

**JERSEY CITY
COMMUNITY CHARTER SCHOOL**

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

FISCAL YEAR ENDED JUNE 30, 2019

**BCA WATSON RICE LLP
CERTIFIED PUBLIC ACCOUNTANTS**

**JERSEY CITY COMMUNITY CHARTER SCHOOL
 AUDITOR'S MANAGEMENT REPORT ON
 ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
 JUNE 30, 2019**

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REPORT OF INDEPENDENT AUDITORS

Honorable President and
Members of the Board of Trustees of
Jersey City Community Charter School
County of Hudson, New Jersey

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Trustees of the Jersey City Community Charter School (the "Charter School") in the County of Hudson, New Jersey for the year ended June 30, 2019, and have issued our report thereon dated December 17, 2019.

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 Charter School's 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.

A handwritten signature in black ink, appearing to read 'B. Siochi', is written over a faint, larger version of the signature.

Barbara Siochi, CPA, CGMA
Licensed Public School Accountant
No. 20CS00260700

BCA Watson Rice LLP
BCA Watson Rice LLP
Certified Public Accountant

Rutherford, New Jersey
December 17, 2019

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR’S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
AS OF JUNE 30, 2019**

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 in 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 and 18A:13-13)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Lenora Galleros	School Business Administrator	\$200,000

There is a public Employees Dishonesty with Faithful Performance with a coverage limit of \$100,000 and School Leader and Error Omission with a coverage limit of \$100,000 for each claim and \$300,000 for each policy period. The policy is underwritten by the North Jersey Educational Insurance Fund.

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, certifications or supporting documentation.

Payroll Account and Position Control Roster

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.

All payrolls were approved by the designee in the Charter School and were certified by the President of the Board, the School Business Administrator, and the Head of School.

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING – CONTINUED

Payroll Account and Position Control Roster – Continued

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

Payrolls were delivered to the Secretary of the Board with a warrant made to her order for the full amount of each payroll.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, 2019 for proper classification of orders as reserve for encumbrances and accounts payable, and we noted no exceptions.

Travel

The Charter School's travel expenses represent costs of transportation services for students' field trips. The Charter School has a Business Office Manual, which includes the travel policy.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with the N.J.A.C. 6A:23A-16.2(f) 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:23A-8.3. We noted no deviations in expenditure or administrative coding classifications.

Board Secretary's Records

We noted that the Board Secretary and Treasurer's Reports for the period ended June 30, 2019 were submitted to the Charter School's Board of Trustees on July 16, 2019, and submitted to the County Executive on July 30, 2019. The 2019 Audit Program issued by the State of New Jersey's Department of Education ("NJDOE") requires that the report be submitted to the County Executive by August 1, 2019.

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING – CONTINUED

Treasurer's Records

We noted that the Treasurer's records were in agreement with the records of the Board Secretary. Also, the Treasurer's cash balances are in agreement with the reconciled cash balances as determined during the audit.

Elementary and Secondary Education Act (E.S.E.A.) as amended by the Every Student Succeeds Act (E.S.S.A.)

The E.S.E.A. 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 VI of E.S.E.A. as amended and re-authorized.

The study of compliance for E.S.E.A. indicated no areas of non-compliance and/or questionable costs.

Other Special Federal and/or State Projects

The Charter School's Projects were approved as listed on Schedules A and B located in the CAFR.

Our audit of 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.

The study of compliance for the special projects indicated no areas of non-compliance.

Teacher's Pension and Annuity Fund (T.P.A.F.) Reimbursement

Our audit procedures included a test of the biweekly reimbursements filed with the Department of Education for Charter School Project employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

T.P.A.F. 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 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.

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 school contracts in general is available on the NJ Local Agency Procurement Laws webpage: <http://www.state.nj.us/dca/divisions/dlgs/programs/lpcl.html>.

The bid threshold in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$40,000 (with a Qualified Purchasing Agent) and \$29,000 (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 \$19,000 for 2018-19.

The Charter School's Board of Trustees has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where questions arise 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 provisions of N.J.S.A. 18A:18A-4.

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

SCHOOL FOOD SERVICE

The financial transactions and statistical records of the school food service fund were reviewed. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis.

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

SCHOOL FOOD SERVICE – CONTINUED

Cash receipts and bank records were reviewed for timely deposit. No exceptions were noted.

