

**SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD NEW JERSEY
PUBLIC BOARD MEETING
June 11, 2026**

RESOLUTION 4984

FOR ACTION

SUBJECT: ACCEPT CORRECTIVE ACTION PLAN FOR THE 2024-2025 AUDIT

BE IT RESOLVED that the South Orange Maplewood Board of Education has received the audit; reviewed the recommendations contained in the Management Report on Administrative Findings, Financial, Compliance and Performance Reporting Audit Report for the period July 1, 2024 through June 30, 2025 as prepared by PKF O'Connor Davies, LLP; and

NOW THEREFORE BE IT RESOLVED that the South Orange Maplewood Board of Education does hereby approve and authorize the Audit Recommendations and implementation of the Corrective Action Plan as detailed below and authorizes the Superintendent of Schools and the School Business Administrator to produce two (2) certified copies of said Corrective Action Plan to be filed with the County Superintendent of Schools and the State Department of Education.

ACFR/AMR Finding	Condition/Finding	Recommendation	Method of Implementation	Person Responsible for Implementation/ Title	Implementation Date
Finding 2025-001	During our audit of the student activity funds for the Maplewood Middle School, we noted that funds collected by school clubs and activities were not consistently deposited in a timely manner.	We recommend that the District strengthen its internal controls and procedures to ensure that all funds collected for activities of the Maplewood Middle School be deposited in a timely fashion.	Deposits will be made in a timely manner, proper documentation will be maintained, and bank reconciliations will be completed monthly	School Treasurer/ Assistant Business Administrator/ Business Administrator	6/30/2026
Finding 2025-002	Our review of the Student Activity Fund bank reconciliations identified that several outstanding checks and deposits in transit (DITs) have remained unreconciled for extended periods of	We recommend the District perform a review of all outstanding reconciling items in excess of one year to determine if such items should be reissued or cancelled.	All outstanding checks/reconciling items will be reviewed in May of each year. Any adjustments that require board approval (cancelled checks) will be made prior to the end of the fiscal	School Treasurer/ Assistant Business Administrator/ Business Administrator	6/30/2026

	time, in certain instances exceeding one year.		year and recorded prior to closing the books for the year.		
Finding 2025-003	The District did not meet the required 90% participation rate in the Special Education Medicaid Initiative (SEMI) for the fiscal year ended June 30, 2025, achieving a participation rate of approximately 30%. The New Jersey Department of Education mandates a 90% participation rate in SEMI to maximize Medicaid reimbursements for special education services. The District potentially forfeited Medicaid reimbursements, resulting in lost revenue that could support special education programs	We recommend the District implement a monitoring system to track provider compliance, enhance training on SEMI requirements, and develop corrective action plans to achieve the required participation rate.	The Special Services Department will develop processes and procedures to maximize the participation rate in the Special Education Medicaid Initiative.	Assistant Superintendent of Special Services	6/30/2026