

EDUCATION

# Montclair Schools Plan \$500K Forensic Audit. Here's What Experts Say It Could Reveal



by **Matt Kadosh**  
March 5,



Interim School Business Administrator Dana Sullivan, right, presents as Superintendent Ruth B. Turner looks on Friday, Sept. 26, 2025, during a meeting on school budgeting. (MICHAEL STAHL)



**Montclair Schools Plan \$500K Forensic Audit. Here's What Experts Say It Could Reveal**  
About 14 Minutes

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The Montclair Public Schools is budgeting \$500,000 for a forensic audit of the district's finances, an investigation that could show how prior school leaders' alleged deception played a role in forming the district's nearly \$18 million budget hole.

Montclair schools will include the funds for the investigation in its 2026-27 budget, Interim School Business Administrator Dana Sullivan told the school board last week at the same meeting during which its new auditor detailed the 17 ways Montclair schools' **prior business office bungled operations**.

Superintendent Ruth B. Turner, in January, discussed with Montclair Local the request for proposals process planned to seek firms to conduct the audit in the new fiscal year.

"We'll start the RFP process in the next couple of months so that we're ready to go public July 1," Turner said in an interview.

It comes as Montclair **schools seek \$17.6 million from voters** in a March 10 referendum, something for which they seek to engender the public's trust. But gaining that trust with an investigation that won't happen until well after the vote will be difficult. And officials are still working out the details.

"The key is going to be to define the scope of the audit in a way that makes sense and is meaningful and will give people some comfort," Sullivan said in an interview with Montclair Local.

Beyond the district's **efforts to collect** an insurance claim against the former business administrator's bond, Sullivan did not discuss holding anyone accountable for wrongdoing.

## What's in a Forensic Audit?

Robert A. Bonavito, a forensic accountant and the founding partner of the Scotch Plains-based **firm RAB**, in an interview said a forensic auditor would use the "fraud triangle" theory to evaluate the pressure for fraud, the opportunity for it and how staff rationalize it.

"Typically, someone will rationalize, 'Well, I can't afford to pay these bills. The kids need to go to school. We need to pay the teachers. We need to pay the benefits.' And the big problem is that there's a mismatch. The cost to educate a student is way out of line with what it should be," Bonavito told Montclair Local.

In Montclair, the average per pupil cost in 2023-24 was about \$31,900 a year, down from \$36,178 the year before, according to state Education Department **data**. The New Jersey median was \$29,244 per student in

2023-24. However, Bonavito said that nationally the figure is significantly less. It is around \$18,614, according to the National Center for Education statistics.

## Tracing Payments

Bonavito, who cited Montclair's annual audit findings, said the main form of alleged theft came in ordering services that the district didn't pay for.

"What happened was when the board of education was meeting, they wouldn't even see these bills. They had no idea they weren't getting paid," he said. "We, as forensic accounts, what we would do is once we saw there was pressure for fraud, which there is, we would look for these unpaid balances."

Bonavito said his firm could provide statistical analysis that shows what a school district typically would pay for certain items then further investigate those areas if the numbers are off.

"After our analysis, we'd actually go and contact their vendors and see what kind of invoices they actually presented to make sure that they were proper," Bonavito said. "We'd trace them through the whole system."

However, the district won't order the audit until after the district's former interim superintendent Damen Cooper retires from his role as director of secondary education July 1, according to board documents. Cooper served as interim superintendent for the year after Superintendent Jonathan Ponds died in July 2024 until Turner's start with the district in July 2025. On Feb. 25, the school board accepted Cooper's retirement, records show.

## 'Knowledge flight risk'

"In the world of forensic accounting, a key leader leaving right before an audit begins is what we call a 'knowledge flight risk,'" Bonavito said. "It's a classic red flag that can significantly complicate an investigation if the district isn't proactive."

In a forensic audit, he said, 80% of the investigation is based on records and 20% on human interviews.

"While records show what happened, interviews provide the intent and the 'roadmap,'" Bonavito said. "They reveal the 'management overrides' — the moments someone may have said, 'Just process this payment now; we'll figure out the budget hole later.'"

As a result, the district should record a detailed interview with the parting leader, walking him through “accounting anomalies” and copy or “image” his hard drive and devices the moment the departure is announced, Bonavito said. The district can also ask him to sign a certified statement about the state of the books, Bonavito said.

“This locks them into a version of the story,” he said. “If the audit later finds they omitted a \$5 million liability, that signed document becomes a powerful piece of evidence for a fiduciary breach.”

Cooper did not immediately answer emailed requests Tuesday and Wednesday or a phone message left with his office asking about his retirement and his role in the deficit.

## Assessing Audit Costs

How much a forensic audit costs, Bonavito said, depends on the situation.