The Charter School entered into a Vended Meals Contract with the Piscataway School District effective July 1, 2018 to June 30, 2019. The agreement set the cost of vended meals to be \$1.50 for breakfast, \$2.50 for lunch and \$0.80 for after-school snacks.

Expenditures are separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs were verified.

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.

Time sheets were reviewed and labor costs were verified. Payroll records were maintained on all School Food Services employees authorized by the 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.

Finding (2019-001)

We noted that the Charter School's number of meals claimed for reimbursement submitted to New Jersey State Department of Agriculture ("NJDOA") is over by 7,536 meals as compared to the meal count records (i.e., Mealtime) which resulted to overclaims amounting to \$19,084.

Recommendation (2019-001)

We strongly recommend that the Charter School institute policies and procedures to ensure that all meals claimed for reimbursement to NJDOA are properly supported with meal count records (i.e., Mealtime).

Management's Response (2019-001)

The Charter School has policies and procedures in placed for accurate reporting and maintenance of meal count records. However, we will review the policies and procedures with staff to ensure effective implementation. It should be noted that the difference cited was caused by meals served that were manually tallied when "Mealtime" was down using the roster. These manually tallied meals served were not entered into "Mealtime." We will ensure that entries in the system will be updated before claims are processed.

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

SCHOOL FOOD SERVICE – CONTINUED

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. The free and reduced price meal policy was reviewed for uniform administration throughout the school. 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.

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Enterprise Funds, Section G of the CAFR.

STUDENT BODY ACTIVITIES

No exceptions were noted during our review of student activity funds.

ENROLLMENT COUNTS AND SUBMISSIONS TO THE DEPARTMENT

Our audit procedures included a test of enrollment information reported on October 15, 2018 and June 18, 2019, the Charter School's last day of school for on-roll, special education and low-income students.

Finding (2019-002)

We noted the following during our review of the Charter School's enrollment records:

- The names of four (4) students recorded in the school enrollment records and reported in the CSES do not agree with the students' birth certificates.
- The birthdate of one student recorded in the school enrollment records and reported in the Charter School Enrollment System ("CSES") does not agree with the student's birth certificate.
- The gender of two (2) students recorded in the school enrollment records and reported in CSES does not agree with the students' birth certificates.
- One (1) student does not have proof of address on the student file.
- The birthdates of two (2) transfer students indicated in the Transfer Card were different from the information in NJ Smart and CSES.
- One (1) student receiving full meal was not included in the list of direct certification and has no household information survey on file.

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

**ENROLLMENT COUNTS AND SUBMISSIONS TO THE DEPARTMENT –
CONTINUED**

Recommendation (2019-002)

We recommend that management re-enforce policies and procedures over the review and use of electronic information reported to the State of New Jersey's CSES, because student enrollment is the source data for charter school funding. Enrollment data reported to the State are to be verified for accuracy and completeness. Electronic information carried over from the State's database still needs to be reviewed, and if necessary, updated to reflect correct and accurate student records and information.

Management's Response (2019-002)

We will continue to implement review policies and procedures to ensure accuracy and completeness of enrollment data entered into CSES based on information from school records.

FACILITIES AND CAPITAL ASSETS

Our procedures included a review of policies and procedures adopted by the Charter School over its Capital Assets. We noted that acquisitions during the year met the capitalization threshold of \$2,000 set by the State of New Jersey's Department of Education for Charter Schools.

TESTING FOR LEAD OF ALL DRINKING WATER IN EDUCATIONAL FACILITIES

The Charter School adhered to all the requirements of N.J.A.C. 23-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

The Charter School submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

FOLLOW-UP ON PRIOR YEAR FINDINGS

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations including findings. Corrective action had been taken by management on prior year findings 2018-001 and 2018-003.

We did not audit the reimbursement claims submitted to New Jersey State Department of Agriculture (“NJDOA”) in the current year because reporting was not a major compliance requirement per 2 CFR Part 200, Appendix XI, Compliance Supplement dated August 2019. However, we inquired with the management as follow-up procedures and management indicated that the claims for the month of May 2019 was submitted to NJDOA past the deadline of 60 days after the end of the reporting month.

Finding 2018-002 is repeated on this year’s recommendations as current year finding 2019-002.

