

JERSEY CITY PUBLIC SCHOOLS

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

JERSEY CITY PUBLIC SCHOOLS
AUDITOR'S MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
TABLE OF CONTENTS

	Page(s)
Report of Independent Auditor's	1
Scope of Audit	2
Administrative Practices and Procedures	
Insurance	2
Official Bonds	2
Financial Planning, Accounting and Reporting	
Examination of Claims	2
Payroll Account and Position Control Roster	2
Reserve for Encumbrances and Accounts Payable	2
Travel	3
Classification of Expenditures	3
Board Secretary's Records/Business Administrator	3
Treasurer's Records	3
Elementary and Secondary Education Act (E.S.E.A.) as amended	3
by the Every Student Succeeds Act (ESSA)	3
Other Special Federal and/or State Projects	3
T.P.A.F. Reimbursement	3
T.P.A.F. Reimbursement to the State for Federal Salary Expenditures	4
School Purchasing Programs	
Contracts and Agreements Requiring Advertisement for Bids	4
School Food Service	4 - 5
C.A.S.P.E.R. Program Enterprise Fund	5
Unemployment Compensation Insurance Trust Fund	5
Student Body Activities	5
Application for State School Aid	6
Pupil Transportation	6
Facilities and Capital Assets	6
Testing for Lead of All Drinking Water in Educational Facilities	6
Other Suggestions to Management	6 - 7
Follow-up on Prior Year Findings	7
Acknowledgment	7
Schedule of Meal Count Activity	8 - 9
Schedule of Audited Enrollments	10 - 12
Excess Surplus Calculation	13 - 14
Audit Recommendations Summary	15

DONOHUE, GIRONDA, DORIA & TOMKINS, LLC

Certified Public Accountants

Robert A. Gironda, CPA
Robert G. Doria, CPA (N.J. & N.Y.)
Frederick J. Tomkins, CPA, RMA
Matthew A. Donohue, CPA

310 Broadway
Bayonne, NJ 07002
(201) 437-9000
Fax: (201) 437-1432
E-mail: dgd@dgdcpas.com

Linda P. Kish, CPA, RMA
Mark W. Bednarz, CPA, RMA
Jason R. Gironda, CPA
Mauricio Canto, CPA, RMA

REPORT OF INDEPENDENT AUDITOR'S


The Honorable President and
Members of the Board of Education
Jersey City Public Schools
County of Hudson
Jersey City, 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 Education of the Jersey City Public Schools in the County of Hudson for the year ended June 30, 2020 and have issued our report thereon dated February 5, 2021.

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 Jersey City Public School's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.


DONOHUE, GIRONDA, DORIA & TOMKINS, LLC
Certified Public Accountants


MAURICIO CANTO
Certified Public Accountant
Licensed Public School Accountant
No. 2541

Bayonne, New Jersey
February 5, 2021

**JERSEY CITY PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SCOPE OF AUDIT

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

ADMINISTRATIVE PRACTICES AND PROCEDURES

Insurance

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

Official Bonds at June 30, 2019 (N.J.S.A. 18A:17-26, 18A:17:32)

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Franklin Walker	Acting Superintendent	\$2,000,000
Regina Robinson	Business Administrator/Board Secretary	\$2,000,000
Lubna Muneer	Treasurer of School Monies	\$2,000,000
John Metro	Assistant Treasurer of School Monies	\$2,000,000

The District did have a Public Employee's Faithful Performance Blanket Position Bond with the New Jersey School Boards Association Insurance Group covering all other employees with multiple coverage of \$250,000.

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.

Payroll Account and Position Control Roster

The net salaries of all employees of the Board were deposited in the Salary Account (payroll account). Employees' payroll deductions and employer's share of payroll taxes were deposited in the Salary Escrow Account (payroll agency account).

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

Payrolls were delivered to the Treasurer of School Monies with a warrant made to her order for the full amount of each payroll.