“If you go into this school system and they have really good people in place, they have good controls, the audit could cost maybe \$300,000, \$400,000,” he said, basing his estimate on the loss shown in Montclair’s annual audit findings. “But if you go in there, the records are a mess, the people don’t know what they’re doing. That’s where it gets super expensive.”

Montclair has already seen a change in leadership following the departure of former School Business Administrator Christina Hunt before Turner and Sullivan started in July 2025.

The district’s projected \$500,000 audit cost appears to dovetail with the cost of a \$500,000 forensic audit that the Somerset County, Maryland, school district earlier this month approved for an examination of its \$20 million budget gap, according to a report in The Baltimore Sun.

However, it’s clearer that the district in Maryland can afford such spending. That district’s budget gap is the opposite of what one typically sees. The district recorded \$20 million more than what it budgeted for when it approved its \$52 million spending plan in May, the newspaper’s report says. Somerset County school officials did not immediately answer Montclair Local’s requests for additional details.

## Food Service, Bond Funding Key

Presenting Montclair’s annual audit last week, David Gannon, of the firm PKF O’Connor Davies, said that in conducting a forensic probe of school finances, the auditors should look at how it awarded its food service

contracts. As reported by Montclair Local, Hunt's allegedly improper award of a food service contract prompted the district to seek an approximately **\$500,000 insurance claim** against her bond.

That's only part of what created the deficit.

"I would also take a look heavily at how the district prepares its budgets and how they focus on how they develop those appropriations to make those decisions of how the tax levy's impacted," Gannon said. "How much fund balance is used. I would look at the debt service account. You had a referendum two years ago. The tax levy wasn't set at the amount that's needed to pay the bonds off."

While the district had approval to raise the tax levy following the referendum, **in 2022**, it instead relied heavily on interest earned on the unspent bond proceeds, he said.

Complicating the picture is the possibility of the state conducting a forensic audit.

## **Could a State Auditor Step in?**

Asked if his office will audit Montclair schools, state Auditor David Kaschak declined to comment. Asked if Montclair meets the statutory criteria for a state audit, Kaschak deferred to the state Education Department.

"The Department of Education would have to determine that," he said.

A spokesperson for the state Education Department declined to predict.

"The New Jersey Department of Education cannot speculate on future state actions," spokesperson Michael Yaple said. "We continue to work closely with local school officials as they determine the appropriate next steps to maintain fiscal stability and provide a high-quality education for all students."

New Jersey law shows that Montclair may qualify for a state audit. The criteria under the statute include having a year-end deficit and meeting at least one of the additional benchmarks listed, including findings of "material weaknesses" of internal controls. The annual district's audit, as presented last week, revealed seven material weaknesses.

Turner told Montclair Local in January that in its discussions with the state Education Department, the district had not talked about a probe by the Office of the State Auditor.

“The state was aware that the community was asking for a forensic audit, so we had that discussion,” she said. “It’s never come up.”



Superintendent Ruth B. Turner, left, started with the Montclair Public Schools in July 2025, following the departure of School Business Administrator Christina Hunt. (MATT KADOSH/MONTCLAIR LOCAL)

Sullivan added that the district would be happy to rely on a state audit instead of paying for one locally: “If they should say that they’re going to do one, we’d be happy not to.”

## Montclair’s Nine-Month Road to Forensic Audit

Montclair parents **first pushed** for a forensic audit about nine months ago, in May 2025, amid administrative cuts and a debt that Essex Regional Educational Services put at nearly \$5.8 million – a figure then reported by Montclair Local. Essex Regional provides the district with transportation and special education services.

“In light of our new superintendent starting, we expect a forensic audit of the district’s finances to be started before the beginning of the 2025-2026 academic school year,” the parents wrote in a petition. “Transparency and a clear understanding of why these and other staff cuts – but not within central office – are deemed necessary.”

However, the district's **stance on a forensic audit** was then that it would be an unwise use of funds.

“Without a very specific focus based on a specific area for which there’s some preliminary evidence of fraud, an open-ended forensic audit would very likely become a very expensive fishing expedition that could turn up nothing,” then-Board Finance Committee Chairperson Brian Fleischer said.

During a July 2025 community meeting revealing that the district’s deficit then stood at \$11 million in, Turner said, the **district could not afford** a forensic audit.

## Canceled Vote

And in the now-**cancelled** December referendum, the school district had sought taxpayer funds for a forensic audit, part of \$600,000 to pay for both a forensic audit and accounting software. It was one part of the district’s two-question ask for \$19.6 million.

Hunt, who has since **secured a job** as business administrator in a South Jersey school district, has not answered Montclair Local’s multiple requests for comment over several months.

Are any other agencies investigating?

“We have exhausted every avenue available,” Turner said. “We have called everybody, notified everybody and aside from some of the actions that we’ve taken that we’ve been able to do independently, nothing’s come out of it so far.”