The reported prior year findings are as follows:

Finding (2018-001) (CAFR Finding 2018-001)

We noted that the Charter School’s reimbursement claims for the months of September 2017 and May 2018 were submitted to New Jersey State Department of Agriculture past the deadline of 60 days after the end of the reporting month.

Finding (2018-002)

We noted the following during our review of the Charter School’s enrollment records:

- The birthdate of one student recorded in the school enrollment records and reported in the Charter School Enrollment System (“CSES”) does not agree with the student’s birth certificate.
- The name of one student recorded in the school enrollment records and reported in the CSES does not agree with the student’s birth certificate.
- Actual total enrolled days per school records were different from the enrolled days uploaded on the CSES. For eleven students, significant differences were noted.
- Average daily enrollment (“ADE”) calculation based on school records for one student was significantly different from the ADE uploaded on the CSES.
- One student with Reduced Lunch status was reported under Free Lunch status in the October 15, 2017 CSES.
- One student who has documentation on file for Reduced Lunch status was not reported in the October 15, 2017 CSES.
- One student who is not low income status was reported under Free Lunch status in the October 15, 2017 CSES.

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

FOLLOW-UP ON PRIOR YEAR FINDINGS – CONTINUED

Finding (2018-003)

We noted the following during our review of the Charter School's records on special education or speech only services:

- One student receiving special education services for Specific Learning Disabled was improperly classified as Other Health Impaired in the NJ SMART.
- One student receiving special education services for Specific Learning Disabled was improperly classified as Communication Impaired in the NJ SMART.
- One student who began receiving special education services prior to October 15, 2017 was not reported on the CSES.

ACKNOWLEDGMENT

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

**JERSEY CITY COMMUNITY CHARTER SCHOOL
(COUNTY OF HUDSON)
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDER CLAIM – FEDERAL
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<u>Program</u>	<u>Meal Category</u>	<u>Meal Claimed</u>	<u>Meal Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/ Under Claim</u>
School Breakfast Program	Free	37,520	37,520	35,587	(1,933)	\$ 2.14	\$ (4,137)
	Reduced	-	-	-	-	1.84	-
	Paid	<u>8,041</u>	<u>8,041</u>	<u>7,626</u>	<u>(415)</u>	0.31	<u>(129)</u>
		<u>45,561</u>	<u>45,561</u>	<u>43,213</u>	<u>(2,348)</u>		<u>(4,266)</u>
National School Lunch	Free	70,653	70,653	66,378	(4,275)	3.33	(14,236)
	Reduced	-	-	-	-	2.93	-
	Paid	<u>15,142</u>	<u>15,142</u>	<u>14,229</u>	<u>(913)</u>	0.33	<u>(301)</u>
		<u>85,795</u>	<u>85,795</u>	<u>80,607</u>	<u>(5,188)</u>		<u>(14,537)</u>
After School Snacks		<u>6,080</u>	<u>6,080</u>	<u>6,080</u>	<u>-</u>	0.91	<u>-</u>
Net (Over) Underclaim							<u>\$ (18,803)</u>

JERSEY CITY COMMUNITY CHARTER SCHOOL
(COUNTY OF HUDSON)
SCHEDULE OF MEAL COUNT ACTIVITY
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDER CLAIM – STATE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

<u>Program</u>	<u>Meal Category</u>	<u>Meal Claimed</u>	<u>Meal Tested</u>	<u>Meals Verified</u>	<u>Difference</u>	<u>Rate</u>	<u>(Over)/ Under Claim</u>
State Lunch Program	Free	70,653	70,653	66,378	(4,275)	\$ 0.06	\$ (235)
	Reduced	-	-	-	-	0.06	-
	Paid	<u>15,142</u>	<u>15,142</u>	<u>14,229</u>	<u>(913)</u>	0.05	<u>(46)</u>
		<u>85,795</u>	<u>85,795</u>	<u>80,607</u>	<u>(5,188)</u>		
Net (Over) Underclaim							<u>\$ (281)</u>

JERSEY CITY COMMUNITY CHARTER SCHOOL
(COUNTY OF HUDSON)
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR CHARTER SCHOOL AID
ENROLLMENT COUNT AS OF OCTOBER 15, 2018