Finding 2020-001 (CAFR Finding 2020-001):

While the District is tracking compensated absences, it is not aggregating compensated absences and calculating value of liability at year end for reporting purposes, nor monitoring the accuracy and completeness of tracking.

Recommendation:

The District aggregate compensated absences and calculate value of liability at year end for reporting purposes and monitor the accuracy and completeness of compensated absences tracking.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30 for proper classification of orders as reserve for encumbrances and accounts payable. No discrepancies were noted.

**JERSEY CITY PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (Continued)

Travel

No exceptions were noted.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23-2.2(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 classification to determine overall reliability and compliance with N.J.A.C. 6A:23-8.2. As a result of the procedures performed, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

A. General Classification Findings - No exceptions were noted

B. Administrative Classification Findings – No exceptions were noted

Board Secretary's Records/School Business Administrator

Our review of the financial and accounting records maintained by the Board Secretary/Business Administrator did not disclose any exceptions.

Treasurer's Records

The Treasurer did perform cash reconciliations and made monthly reports to the Board in the manner and form prescribed in accordance with N.J.S.A. 18A:17-36.

The Treasurer's records were in agreement with the Board Secretary's records. Receipts and disbursements were properly identified and allocated to their appropriate accounts.

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

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 the Elementary and Secondary Education Act as amended and reauthorized.

Other Special Federal and/or State Projects

The District'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 semi-monthly reimbursement forms filed with the Department of Education for District employees who are members of the Teachers' Pension and Annuity Fund. No exceptions were noted.

**JERSEY CITY PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FINANCIAL PLANNING, ACCOUNTING AND REPORTING (Continued)

TPAF Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's Final Report for all federal awards for the District to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the District 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

The bid thresholds 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 transportation contracts under *N.J.S.A.* 18A:39-3 is currently \$19,000 for 2019-20.

The District Board of Education 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.

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

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, or requests for proposals, in accordance with the provision of *N.J.S.A.* 18A:18A-4, as amended.

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

SCHOOL FOOD SERVICE

COVID – 19 Emergency

In accordance with the Governor's Declaration of Emergency pertaining to the COVID 19 Virus all Public schools were ordered to close effective as of March 18, 2020 for an undetermined period to limit the spread of the virus. As a result, the District was required to institute alternate procedures to provide meals to free and reduced price eligible students during the period of school closures.

The District was authorized to solicit and award emergency noncompetitive procurements and contracts with its food service management company (FSMC) in accordance with 2 CFR 200.320 and *N.J.S.A.* 18A:18A-7. The District was also authorized to submit contract modifications to their existing cost reimbursable or fixed price contracts as necessary to ensure the feeding of free and reduced price meal eligible students.

The District was notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all free and reduced price meal eligible students during the emergency.

**JERSEY CITY PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SCHOOL FOOD SERVICE (Continued)

The Jersey City Public Schools utilizes the Community Eligibility Option at individual schools that meet eligibility requirements. The criteria to determine if a school qualified for this program is if equal to or greater than forty percent (40%) of the students in a particular school within the district are eligible for free or reduced price meals, then the entire student population of the school receives free meals. The State Aid reimbursement for the participating schools is calculated by utilizing the actual number of meals served multiplied by the percentage of students in each category to determine the number of eligible meals served by category.

The school food service program was not selected as a major federal and/or State program. However, the program expenditures exceeded \$100,000 in federal and/or State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether District had any Child Nutrition Program reimbursement overclaims or underclaims. No exceptions were noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the District's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (CAFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

We also inquired of management about the emergency COVID-19 procedures/practices that the District instituted to provide meals to eligible students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations.

C.A.S.P.E.R. PROGRAM – ENTERPRISE FUND

The financial transactions of the after school program were maintained in good condition.

UNEMPLOYMENT COMPENSATION INSURANCE TRUST FUND

The Board has adopted the direct reimbursement method and has established an Unemployment Compensation Insurance Trust Fund. The financial transactions of this fund are reported in the Fiduciary Trust Fund. The following was noted:

Finding 2020-002:

The impact of the COVID-19 emergency dramatically increased the volume of unemployment claims the District incurred to a level the District was not able to adequately review and dispute individual claims before processing. Furthermore, the State of New Jersey Department of Labor (DOL) has not been able to address any discrepancies with claims the District has attempted to dispute. The DOL billings reflect certain reductions that in combination with federal assistance for claims have eased the impact of any discrepancies that may exist.

