the Selective Insurance Company covering all other employees with multiple coverage of \$100,000.

**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.

**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.

**ROSELLE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

**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.

- **Finding 2024-1 (ACFR Finding 2024-01)** – Our audit indicated that the District has been assessed interest and penalties from the Internal Revenue Service (IRS) as a result of a failure to make a proper federal tax deposit, failure to file the required quarterly tax form 941 and failure to pay amounts due resulting from such.

**Recommendation** – The District consider engaging a tax consultant to resolve tax matter regarding outstanding balances due to the IRS for failure to remit taxes timely and related penalty and interest charges.

- **Finding 2024-2 (ACFR Finding 2024-02)** – Our audit indicated that employee payroll withholdings due to various agencies remain on hand in the payroll agency account. Furthermore, a payroll deduction ledger is not being maintained.

**Recommendation** - The District review payroll deductions outstanding to ensure all withholdings are remitted to the respective agencies. Furthermore, a payroll deduction ledger be implemented.

The District filed the required certification (E-CERT1) of compliance with requirements for income tax compensation of certain administrators with the NJ Department of Treasury.

- **Finding 2024-3** – Our audit indicated that the District did not update a report of the value of unused sick and vacation time accumulated by employees. In addition, documentation to support the calculation and payment of such accumulated time to former employees was not able to be provided for audit.

**Recommendation** - A report of the value of accumulated sick and vacation time be prepared, maintained and made available for audit and documentation to support the calculation of payments to former employees be maintained and made available for audit.

**Employee Position Control Roster**

The Board has implemented and maintains 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.

**Travel**

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

**Board Secretary's Records**

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

The prescribed contractual order system was followed.

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

ROSELLE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records (Continued)

Acknowledgement of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes. The monthly certification of the availability of line item appropriations and fund balances were also approved.

The Board Secretary's and Treasurer'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.

- **Finding 2024-4 (ACFR Findings 2024-03 and 2024-04)** – Our audit indicated that expenditures incurred in the budgetary line item for transportation – special education students – joint agreements exceed available appropriations by \$1,518,504.

**Recommendation** – Budget appropriation transfers be made prior to the commitment of District funds for expenditure.

- **Finding 2024-5 (ACFR Finding 2024-05)** – Our audit indicated that County approval was not sought for budget appropriation transfers which exceeded the statutory maximum.

**Recommendation** – County approval be sought for budget appropriation transfers which exceed the statutory maximum.

- **Finding 2024-6** – Our audit of the Special Revenue Fund budget report indicated the following:
  - The original budget, as reflected in the budgetary reporting system did not reflect the District's approved Special Revenue Fund budget.
  - Grant budget appropriations were not in agreement with actual grant amounts awarded to the District.

**Recommendation** – The Special Revenue Fund original budget, as reflected in the budgetary reporting system, be in agreement with District's approved budget. Furthermore, grant appropriations be in agreement with actual grant amounts available for expenditure.

Treasurer's Records

The Treasurer did perform cash reconciliations.

All cash receipts were promptly deposited.

- **Finding 2024-7** – Our audit of the payroll agency bank account indicated numerous reconciling items from prior years that remain outstanding on the year-end reconciliation. In addition, outstanding transfers due from other funds were recorded on the general account reconciliation which were not reflected on the reconciliation of the corresponding bank account.

**Recommendation** – Reconciling items on the year-end reconciliations of the general and payroll agency bank accounts be reviewed and cleared of record.

**ROSELLE PUBLIC SCHOOLS**  
**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

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.

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

- **Finding 2024-8 (ACFR Finding 2024-06)** – Our audit indicated that the reimbursement to the State of New Jersey for TPAF pension and social security of salaries funded by federal grant programs was not remitted.

**Recommendation** – Payment be remitted to the State of New Jersey for amounts due resulting from TPAF pension and social security reimbursements for federally funded salaries.

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.

Nonpublic State Aid

Project Completion Reports were finalized and transmitted to the State by the due date.

**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.

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.