Grades	Submission to DOE On Roll	Reported on Work Papers	Verified Signed Registration	Errors	Verified No. of Days Enrolled	Errors	Special Ed and/or Bilingual	Verified Documentation	Errors	Verified No. of Days Services Provided	Errors	Low Income	Verified Documentation	Errors
Kindergarten	66	69	32	-	32	-	-	-	-	-	-	55	25	-
Grade 1	68	69	39	3	39	-	8	3	-	3	-	54	30	-
Grade 2	65	70	32	-	32	-	6	3	-	3	-	55	24	-
Grade 3	68	70	34	-	34	-	9	3	-	3	-	57	29	-
Grade 4	66	66	28	1	28	-	9	1	-	1	-	45	21	-
Grade 5	63	66	33	-	33	-	3	-	-	-	-	44	24	-
Grade 6	66	67	37	-	37	-	11	8	-	8	-	49	26	-
Grade 7	64	68	25	2	25	-	8	5	-	5	-	42	18	-
Grade 8	53	53	30	-	30	-	6	2	-	2	-	42	24	-
Total	579	598	290	6	290	-	60	25	-	25	-	443	221	-
Percentage				<u>2.07%</u>		<u>0.00%</u>			<u>0.00%</u>		<u>0.00%</u>			<u>0.00%</u>

JERSEY CITY COMMUNITY CHARTER SCHOOL
(COUNTY OF HUDSON)
SCHEDULE OF AUDITED ENROLLMENTS
APPLICATION FOR CHARTER SCHOOL AID
ENROLLMENT COUNT AS OF JUNE 18, 2019 (LAST DAY OF SCHOOL FOR 2019)

Grades	Submission to DOE On Roll	Reported on Work Papers	Verified Signed Registration	Errors	Verified No. of Days Enrolled	Errors	Special Ed and/or Bilingual	Verified Documentation	Errors	Verified No. of Days Services Provided	Errors	Low Income	Verified Documentation	Errors
Kindergarten	67	71	35	-	35	-	-	-	-	-	-	56	30	-
Grade 1	68	73	29	-	29	-	8	5	-	5	-	54	24	-
Grade 2	65	71	33	-	33	-	6	2	-	2	-	55	31	-
Grade 3	68	71	34	-	34	-	9	6	-	6	-	57	28	-
Grade 4	66	70	38	-	38	-	9	8	-	8	-	45	24	1
Grade 5	63	67	30	2	30	-	3	3	-	3	-	44	20	-
Grade 6	70	68	33	2	33	-	11	4	-	4	-	53	23	-
Grade 7	66	62	41	4	41	-	8	3	-	3	-	44	24	-
Grade 8	55	55	25	-	25	-	6	4	-	4	-	44	18	-
Total	588	608	298	8	298	-	60	35	-	35	-	452	222	1
Percentage				<u>2.68%</u>		<u>0.00%</u>			<u>0.00%</u>		<u>0.00%</u>			<u>0.45%</u>

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

**AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

None

3. School Purchasing Programs

None

4. School Food Service

2019-001

We strongly recommend that the Charter School institute policies and procedures to ensure that all meals claimed for reimbursement to NJDOA are properly supported with meal count records (i.e. Mealtime).

5. Student Body Activities

None

6. Charter School Enrollment System (CSES)

2019-002

We recommend that management re-enforce policies and procedures over the review and use of electronic information reported to the State of New Jersey's CSES, because student enrollment is the source data for charter school funding. Enrollment data reported to the State are to be verified for accuracy and completeness. Electronic information carried over from the State's database still need to be reviewed, and if necessary, updated to reflect correct and accurate student records and information

**JERSEY CITY COMMUNITY CHARTER SCHOOL
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE, AND PERFORMANCE
– CONTINUED**

AUDIT RECOMMENDATIONS SUMMARY – CONTINUED

7. Facilities and Capital Assets

None

8. Miscellaneous

None

9. Status of Prior Year Findings

A review was performed on all prior year recommendations including findings. Corrective action had been taken by management on prior year findings 2018-001 and 2018-003.

We did not audit the reimbursement claims submitted to New Jersey State Department of Agriculture (“NJDOA”) in the current year because reporting was not a major compliance requirement per 2 CFR Part 200, Appendix XI, Compliance Supplement dated August 2019. However, we inquired with the management as follow-up procedures and management indicated that the claims for the month of May 2019 was submitted to NJDOA past the deadline of 60 days after the end of the reporting month.

Finding 2018-002 is repeated on this year’s recommendations as current year finding 2019-002.