Recommendation:

The District increase level of qualified staffing and resources to adequately review and dispute any discrepancies in unemployment claims on a timely basis.

STUDENT BODY ACTIVITIES

The Board has a policy, which clearly established the regulation of student activity funds.

Overall, cash receipts and disbursements records for the schools were maintained in satisfactory condition.

**JERSEY CITY PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

APPLICATION FOR STATE SCHOOL AID

Our audit procedures included a test of information reported in the October 15, 2019, Application for State School Aid (ASSA) for on-roll, private schools for the handicapped, low income and bilingual. We also performed a review of the district procedures related to its completion. The information on the ASSA was compared to the District workpapers with no exceptions noted. The information that was included on the workpapers was verified with no exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent. The District has adequate written procedures for the recording of student enrollment data.

PUPIL TRANSPORTATION

Our audit procedures included a test of on roll status reported in the 2019-20 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with certain immaterial differences as noted in the previous section. The results of our procedures are presented in the Schedule of Audited Enrollments with exceptions noted in the ASSA section. The following exception was noted:

Finding 2020-003:

The District was unable to report 2019-20 District Report of Transported Resident Students (DRTRS) information before the resubmission deadline or reasonable period thereafter. However, the District was able to submit information provided by the County over 30 days after the State's resubmission deadline. The District is required to maintain accurate and complete DRTRS information and not rely on the County information which is not generally available before the State's filing deadline. The State will no longer be extending filing deadlines beyond any reasonable periods.

Recommendation:

The District maintain accurate and complete District Report of Transported Resident Students (DRTRS) information so that it can timely submit reports before State's filing deadline.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

FACILITIES AND CAPITAL ASSETS

Our procedures included a review of the SDA grant agreement for consistency with recording SDA revenue, transfer of local funds from the General Fund or from the Capital Reserve Account, and awarding of contracts for eligible facilities construction. No exceptions were noted:

TESTING FOR LEAD OF ALL DRINKING WATER IN EDUCATIONAL FACILITIES

The District adhered to all the requirements of N.J.A.C. 26-1.2 and 12.4 related to the testing for lead of all drinking water in educational facilities.

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

OTHER SUGGESTIONS TO MANAGEMENT

Workers Compensation Settlement Records

The District has had several orders approving settlements for lifetime medical coverage from workers' compensation claims over the years, however, due to record retention laws, the District has purged these files, as they are no longer considered active. We recommend that the District maintain copies of all lifetime settlements to support payments being made by the District's third-party administrator on its behalf.

**JERSEY CITY PUBLIC SCHOOLS
ADMINISTRATIVE FINDINGS – FINANCIAL, COMPLIANCE AND PERFORMANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

OTHER SUGGESTIONS TO MANAGEMENT (Continued)

Escheat Property

The District has previously identified and voided old outstanding checks and currently has recorded these amounts as other liabilities in the District's general ledger. The District should further investigate these amounts to ensure that they are appropriately classified as unclaimed property, and if so, remitted to the State of New Jersey.

New Jersey Earned Sick Leave Law

The New Jersey Earned Sick Leave Law was effective October 29, 2018. This law allows employees to accrue 1 hour of earned sick leave for every 30 hours worked, up to 40 hours each calendar year. We suggest that Districts perform a review each year to determine if there are any employees not previously eligible to receive earned sick leave who are now entitled to under this law and that adequate records are maintained for the accrual of the earned sick leave.

