

**CAMDEN COMMUNITY CHARTER SCHOOL, INC.
COUNTY OF CAMDEN**

**AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS--
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**FOR THE YEAR ENDED
JUNE 30, 2015**



CAMDEN COMMUNITY CHARTER SCHOOL, INC.
Auditor's Management Report on Administrative
Findings - Financial, Compliance and Performance

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**AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE
FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE**

The Honorable President and
Members of the Board of Trustees
Camden Community Charter School, Inc.
County of Camden, 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 Board of Trustees of the Camden Community Charter School, Inc., in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2015, which were separately issued in the Comprehensive Annual Financial Report dated December 15, 2015.

As part of our audit, we also performed procedures required by the Division of Administration and 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 issued in conjunction with the Comprehensive Annual Financial Report of the Board of Trustees of the Camden Community Charter School, Inc., for the fiscal year ended June 30, 2015, and is intended for the information of the Charter School's management and the New Jersey Department of Education and should not be used by anyone other than these specified parties.

Respectfully submitted,


BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants


Scott P. Barron
Certified Public Accountant
Public School Accountant No. CS 02459

Voorhees, New Jersey
December 16, 2015

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE, AND PERFORMANCE

SCOPE OF AUDIT

The audit covered the financial transactions of the Board Secretary / School Business Administrator and the Treasurer of School Moneys, the activities of the Board of Trustees, and the records of the various funds under the auspices of the Board of Trustees.

ADMINISTRATIVE PRACTICES AND PROCEDURES

Insurance

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule, contained in the Charter School's Comprehensive Annual Financial Report ("CAFR").

Official Bonds (N.J.S.A. 18A: 17-26, 18A:17-32, 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Dr. Anthony Novembre	Board Secretary / School Business Administrator	\$200,000
Robert I. Sapp	Treasurer of School Moneys	200,000

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

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING

Examination of Claims

Sampled claims paid during the fiscal year under audit did not indicate any reportable noncompliance with respect to signatures, certification, or supporting documentation.

Payroll Account

The net salaries of sampled employees of the Charter School were deposited in the Net Payroll Account. Employees' payroll deductions and the employer's share of fringe benefits were deposited in the Agency Payroll Account.

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

Sampled salary withholdings were promptly remitted to the proper agencies, including health benefit premium withholdings due to the General Fund.

Payrolls were delivered to the Treasurer of School Moneys who then deposited warrants in separate bank accounts for net payroll and withholdings.

Encumbrances and Accounts Payable

A sample of outstanding issued purchase orders was made as of June 30 for proper classification of orders as encumbrances and accounts payable. Our sample did not indicate any reportable noncompliance with respect to classification of orders.

Travel

A sample of travel expenditures during the fiscal year under audit did not indicate any reportable noncompliance.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)

Classification of Expenditures

The coding of expenditures was reviewed for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our randomly sampled expenditure transactions. We also reviewed the coding of all expenditures included in our compliance and single audit sampling procedures. In addition, a sample was selected that specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3. Our samples did not indicate any reportable noncompliance with respect to classification of expenditures.

Board Secretary's Records

Our audit of the financial and accounting records maintained by the Board Secretary indicated that they were in satisfactory condition.

Treasurer of School Moneys'

Our audit of the financial and accounting records maintained by the Treasurer of School Moneys indicated that they were in satisfactory condition.

Elementary and Secondary Education Act (E.S.E.A.) / Improving America's Schools Act (I.A.S.A.) as reauthorized by the No Child Left Behind Act (N.C.L.B.) of 2001

The E.S.E.A. / N.C.L.B. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Titles I and II of the Elementary and Secondary Education Act as amended and reauthorized.

The audit of compliance for E.S.E.A. did not indicate any reportable noncompliance.

Other Special Federal and / or State Projects

The Charter School's Other Special Projects were approved as listed on Exhibits K-3 and K-4 located in the CAFR.

Our audit of the federal and state funds on a sample 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 CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned other special projects.

The audit of compliance for Other Special Projects did not indicate any reportable noncompliance.

T.P.A.F. Reimbursement

Our audit procedures included a sample of the biweekly reimbursements filed with the Department of Education for Charter School 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 Charter School to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the Charter School for those employees whose salaries are identified as being paid from federal funds 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.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING (CONT'D)

SCHOOL PURCHASING PROGRAMS

Contracts and Agreements Requiring Advertisement for Bids

N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law), the associated rules and related information on the statute, and the school contracts in general, are available on the following website:

<http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>

Current statute is posted on the New Jersey Legislature website at:

http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&oftpage=TOC_Frame_Pg42

Based on the results of our audit, 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, amended.

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

ENROLLMENT COUNTS AND SUBMISSIONS TO THE DEPARTMENT

Our audit procedures included a sample of enrollment information on October 15, 2014 and the last day of school for on-roll, special education, bilingual and low-income. The results of our procedures are presented in the Schedule of Audited Enrollments.

The Charter School maintained written procedures that appear to be adequate for the recording of student enrollment data.

MISCELLANEOUS

Continuing Disclosure Agreements

Not applicable – no outstanding bond issues.

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. Corrective action had been taken on all prior year findings.

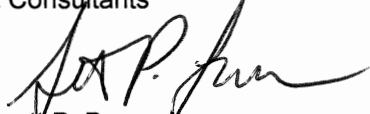
There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2015.