## How Other NJ Districts Handled Audits

Other New Jersey school districts have handled audits differently. Some are subject to state audits, which typically cover wider time frames and take longer to complete than privately contracted ones.

- A state **audit of the Perth Amboy Public Schools** released in December 2025 examined the factors contributing to a \$13 million deficit in 2022, according to the report.

## Please Sign! Petition to MPS School Board: Urgent Need for Forensic Audit & Proposed Admin Changes

Please add your email and name below to the email to be sent to the Superintendent and Board of Education for Montclair Public Schools

To the Members of the Montclair Board of Education,

This document details our concerns regarding critical issues facing our school district: 1) the **mounting debt of ~5.8M+** due to a **lack of timely bill payments since 2019**, 2) the unprofessional conduct of Ms. Christina Hunt throughout the May 14, 2025 Board meeting, and 3) proposed administrative changes.

In Montclair, parents **first pushed** for a forensic audit about nine months ago, in May 2025, amid administrative cuts and a debt that Essex Regional Educational Services put at nearly \$5.8 million.  
(SCREEN IMAGE/PETITION)

- A state **audit of the Bridgeton Public Schools**, Cumberland County, released in October 2025 examined the time frame July 2021 through June 2025.
- A **state audit** of the Belleville Public Schools made public in 2018 examined the years 2013 to 2016, following a **deficit** made public in 2014.

Bonavito said his firm would likely complete a school district audit in six months.

Nutley faced an approximately \$7 million budget hole in 2024, which a corrective action plan said was because of “overstated revenues, under-budgeted expenditures and omissions.” That district’s school board in June 2025 approved \$93,000 for a forensic audit after the state declined to conduct one, according to board records and meeting recordings.

### **‘Nutley would have to pay’**

Nutley’s superintendent, Kent Bania, did not answer requests by email and phone this week seeking an update on that investigation. However, during a school board meeting, the district’s fiscal monitor said the state denied a request to conduct a forensic audit even though it would permit Nutley to fund one locally.

“They indicate that Nutley can do a forensic audit, but Nutley would have to pay for it,” the monitor, Jeanette Makus, said, according to a meeting **video**.

In East Orange, which faced a deficit of \$7 to \$8 million in its 2024-25 budget and laid off 93 staff members, a **request for proposals** posted to a state website shows the New Jersey Education Department in September 2025 sought companies to conduct a forensic audit of the district. The district was to reimburse the state for the audit’s cost, according to the bid documents.

East Orange Superintendent Christopher Irving, however, said in an email this week that the state never awarded the contract and so no firm conducted the audit.

*Reporter Asad Jung contributed to this article.*

*Email reporter Matt Kadosh at [matt@montclairlocal.news](mailto:matt@montclairlocal.news)*

**FixMontclair**

March 5, 2026 at 5:02 pm

“Turner told Montclair Local in January that in its discussions with the state Education Department, the district had not talked about a probe by the Office of the State Auditor.” So, if I read this correctly, there may be an option for a State Audit instead of the \$500k a private audit would cost us? We badly need someone to supervise all this spending which is out of control. –James Percelay

**edremesen**

March 5, 2026 at 5:08 pm

Finally

**pardonmyfrench**

March 5, 2026 at 7:46 pm

First of all – excellent reporting!

Amazing how they finally found money for a forensic audit, but they aren't promising it until after Cooper leaves. They still want to keep everything hidden under that rug don't they? It's a little late. It's not that hard to connect the dots folks. The two whistleblower lawsuits look like they have teeth. If one was sent by a court to mediation for a settlement, it makes one wonder how much it will cost to silence her. The allegations are damning and it makes sense when you put it all together. We needed a forensic audit way BEFORE they had their hands out for a taxpayer bailout.

This vote should be stopped immediately. Whoever knows something, your time to speak up is now.

**Lauren Berman**

March 6, 2026 at 8:14 am

It really can't be overstated how this is the most important story we've seen since July, and why people have been saying a forensic audit must happen BEFORE approving more spending.

The rationalization the forensic accountant provides here is the exact rationalization we've seen over and over justifying a yes vote. But the per pupil spend provides the red flag that requires further interrogation of we shouldn't be at the point of cutting to state minimums as we've been told will happen.

The fact that we are repeatedly told we will only receive answers and information after the election is in and of itself a major flag. I hope people read this if nothing else.

**Do or do not...**

March 6, 2026 at 9:52 am

Can we just contract Bonavito? This guy sounds great. 🤔

Also, it's a lock that Cooper has already wiped his hard drive by now...

**JerseyJoe**

March 6, 2026 at 10:28 am

We finally get to find out if it was fraud or incompetence. Gonna look on Kalashi to see if I can wager on future event predictions

**montyxxx**

March 6, 2026 at 2:44 pm

Terrific piece.

Will they follow the advice about Cooper or just let him walk away?