Governmental Accounting Standards Board (GASB) Statements

The next GASB Statement which will have an impact on the District's financial statements is GASB Statement No. 84, Fiduciary Activities, which was effective for the fiscal year ended June 30, 2020, but has been postponed to the succeeding fiscal year. This Statement establishes criteria for identifying fiduciary activities. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The Statement will likely have an impact on the financial statement presentation of the Payroll Agency Fund and may have an impact on the presentation of the Student Activities Agency Fund and Trust Funds such as the Unemployment Compensation Trust and Flexible Spending Trust.

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 on all prior year findings.

ACKNOWLEDGMENT

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



DONOHUE, GIRONDA, DORIA & TOMKINS, LLC
Certified Public Accountants



MAURICIO CANTO
Certified Public Accountant
Licensed Public School Accountant
No. 2541

Bayonne, New Jersey
February 5, 2021

**JERSEY CITY PUBLIC SCHOOLS
SCHEDULE OF MEAL COUNT ACTIVITY
ENTERPRISE FUND
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDER CLAIM - FEDERAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE</u>	<u>(OVER)/ UNDER CLAIM</u>
National School Lunch (High Rate)	Paid	172,543	77,014	77,014	-	0.3400	\$ -
	Reduced	32,898	15,186	15,186	-	3.0300	-
	Free	1,167,387	520,707	520,707	-	3.4300	-
Seamless Summer Option	Free	<u>115,092</u>	<u>8,421</u>	<u>10,656</u>	<u>2,235</u>	3.4300	<u>7,666.05</u>
	Total	<u>1,487,920</u>	<u>621,328</u>	<u>623,563</u>	<u>2,235</u>		<u>7,666.05</u>
National School Lunch	HHFKA - PB Only	<u>1,487,920</u>	<u>621,328</u>	<u>623,563</u>	<u>2,235</u>	0.0700	<u>156.45</u>
Summer Food Service Program - Lunch		<u>215,557</u>	<u>17,899</u>	<u>17,899</u>	<u>-</u>		<u>-</u>
School Breakfast (Severe Needs Rate)	Paid	360,533	164,873	164,873	-	0.3100	-
	Reduced	43,163	20,549	20,549	-	1.9000	-
	Free	1,232,955	562,658	562,658	-	2.2000	-
Seamless Summer Option	Free	216,825	8,122	10,357	2,235	2.2000	4,917.00
School Breakfast (Regular Rates)	Paid	340	153	153	-	0.3100	-
	Reduced	-	-	-	-	1.5400	-
	Free	<u>3,199</u>	<u>1,443</u>	<u>1,443</u>	<u>-</u>	1.8400	<u>-</u>
	Total	<u>1,857,015</u>	<u>757,798</u>	<u>760,033</u>	<u>2,235</u>		<u>4,917</u>
Summer Food Service Program - Breakfast		<u>115,091</u>	<u>17,716</u>	<u>17,716</u>	<u>-</u>		<u>-</u>
Total Net (Over)/Under Claim					<u>6,705</u>		<u>\$ 12,739.50</u>

JERSEY CITY PUBLIC SCHOOLS
SCHEDULE OF MEAL COUNT ACTIVITY
ENTERPRISE FUND
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER) UNDER CLAIM - STATE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<u>PROGRAM</u>	<u>MEAL CATEGORY</u>	<u>MEALS CLAIMED</u>	<u>MEALS TESTED</u>	<u>MEALS VERIFIED</u>	<u>DIFFERENCE</u>	<u>RATE</u>	<u>(OVER)/ UNDER CLAIM</u>
State Reimbursement National School Lunch (High Rate)	Paid	172,543	77,014	77,014	-	0.050	\$ -
	Reduced	32,898	15,186	15,186	-	0.055	-
	Free	1,167,387	520,707	520,707	-	0.055	-
Seamless Summer Option	Free	<u>115,092</u>	<u>8,421</u>	<u>10,656</u>	<u>2,235</u>	0.055	<u>122.93</u>
	Total	<u>1,487,920</u>	<u>621,328</u>	<u>623,563</u>	<u>2,235</u>		<u>122.93</u>
Total Net (Over)/Under Claim					<u>2,235</u>		<u>\$ 122.93</u>