**ROSELLE PUBLIC SCHOOLS**  
**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Purchasing Programs (Continued)**

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.

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 2024-9** – Our audit of purchases and contract awards in excess of the bid threshold revealed the following as it relates to compliance with the Public School Contracts Law and State procurement guidelines:
  - Documentation to support certain bid contract awards was not provided for audit.
  - Business Registration Certificates and Political Contribution Disclosure forms were unable to be provided in certain instances.

**Recommendation** – It is recommended that documentation be made available for all bid contract awards. Furthermore, Business Registration Certificates and Political Contribution Disclosure Forms be provided where applicable.

**School Food Service**

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFA's were also authorized to submit contract modifications to their existing cost reimbursable or fixed price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFA's were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all students during the emergency.

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.

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 Cost Reimbursable Fixed Price or Non-Competitive Emergency Procurement contract/addendum were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has not been met when including expenses related to the Child and Adult Care Program. 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.



**ROSELLE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**School Food Service (Continued)**

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 cost of food and supplies used.

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 service.

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements.

Net cash resources did not exceed three months average expenditures.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education/board of trustees. No exceptions were noted.

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 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 Assets (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, Section G of the ACFR.

- **Finding 2024-10** - Our audit indicated that expenses related to the Child and Adult Care Food Program, or Dinner Program, were not reflected on the operating statement provided by the Food Service Management Company. As a result, the contractual guarantee of return was not met.

**Recommendation** – The financial results reported to the District by the Food Service Management Company be reviewed to ensure that all applicable expenses are reported and that the contractual guarantee of return is satisfied.

**Scholarship Program**

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

**Student Body Activities**

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

**ROSELLE PUBLIC SCHOOLS**  
**ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Application for State School Aid**

Our audit procedures included a test of information reported in the October 13, 2023 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 2023-24 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 SDA grant agreement for consistence with recording SDA revenue, transfer of local funds from the general fund or from the capital reserve account, and awarding of contracts for eligible facilities construction.

- **Finding 2024-11** – Our audit of the District’s Capital Projects Fund indicated that School Development Authority (SDA) grants were awarded to the District in prior years for numerous projects in the total amount of \$6,666,036. As of June 30, 2024, \$3,698,127 is due from the State based on completion to date.

**Recommendation** – Continued efforts to be made to collect outstanding SDA grant receivables related to capital project expenditures.

- **Finding 2024-12** – Our audit indicated that the report of the valuation and depreciation of District owned capital assets was not updated for the year of audit.

**Recommendation** – The District’s capital asset appraisal report, along with related depreciation, be updated on annual basis.

**ROSELLE PUBLIC SCHOOLS  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**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.

**Suggestion to Management**

- Transactions occurring in the Computer Protection Account be recorded on the District's financial system.
- The Community School Account be reviewed for necessity.

**ROSELLE PUBLIC SCHOOLS  
FOOD SERVICE FUND  
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM  
ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**SCHEDULE OF MEAL COUNT ACTIVITY - FEDERAL**

<u>Program</u>	<u>Meals Category</u>	<u>Meals Claimed</u>	<u>Meals Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over) / Under Claim</u>
<b>National School Lunch (Regular Rate)</b>	Paid	135,830	56,907	56,907		\$ 0.33	
	Reduced	25,907	10,065	10,065		3.11	
	Free	<u>217,870</u>	<u>83,280</u>	<u>83,276</u>	<u>(4)</u>	3.51	<u>\$ (14)</u>
	Total	<u>379,607</u>	<u>150,252</u>	<u>150,248</u>	<u>(4)</u>		<u>(14)</u>
<b>School Breakfast (Regular Rates)</b>	Paid	36,288	14,929	14,929		0.32	
	Reduced	10,003	3,726	3,726		1.59	
	Free	<u>82,307</u>	<u>31,212</u>	<u>31,212</u>	<u>-</u>	1.89	<u>-</u>
	Total	<u>128,598</u>	<u>49,867</u>	<u>49,867</u>	<u>-</u>		<u>-</u>

