

**KIPP COOPER  
NORCROSS ACADEMY**

**Auditors' Management Report  
On  
Administrative Findings  
Financial, Compliance  
And Performance  
June 30, 2017**

**KIPP COOPER NORCROSS ACADEMY**  
**Auditors' Management Report On Administrative Findings**  
**Financial, Compliance and Performance**  
**For the Year Ended June 30, 2017**

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**Tax Identification Number: 45-5040456**

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## Report of Independent Auditors

Honorable President and  
Members of the Board of Trustees  
KIPP Cooper Norcross Academy  
County of Camden, New Jersey

We have audited, in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States, the basic financial statements of the Board of Trustees of KIPP Cooper Norcross Academy in the County of Camden, for the year ended June 30, 2017, and have issued our report thereon dated September 29, 2017.

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 KIPP Cooper Norcross Academy Board of Trustees' management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

*MonmouthCPAs&Consultants, LLC*

September 29, 2017  
Newark, New Jersey

OLUGBENGA OLABINTAN  
Certified Public Accountant/Consultant



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Olugbenga Olabintan, CPA  
Licensed Public School Accountant  
No. 20CS00230200

**KIPP COOPER NORCROSS ACADEMY**  
**Auditors' Management Report On Administrative Findings**  
**Financial, Compliance and Performance**  
**For the Year Ended June 30, 2017**

**Scope of Audit**

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

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the Renaissance school's CAFR.

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

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Amount</u></b>
Steve Small	Board Secretary/School Business Administrator	Not Available

There is a Public Employee's Faithful Performance Blanket Position Bond Policy covering all other employees with multiple coverage of \$25,000.

School Leaders Errors and Omissions Liability insurance was carried for all members of the Board of Trustees with coverage for each wrongful act of \$3,000,000.

**Tuition Charges**

A review of the financial statements indicated that the Renaissance school charged no tuition for any student attending the Renaissance School.

**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.

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**Payroll Account**

The net salaries of all employees of the Renaissance School 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 designee in the Renaissance School and were certified by the President of the Board of Trustees and the School Business Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholdings due to the general fund.

Payrolls were delivered to the School Business Administrator/Board Secretary who then made cash transfers from the Operating account to the separate bank accounts for net payroll and the withholdings.

**Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchased 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 NJAC 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:23 A-8.3. As a result of the procedures performed, no transaction error rate was noted.

**Board Secretary's Records**

We reviewed the financial and accounting records maintained by the Business Office and we noted no material findings.

**Treasurer's Records**

Our review of the treasurer's records disclosed that the Renaissance School is in compliance with the State requirements. All cash accounts were reconciled monthly and reporting requirements were met on time.

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**Elementary and Secondary Education Act (E.S.E.A) / Improving America's Schools Act (IASA) as reauthorized by the No Child Left Behind Act of 2001.**

The E.S.E.A/NCLB 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 through VI of the Elementary and Secondary Education Act as amended.

**Other Special Federal and/or State Projects**

The Renaissance School's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR. 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 CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

**T.P.A.F. Reimbursement**

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for Renaissance School employees who are members of the Teachers' Pension and Annuity Fund.

**School Purchasing Programs**

**Contracts and Agreements Requiring Advertising for Bids**

Effective July 1, 2015 and thereafter the bid thresholds in accordance with N.J.S.A 18A:18A-3 (as amended) and 18A:39-3 is \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (without a Qualified Purchasing Agent), respectively. The law requiring bidding for public student transportation contract under N.J.S.A. 18A:39-3 is currently \$18,800.

The Renaissance School Board of Trustees 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 contract 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 18A18A-4, amended.

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Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A 18A:A8A-5.

In as much as the system of records did not provide for an accumulation of payments for categories for the performance of any work or goods or services, the results of such accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The system of records did not provide for an accumulation of purchases for which the Renaissance School 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.

**School Food Service**

The Renaissance School did not have food service program.

**Student Body Activities**

Our audit revealed some student body activities during the fiscal year ended June 30, 2017 which were accounted for in separate bank accounts.

**Enrollment Counts and Submission to the Department**

Our audit procedures included test of information reported on the October 15th, and the last day of school for on-roll, special education, bilingual and low income. We also performed a review of the Renaissance School procedures related to its completion. The Renaissance School maintained adequate written procedures for the recording of student enrollment data.

**Follow-up on Prior Year's Findings**

In accordance with government auditing standards, our procedures included a review of all prior year recommendations. There was only one finding in the prior year's 2016 and was corrected.