JERSEY CITY PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

SCHEDULE OF AUDITED ENROLLMENTS

	2020-2021 Application for State School Aid				Sample of Verification				Private Schools for Disabled						
	Reported on A.S.S.A. On Roll		Workpapers		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools		
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Sample for Verification	Sample Errors	
Full Day Preschool - 3 Yr Old	462	-	462	-	-	-	462	-	462	-	-	-	-	-	
Full Day Preschool - 4 Yr Old	1,932	-	1,932	-	-	-	1,932	-	1,932	-	-	-	-	-	
Full Day Kindergarten	1,974	-	1,974	-	-	-	1,974	-	1,974	-	-	-	-	-	
One	1,893	-	1,893	-	-	-	1,893	-	1,893	-	-	-	-	-	
Two	1,879	-	1,879	-	-	-	1,879	-	1,879	-	-	-	-	-	
Three	1,689	-	1,689	-	-	-	1,689	-	1,689	-	-	-	-	-	
Four	1,663	-	1,663	-	-	-	1,663	-	1,663	-	-	-	-	-	
Five	1,559	-	1,559	-	-	-	1,559	-	1,559	-	-	-	-	-	
Six	1,700	-	1,700	-	-	-	1,700	-	1,700	-	-	-	-	-	
Seven	1,673	-	1,673	-	-	-	1,673	-	1,673	-	-	-	-	-	
Eight	1,555	-	1,555	-	-	-	1,555	-	1,555	-	-	-	-	-	
Nine	1,391	-	1,391	-	-	-	1,391	-	1,391	-	-	-	-	-	
Ten	1,292	-	1,292	-	-	-	1,292	-	1,292	-	-	-	-	-	
Eleven	1,174	-	1,174	-	-	-	1,174	-	1,174	-	-	-	-	-	
Twelve	1,207	-	1,207	-	-	-	1,207	-	1,207	-	-	-	-	-	
Adult HS (15+ Credits)	226	-	226	-	-	-	226	-	226	-	-	-	-	-	
Subtotal	23,269	-	23,269	-	-	-	23,269	-	23,269	-	-	-	-	-	
Special Education-Elementary	1,679	-	1,679	-	-	-	1,679	-	1,679	-	-	-	29	29	
Special Education-Middle	954	-	954	-	-	-	954	-	954	-	-	-	27	27	
Special Education-Highschool	915	-	915	-	-	-	915	-	915	-	-	-	86	86	
Subtotal	3,548	-	3,548	-	-	-	3,548	-	3,548	-	-	-	142	142	
TOTALS	26,817	-	26,817	-	-	-	26,817	-	26,817	-	-	-	142	142	
Percentage Error					0.00%										0.00%

**JERSEY CITY PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019**

SCHEDULE OF AUDITED ENROLLMENTS

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Full Day Preschool	1,482.0	1,482.0	-	18	18	-	244	244	-	16	16	-
Full Day Kindergarten	1,469.0	1,469.0	-	23	23	-	251	251	-	22	22	-
One	1,457.0	1,457.0	-	26	26	-	262	262	-	25	25	-
Two	1,342.0	1,342.0	-	23	23	-	212	212	-	22	22	-
Three	1,300.0	1,300.0	-	25	25	-	200	200	-	23	23	-
Four	1,261.0	1,261.0	-	23	23	-	96	96	-	22	22	-
Five	1,394.0	1,394.0	-	19	19	-	145	145	-	16	16	-
Six	1,378.0	1,378.0	-	18	18	-	139	139	-	16	16	-
Seven	1,301.0	1,301.0	-	14	14	-	143	143	-	13	13	-
Eight	1,103.0	1,103.0	-	10	10	-	163	163	-	9	9	-
Nine	910.0	910.0	-	7	7	-	142	142	-	6	6	-
Ten	742.0	742.0	-	9	9	-	81	81	-	8	8	-
Eleven	795.0	795.0	-	6	6	-	102	102	-	5	5	-
Twelve	15,934.0	15,934.0	-	221	221	-	2,180	2,180	-	203	203	-
Subtotal	1,305.0	1,305.0	-	60	60	-	150	150	-	52	52	-
Special Education-Elementary	823.0	823.0	-	14	14	-	32	32	-	11	11	-
Special Education-Middle	758.5	758.5	-	7	7	-	19	19	-	5	5	-
Special Education-Highschool	2,886.5	2,886.5	-	81	81	-	201	201	-	68	68	-
Subtotal	18,820.5	18,820.5	0.00%	302	302	0.00%	2,381	2,381	0.00%	271	271	0.00%
TOTALS												