**ROSELLE PUBLIC SCHOOLS  
FOOD SERVICE FUND  
NET CASH RESOURCE SCHEDULE  
ENTERPRISE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Net cash resources did exceed three months of expenditures  
Proprietary Funds - Food Service  
FYE 2024**

**Current Assets**

Cash & Cash Equiv.	\$ 981,471
Due from Other Gov'ts	436,394
Accounts Receivable	<u>366,209</u>

**Current Liabilities**

Less Accounts Payable	(769)
Less Due to Other Funds	(1,017,967)
Unearned Revenue	<u>(4,189)</u>

<b>Net Cash Resources</b>	<b><u>\$ 761,149</u></b>
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**Net Adjusted Total Operating Expense:**

B-5	Total Operating Exp.	2,619,329
B-5	Less Depreciation	<u>(14,972)</u>
	Adjusted Total Operating Exp.	<b><u>\$ 2,604,357</u></b>

<b><u>Average Monthly Operating Expense:</u></b>	<b><u>\$ 260,436</u></b>
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<b><u>Three times monthly Average:</u></b>	<b><u>\$ 781,308</u></b>
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Total Net Cash Resources	\$ 761,149
Three Times Monthly Average	\$ 781,308
Amount Below Allowable Net Cash Resources	<b><u>\$ (20,159)</u></b>

ROSELLE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 13, 2023  
SCHEDULE OF AUDITED ENROLLMENTS

	2024-2025 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		Register		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 3 Years Old																-
Half Day Preschool 4 Years Old	7		7													
Full Day Preschool 3 Years Old	15		15				4		4							
Full Day Preschool 4 Years Old	30		30				10		10							
Full Day Kindergarten	203		203				203		203							
Grade 1	184		184				69		69							
Grade 2	192		192				40		39		1					
Grade 3	190		190				80		80							
Grade 4	185		185				58		58							
Grade 5	213		213				213		213							
Grade 6	189		189				189		189							
Grade 7	226		227		(1)		226		226							
Grade 8	207		207				207		207							
Grade 9	183		183				183		183							
Grade 10	213		213				213		213							
Grade 11	198		198				198		198							
Grade 12	209		208		1		208		208							
Post- Graduate																
Adult High School (15+ Credits)																
Adult High School (1-14 Credits)																
Subtotal	2,644	-	2,644	-	-	-	2,101	-	2,100	-	1	-	-	-	-	-
Sp Ed - Elementary	189		189				32		32		-		10	2	2	
Sp Ed - Middle School	77		77				50		49		1		1	1	1	
Sp Ed - High School	94	2	96	2	(2)		94		94		-		7	2	2	
Subtotal	360	2	362	2	(2)	-	176	-	175	-	1	-	18	5	5	-
County Vocational - Regular																
County Vocational - F.T. Post-Second																
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Totals	3,004	2	3,006	2	(2)	-	2,277	-	2,275	-	2	-	18	5	5	-
Percentage Error					-0.07%						0.09%			0.00%		0.00%

ROSELLE PUBLIC SCHOOLS  
APPLICATION FOR STATE SCHOOL AID  
ENROLLMENT AS OF OCTOBER 13, 2023  
SCHEDULE OF AUDITED ENROLLMENTS