**Acknowledgement**

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

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**Food Service Fund**  
**Numbers For Meals Served and (Over)/Underclaim**  
**Enterprise Fund**  
**For the Year Ended June 30, 2017**

**NOT APPLICABLE**

**THE SCHOOL DID NOT HAVE ANY  
ENTERPRISE PROGRAMS DURING THE YEAR.**

Program	Meal Category	Meals Claimed	Meals Verified	Difference	Rate	(Over) Under Claim
National School Lunch	Paid		-	-		\$ -
	Reduced		-	-		-
	Free		-	-		-
	Total		-	-	-	-
School Breakfast	Paid		-	-		-
	Reduced		-	-		-
	Free		-	-		-
	Total		-	-	-	-
National After School Snacks	Paid	-	-	-	-	-
	Reduced	-	-	-	-	-
	Free		-	-		-
	Total		-	-	-	-
Total Net (Over)/Underclaim						<u>\$ -</u>



**KIPP COOPER NORCROSS ACADEMY**  
**Application for Charter School Aid**  
**Schedule of Audited Enrollments**  
**Enrollment Count as of October 15, 2016**

<u>Grades</u>	<u>Submission to DOE reported on Roll</u>	<u>Reported on Workpapers</u>	<u>Verified signed registration forms</u>	<u>Errors</u>	<u>Verified # of days enrolled</u>	<u>Errors</u>	<u>Special Ed &amp;/ or Bilingual</u>	<u>Verified Documentation</u>	<u>Errors</u>	<u>Verified # of days of Service Provided</u>	<u>Errors</u>	<u>Low Income</u>	<u>Verified Documentation</u>	<u>Errors</u>
Kindergarten	116	58	58	-	58	-	7	7	-	7	-	N/A	N/A	-
One	108	54	54	-	54	-	6	6	-	6	-	N/A	N/A	-
Two	134	67	67	-	67	-	12	12	-	12	-	N/A	N/A	-
Three	34	17	17	-	17	-	6	6	-	6	-	N/A	N/A	-
Four	61	31	31	-	31	-	4	4	-	4	-	N/A	N/A	-
Five	188	94	94	-	94	-	13	13	-	13	-	N/A	N/A	-
Six	76	38	38	-	38	-	10	10	-	10	-	N/A	N/A	-
Seven	68	34	34	-	34	-	8	8	-	8	-	N/A	N/A	-
Eight	65	33	33	-	33	-	4	4	-	4	-	N/A	N/A	-
<b>Total</b>	<b>850</b>	<b>426</b>	<b>426</b>	<b>0</b>	<b>426</b>	<b>0</b>	<b>70</b>	<b>70</b>	<b>0</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Percentage				0.00%		0.00%			0.00%		0.00%			

**KIPP COOPER NORCROSS ACADEMY**  
**Application for Charter School Aid**  
**Schedule of Audited Enrollments**  
**Enrollment Count as of Last Day of School**

<u>Grades</u>	<u>Submission to DOE reported on Roll</u>	<u>Reported on Workpapers</u>	<u>Verified signed registration forms</u>	<u>Errors</u>	<u>Verified # of days enrolled</u>	<u>Errors</u>	<u>Special Ed &amp;/ or Bilingual</u>	<u>Verified Documentation</u>	<u>Errors</u>	<u>Verified # of days of Service Provided</u>	<u>Errors</u>	<u>Low Income</u>	<u>Verified Documentation</u>	<u>Errors</u>
Kindergarten	116	58	58	-	58	-	-	-	-	-	-	N/A	N/A	-
One	108	54	54	-	54	-	-	-	-	-	-	N/A	N/A	-
Two	134	67	67	-	67	-	11	11	-	11	-	N/A	N/A	-
Three	34	17	17	-	17	-	-	-	-	-	-	N/A	N/A	-
Four	61	30	30	-	30	-	-	-	-	-	-	N/A	N/A	-
Five	188	94	94	-	94	-	12	12	-	12	-	N/A	N/A	-
Six	76	38	38	-	38	-	10	10	-	10	-	N/A	N/A	-
Seven	68	34	34	-	34	-	-	-	-	-	-	N/A	N/A	-
Eight	65	32	32	-	32	-	-	-	-	-	-	N/A	N/A	-
<b>Total</b>	<b>850</b>	<b>424</b>	<b>424</b>	<b>0</b>	<b>424</b>	<b>0</b>	<b>33</b>	<b>33</b>	<b>0</b>	<b>33</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Percentage				0.00%		0.00%			0.00%		0.00%			0.00%