ACKNOWLEDGMENT

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Scott P. Barron
Public School Accountant No. CS 02459

CAMDEN COMMUNITY CHARTER SCHOOL, INC.
 APPLICATION FOR CHARTER SCHOOL AID
 ENROLLMENT COUNT AS OF OCTOBER 15, 2014

Grade	Submission to DOE reported On Roll	Reported on Workpapers	Sample											
			Verified signed Registration Forms	Errors	Verified # days enrolled	Errors	Special Ed & or Bilingual	Verified Documentation	Errors	Verified # days Service Provided	Errors	Low Income	Verified Documentation	Errors
Kindergarten	129	55			55		10	10		10		43	43	
One	106	55			55		9	9		9		46	46	
Two	94	50			50		16	16		16		45	45	
Three	26	12			12		3	3		3		11	11	
Four	27	12			12		2	2		2		12	12	
Five	27	17			17		4	4		4		13	13	
Six	26	17			17		5	5		5		15	15	
Seven														
Eight														
Nine														
Ten														
Eleven														
Twelve														
Total	435	218	-	-	218	-	49	49	-	49	-	185	185	-

Percentage

CAMDEN COMMUNITY CHARTER SCHOOL, INC.
 APPLICATION FOR CHARTER SCHOOL AID
 ENROLLMENT COUNT AS OF LAST DAY OF SCHOOL YEAR 2015

Grade	Submission to DOE reported On Roll	Sample												
		Reported on Workpapers	Verified signed Registration Forms	Errors	Verified # days enrolled	Errors	Special Ed & or Bilingual	Verified Documentation	Errors	Verified # days Service Provided	Errors	Low Income	Verified Documentation	Errors
Kindergarten	129	74			74		9	9		9		67	67	
One	106	51			51		11	11		11		45	45	
Two	94	44			44		12	12		12		37	37	
Three	26	14			14							10	10	
Four	27	15			15		7	7		7		14	14	
Five	27	10			10		1	1		1		8	8	
Six	26	9			9		1	1		1		8	8	
Seven														
Eight														
Nine														
Ten														
Eleven														
Twelve														
Total	435	217	-	-	217	-	41	41	-	41	-	189	189	-

Percentage

EXCESS SURPLUS CALCULATION

REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT

SECTION 1

2% Calculation of Excess Surplus

2014-15 Total General Fund Expenditures Reported on CAFR Exhibit C-1	\$ 5,552,728	(B)
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund		(B1a)
Transfer from Capital Reserve to Capital Projects Fund		(B1b)
Transfer from General Fund to SRF for PreK-Regular		(B1c)
Transfer from General Fund to SRF for PreK-Inclusion		(B1d)
Decreased by:		
On-Behalf TPAF Pension & Social Security	111,648	(B2a)
Assets Acquired Under Capital Leases		(B2b)
Adjusted 2014-15 General Fund Expenditures [(B)+(B1s)-(B2s)]	\$ 5,441,080	(B3)
2% of Adjusted 2014-15 General Fund Expenditures [(B3) times .02]	\$ 108,822	(B4)
Enter Greater of (B4) or \$250,000	250,000	(B5)
Increased by: Allowable Adjustment *		(K)
Maximum Unassigned Fund Balance [(B5) + (K)]	\$ 250,000	(M)

SECTION 2

Total General Fund - Fund Balances at June 30, 2015 (Per CAFR Budgetary Comparison Schedule, Ex. C-1)		(C)
Decreased by:		
Year-End Encumbrances		(C1)
Legally Restricted - Designated for Subsequent Year's Expenditures		(C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **		(C3)
Other Restricted Fund Balances ****		(C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures		(C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]		(U1)

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U1)-(M)] IF NEGATIVE ENTER -0-		(E)
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Recapitulation of Excess Surplus as of June 30, 2015

Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **		(C3)
Restricted - Excess Surplus *** [(E)]		(E)
Total Excess Surplus [(C3)+(E)]	\$ -	(D)

EXCESS SURPLUS CALCULATION (CONT'D)

REGULAR DISTRICT / CHARTER SCHOOL / RENAISSANCE SCHOOL PROJECT

Footnotes:

* This adjustment line (as detailed below) is to be utilized when applicable for:

Federal Impact Aid. The passage of P.L.2015, c46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, effective for the year ending June 30, 2015 the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve - General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4).

Sale & Lease-back, Extraordinary Aid, Additional Nonpublic School Transportation Aid, Recognized current year School Bus Advertising Revenue, and Family Crisis Transportation Aid. Refer to the Audit Program Section II, Chapter 10.

Detail of Allowable Adjustments

Federal Impact Aid	_____	(H)
Sale & Lease-back	_____	(I)
Extraordinary Aid	_____	(J1)
Additional Nonpublic School Transportation Aid	_____	(J2)
Current Year School Bus Advertising Revenue Recognized	_____	(J3)
Family Crisis Transportation Aid	_____	(J4)
 Total Adjustments [(H)+(I)+(J1)+(J2)+(J3)+(J4)]	 _____	 (K)

** This amount represents the June 30, 2014 Excess Surplus (C3 above) and must be included in the Audit Summary Line 90031. This amount was to be appropriated in the 2015-2016 general fund budget.

*** Amounts must agree to the June 30, 2015 CAFR and must agree to Audit Summary Line 90030.

**** Amount for Other Restricted Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not State mandated or that is not legally imposed by another type of government, such as the judicial branch of government, must have departmental approval. District requests should be submitted to the Division of Administration and Finance prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	_____
Sale/lease-back reserve	_____
Capital reserve	_____
Maintenance reserve	_____
Emergency reserve	_____
Tuition reserve	_____
School bus advertising 50% fuel offset reserve - current year	_____
School bus advertising 50% fuel offset reserve - prior year	_____
Impact Aid General Fund Reserve (Sections 8002 and 8003)	_____
Impact Aid Capital Fund Reserve (Sections 8007 and 8008)	_____
Other state/government mandated reserves	_____

[Other Restricted Fund Balance not noted above]**** _____

Total Other Restricted Fund Balance \$ - (C4)