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on	Reported on	Errors	Sample	Verified to	Errors	Reported on	Reported on	Errors	Sample	Verified to	Errors
	A.S.S.A as Low Income	Workpapers as Low Income		Selected from Workpapers	Application and Register		ASSA as LEP low Income	Workpapers as LEP low Income		Selected	Test Score and Register	
Half Day Preschool 3 Years Old												
Half Day Preschool 4 Years Old												
Full Day Preschool 3 Years Old												
Full Day Preschool 4 Years Old												
Full Day Kindergarten	26	26.0					1	1				
Grade 1	129	129.0		6	6		31	31		6	6	
Grade 2	131	131.0		7	7	-	33	33		7	7	-
Grade 3	142	142.0		8	8	-	38	38		8	8	-
Grade 4	122	122.0		8	8	-	37	37		8	8	-
Grade 5	147	147.0		4	4		20	20		4	4	
Grade 6	99	99.0		3	3	-	15	15		3	3	-
Grade 7	131	131.0		4	3	1	21	21		4	3	1
Grade 8	134	134.0		4	4		18	18		4	4	
Grade 9	109	109.0		4	3	1	13	13		3	2	1
Grade 10	146	146.0		3	3		17	17		3	3	
Grade 11	136	136.0		7	7	-	23	23		5	5	
Grade 12	124	124.0		4	3	1	11	11		2	1	1
Post- Graduate												
Adult High School (15+ Credits)												
Adult High School (1-14 Credits)												
Subtotal	1,576.0	1,576.0	-	62	59	3	278	278	-	57	54	3
Sp Ed - Elementary	128	128		3	2	1	7	7		1	-	1
Sp Ed - Middle School	49	49		2	2	-	2	2				
Sp Ed - High School	65	65		3	3	-	4	4		1	1	-
Subtotal	242	242	-	8	7	1	13	13	-	2	1	1
County Vocational - Regular												
County Vocational - F.T. Post-Second												
Subtotal	-	-	-	-	-	-						
Totals	1,818.0	1,818.0	-	70.0	66.0	4.0	291	291	-	59	55	4
Percentage Error			0.00%			5.71%			0.00%			6.78%

	Transportation					
	Reported on DRTRS by DOE / County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	206	206		37	37	
Transported - Non Public						
Regular - Special Ed	7	7		1	1	
Special Needs	125	125		22	22	
	338	338	-	60	60	-
Percentage Error			0.0%			0.0%

**ROSELLE PUBLIC SCHOOLS**  
**APPLICATION FOR STATE SCHOOL AID**  
**ENROLLMENT AS OF OCTOBER 13, 2023**  
**SCHEDULE OF AUDITED ENROLLMENTS**

	Resident LEP Not Low Income			Sample for Verification		
	Reported on ASSA as NOT Low Income	Reported on Workpapers as NOT low Income	Errors	Sample Selected From Workpapers	Verified to Application	Errors
Half Day Preschool 3 Years Old						
Full Day Preschool 3 Years Old						
Half Day Preschool 4 Years Old						
Full Day Preschool 4 Years Old						
Full Day Kindergarten	46	46		3	3	
Grade 1	16	16		7	7	
Grade 2	21	21		6	6	
Grade 3	21	21		7	7	
Grade 4	13	13		6	6	
Grade 5	11	11		4	4	
Grade 6	15	15		4	4	
Grade 7	20	20		5	5	
Grade 8	10	10		3	3	
Grade 9	9	9		3	3	
Grade 10	13	13		3	3	
Grade 11	8	8		4	4	
Grade 12	5	5		3	3	
Post- Graduate						
Adult High School (15+ Credits)						
Adult High School (1-14 Credits)						
Subtotal	208	208	-	58	58	0
Sp Ed - Elementary	3	3		1	1	
Sp Ed - Middle School	2	2				
Sp Ed - High School	2	2				
Subtotal	7	7	-	1	1	-
County Vocational - Regular						
County Vocational - F.T. Post-Second						
Subtotal						
Totals	215	215	-	59	59	-
Percentage Error			0.00%			0.00%