It is the forensic accountant that decides what scope of audit is needed, not the superintendent, not the BA, not the BOE. How anyone has any confidence in these people, who clearly want to steer this audit a certain way, is beyond me. The superintendent has fought a state monitor like it is truly personal to her. She would welcome a state auditor? We citizens need to petition the state for it. (Planning to.) Leaving it in Turner's hands? We will get nothing. I love how Sullivan thinks they could control the scope if it is a state auditor.

Gee, it is hard to live in this town.

**Roland Straten**

March 6, 2026 at 2:44 pm

Boy I hope this reporting convinces a majority to vote NO. That is let's find out what happened before authorizing additional money.

**edremesen**

March 6, 2026 at 6:52 pm

Agreed. A deficit of this amount does not happen by accident. Hope this firm is good and I hope they grill the entire finance staff

**Michael Sheldon**

March 6, 2026 at 9:01 pm

As a former Belleville BOE Trustee, I wish Montclair and their BOE the best of luck as when Belleville had a very similar budget scandal, which finally came to light during the 2013-14 AY, and a subsequent forensic audit that was released in June 2018, not a damn one of the people involved was ever held responsible. In fact, several of them remained comfortably in place (and a few of them still remain on the Belleville payroll) in either in our Town Hall or BOE.

When I attempted to expose in June 2021 how all of this had been "swept under the rug" to protect the extended "family", I was threatened with criminal prosecution for daring to be a whistleblower.

And while I've learned to never expect any appreciable change nor the cause of justice to be served here in Jersey, if Governor Sherrill and/or NJ AG Davenport would like to have a long overdue chat with me about what I know and witnessed, give me a call as all the evidence I have remains securely tucked away in the cloud.

**Thomas Vaughn**

March 7, 2026 at 8:23 am

@ Michael Sheldon

I read about the school budget scandal in Belleville and your brave involvement. Hats off to you for standing up! We need people like you in Montclair now to hold accountable our compromised BOE and district employees who were responsible for creating this chasmic budget hole.

**Michael Sheldon**

March 7, 2026 at 3:39 pm

Montclair stakeholders should also make the effort, should your BOE hire a private auditing firm to do the forensic audit, to ascertain the extent of the campaign contributions the designated firm may have made to those in recent and/or current leadership positions in your community and BEFORE your BOE moves to hire the same. The public education system in NJ is a very powerful machine with a very finite number of go-to law firms and auditing firms helping perpetuate the status quo. Most of those auditing firms, in particular, ply those in elected positions with a significant amount of their campaign contributions as part of the pernicious game as those firms expect their ROI.

**meredith hoffman**

March 7, 2026 at 3:45 pm

Terrific reporting! As someone said it here before: Montclair is lucky to have the Local. Small town newspapers are rapidly disappearing creating "news deserts". Naturally, the loss of local news leads to less competitive elections, lower voter turnout, and diminished accountability for local governments. Many surviving papers are reduced to "ghosts" with minimal local staff, offering little to no original local reporting. Enough to look at what's left of Montclair Times – is it even still around?

If not for the reporting in the Local, most residents would have been in the dark about this the current fiscal chaos created by prior and current district employees and overseen by the BOE.

I am appalled that the District has the gall to say they will go forward with the forensic audit but only AFTER Damen Cooper's retirement. Taxpaying residents want it NOW, while the wrongdoer is still here, so he can be exposed and held accountable while still in position and collecting his paycheck. Why is the BOE shamelessly protecting someone who appears to have participated in various schemes that caused the current disaster? Where is the transparency and accountability they all like to talk about? Talk is cheap.

**sickntired**

March 8, 2026 at 9:26 am

"Why is the BOE shamelessly protecting someone who appears to have participated in various schemes that caused the current disaster?"  
....Lauren Berman

Because that's what they do. That's what they've always done. It's how the system works.

**sickntired**

March 8, 2026 at 9:50 am

Correction above: ..... Meredith Hoffman (not Lauren Berman)

**mcagg1013**

March 8, 2026 at 2:15 pm

Are there no qualified Montclair residents who would volunteer their time and talent, form an independent audit committee and report their findings to the residents. You already know this happened because of incompetent employees and weak to zero leadership by your BOE members. They are a disgrace and all should resign. I'm not even a resident but I would volunteer to do the grunt work an audit requires.

**HENRY GOLDMAN**

March 9, 2026 at 12:05 am

This will be the first school budget I reject – emphatically. The financial mess, and the educational mess, and the physical plant mess, and the leadership mess on the school board compel all of us to vote no for the sake of our kids and to finally impose some discipline on this bureaucracy. Unions are always blamed for high costs but teachers and physical plant are the system's essence. Everything else, all the frills, including incompetent or unnecessary personnel, should be cleaned out and scrapped. Then maybe we can see a tax decrease and better schools together.

**Comments are closed.**

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