Transportation

	Reported on DRTS by DOE/County			Reported on DRTS by District			Transportation		
	Reported on DRTS by DOE/County	Reported on DRTS by District	Errors	Tested	Verified	Errors	Reported	Recalculated	Errors
Reg - Public Schools, col. 1	2,022	2,022.0	0.0	284	284	-	2.9	2.9	-
Reg -SpEd, col. 4	616	616.0	0.0	197	197	-	2.9	2.9	-
Transported - Non-Public, col. 3	792	792.0	0.0	232	232	-	3.6	3.6	-
Special Ed Spec, col. 6	762	762.0	0.0	232	232	-			
TOTALS	4,192	4,192.0	0.00%	945	945	0.00%			
Percentage Error									

Reg Avg (Mileage) = Regular including Grade PK Students (Part A)
Reg Avg (Mileage) = Regular excluding Grade PK Students (Part B)
Special Avg = Special Ed w/ Special Needs

JERSEY CITY PUBLIC SCHOOLS
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2019

SCHEDULE OF AUDITED ENROLLMENTS

	Resident LEP NOT Low Income		Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten	185	185	36	36	-
One	167	167	32	32	-
Two	166	166	32	32	-
Three	130	130	25	25	-
Four	110	110	21	21	-
Five	81	81	16	16	-
Six	61	61	12	12	-
Seven	50	50	10	10	-
Eight	48	48	9	9	-
Nine	70	70	14	14	-
Ten	81	81	16	16	-
Eleven	77	77	15	15	-
Twelfth	62	62	12	12	-
Subtotal	1,288	1,288	250	250	-
Special Education-Elementary	61	61	12	12	-
Special Education-Middle	7	7	1	1	-
Special Education-Highschool	9	9	2	2	-
Subtotal	77	77	15	15	-
TOTALS	1,365	1,365	265	265	-
Percentage Error					0.00%

**JERSEY CITY PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

SECTION 1

Calculation A: 2 Percent Excess Surplus

All districts required to use school-based budgeting are required to complete this calculation using 2 percent on line A10.

2019-2020 Total General Fund Expenditures per the CAFR, Exhibit C-1		\$	<u>626,426,077</u> (A)
Increased by Applicable Operating Transfers:			
Transfer from Capital Outlay to Capital Projects			<u>-</u> (A1a)
Transfer from Reserve to Capital Projects			<u>-</u> (A1a)
Transfer from G/F to SRF for Preschool - Regular			<u>-</u> (A1a)
Transfer from G/F to SRF for Preschool - Inclusion			<u>1,633,240</u> (A1a)
Less:			
Expenditures Allocated to Restricted Federal Resources as Reported on Exhibit D-2			<u>(10,286,716)</u> (A1b)
2019-20 Adjusted General Fund & Other State Expenditures [(A) + (A1a) - (A1b)]		\$	<u>617,772,601</u> (A2)
Decreased by:			
On-Behalf TPAF Pension & Social Security		\$	<u>88,707,559</u> (A3)
Assets Acquired Under Capital Leases:			
General Fund 10 Assets Acquired Under Capital Leases reported on Exhibit C-1a		\$	<u>-</u> (A4)
Add:			
General Fund & State Resources Portion of Fund 15			
Assets Acquired Under Capital Leases:			
Assets Acquired Under Capital Leases in Fund 15 reported on Exhibit C-1a			<u>-</u> (A5)
Combined General Fund Contribution & State Resources % of Fund 15 Resources			
Reported on Exhibit D-2			<u>96.35%</u> (A6)
General Fund & State Resources Portion of Fund 15 Assets Acquired Under			
Capital Leases [(A5) x (A6)]			<u>-</u> (A7)
Total Assets Acquired Under Capital Leases [(A4) + (A7)]			<u>-</u> (A8)
2019-20 General Fund Expenditures [(A2) - (A3) - (A8)]		\$	<u>529,065,042</u> (A9)
2% of Adjusted 2019-2020 General Fund Expenditures [(A9) x 2%]		\$	<u>10,581,301</u> (A10)
Enter Greater of (A10) or \$250,000			<u>10,581,301</u> (A11)
Increased by: Allowable Adjustment*			<u>1,901,303</u> (K)
Maximum Unassigned Fund Balance [(A11) + (K)]		\$	<u>12,482,604</u> (M)