**ROSELLE PUBLIC SCHOOLS  
CALCULATION OF EXCESS SURPLUS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

2023-2024 Total General Fund Expenditures per the ACFR		\$ 79,033,768
Increased by:		
Transfer from Capital Reserve to Capital Projects		2,886,973
Decreased by:		
Acquisitions Under Leases and Capital Financing Agreements		
On-Behalf TPAF Pension & Social Security		<u>(11,123,126)</u>
Adjusted 2023-224 General Fund Expenditures		<u>\$ 70,797,615</u>
2% of Adjusted 2023-2024 General Fund Expenditures		\$ 1,415,952
Increased by:		
Allowable Adjustment		<u>858,099</u>
Maximum Unassigned Fund Balance		<u>\$ 2,274,051</u>
Total General Fund - Fund Balance at June 30, 2024		\$ 8,398,818
Decreased by:		
Year-End Encumbrances	\$ 222,896	
Other Restricted Fund Balance - Capital Reserve	1,510,040	
Other Restricted Fund Balance - Maintenance Reserve	600,200	
Other Restricted Fund Balance - Emergency Reserve	100,000	
Other Restricted Fund Balances - Capital Financing Agreements	12,259	
Excess Surplus - Designated for Subsequent Year's Expenditures	2,135,372	
Assigned - Designated for Subsequent Year's Expenditures	<u>132,933</u>	
		<u>4,713,700</u>
Total Unassigned Fund Balance		<u>\$ 3,685,118</u>
<b>Fund Balance - Excess Surplus</b>		<u><b>1,411,067</b></u>
<b><u>Recapitulation of Excess Surplus as of June 30, 2024</u></b>		
Excess Surplus- Designated in Subsequent Year's Budget		\$ 2,135,372
Excess Surplus		<u>1,716,944</u>
		<u><b>\$ 3,852,316</b></u>

## **ROSELLE PUBLIC SCHOOLS RECOMMENDATIONS**

### **I. Administrative Practices and Procedures**

There are none.

### **II. Financial Planning, Accounting and Reporting**

It is recommended that:

1. The District consider engaging a tax consultant to resolve tax matter regarding outstanding balances due to the IRS for failure to remit taxes timely and related penalty and interest charges.
2. The District review payroll deductions outstanding to ensure all withholdings are remitted to the respective agencies. Furthermore, a payroll deduction ledger be implemented.
- \* 3. A report of the value of accumulated sick and vacation time be prepared, maintained and made available for audit and documentation to support the calculation of payments to former employees be maintained and made available for audit.
4. Budget appropriation transfers be made prior to the commitment of District funds for expenditure.
- \* 5. County approval be sought for budget appropriation transfers which exceed the statutory maximum.
- \* 6. The Special Revenue Fund original budget, as reflected in the budgetary reporting system, be in agreement with District's approved budget. Furthermore, grant appropriations be in agreement with actual grant amounts available for expenditure.
7. Reconciling items on the year-end reconciliations of the general and payroll agency bank accounts be reviewed and cleared of record.
8. Payment be remitted to the State of New Jersey for amounts due resulting from TPAF pension and social security reimbursements for federally funded salaries.

### **III. School Purchasing Program**

9. It is recommended that documentation be made available for all bid contract awards. Furthermore, Business Registration Certificates and Political Contribution Disclosure Forms be provided where applicable.

### **IV. School Food Services**

- \* 10. It is recommended that the financial results reported to the District by the Food Service Management Company be reviewed to ensure that all applicable expenses are reported and that the contractual guarantee of return is satisfied.

### **V. Scholarships**

There are none.

### **VI. Student Body Activities**

There are none.

**ROSELLE PUBLIC SCHOOLS  
RECOMMENDATIONS**

**VII. Application for State School Aid**

There are none.

**VIII. Pupil Transportation**

There are none.

**IX. Facilities and Capital Assets**

It is recommended that:

- \* 11. Continued efforts to be made to collect outstanding SDA grant receivables related to capital project expenditures.
- \* 12. The District's capital asset appraisal report, along with related depreciation, be updated on annual basis.

**X. Miscellaneous**

There are none.

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

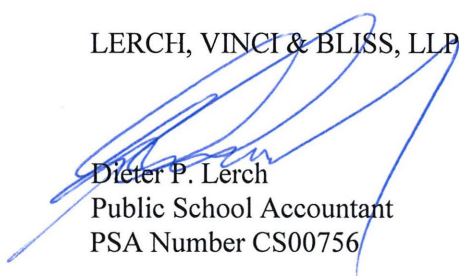
A review was performed on all prior years' recommendations and corrective action was taken on all, other than those denoted with an asterisk (\*) above.

**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