SECTION 2

Total General Fund - Fund Balances at June 30, 2020		\$	<u>77,061,836</u> (C)
Decreased by:			
Year-end Encumbrances			<u>(22,148,458)</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures			<u>-</u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**			<u>(13,761,343)</u> (C3)
Other Restricted Fund Balances****			<u>(608)</u> (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures			<u>(12,716,328)</u> (C5)
Total Unassigned Fund Balance [(C) - (C1) - (C2) - (C3) - (C4) - (C5)]		\$	<u>28,435,099</u> (U)

SECTION 3

Restricted Fund Balance - Excess Surplus***[(U) - (M)] IF NEGATIVE ENTER -0-		\$	<u>15,952,495</u> (E)
Summary:			
Restricted Excess Surplus -- Designated for Subsequent Year's Expenditures**		\$	<u>13,761,343</u> (C3)
Restricted Excess Surplus***[(E)]			<u>15,952,495</u> (E)
Total [(C3) + (E)]		\$	<u>29,713,838</u> (D)

* This adjustment line (line (K) as detailed below) is to be utilized for Impact Aid, Sale and Lease-back, Extraordinary Aid, Additional Nonpublic School Transportation Aid, and recognized current year School Bus Advertising Revenue, if applicable. Extraordinary Aid and Additional Nonpublic School Transportation Aid for 2019-20 received after June 30 is limited to the amount of revenue recognized in the audit year that was not appropriated.

**JERSEY CITY PUBLIC SCHOOLS
EXCESS SURPLUS CALCULATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Detail of Allowable Adjustments

Impact Aid	\$ - (H)
Sale & Lease-back	- (I)
Extraordinary Aid	1,901,303 (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)]	 \$ 1,901,303 (K)

** This amount represents the June 30, 2019 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 90031.

*** Amount must agree with the June 30, 2020 CAFR and Audit Summary Worksheet Line 90030.

**** Amount for Other Restricted/Reserved Fund Balance must be detailed for each source and request for approval to use amounts other than state imposed legal restrictions in the excess surplus calculation must be submitted to that Assistant to the Commissioner for Finance – Field Services prior to September 30.

- (N-1) Capital reserve at June 30, 2020
- (N-2) Maintenance reserve minimum required under EFCFA
- (N-3) Tuition reserve at June 30, 2020
- (N-4) Emergency reserve at June 30, 2020
- (N-5) School bus fuel offset reserve - current year - June 30, 2020
- (N-6) School bus fuel offset reserve - prior year year - June 30, 2020
- (N-7) Impact Aid general fund reserve at June 30, 2020
- (N-8) Impact Aid capital fund reserve at June 30, 2020

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	-
Sale/lease-back reserve	-
Capital reserve (N-1)	608
Maintenance reserve (N-2)	-
Tuition reserve (N-3)	-
Emergency reserve (N-4)	-
School Bus Advertising 50% Fuel Offset Reserve - current year (N-5)	-
School Bus Advertising 50% Fuel Offset Reserve - prior year (N-6)	-
Impact Aid General Fund Reserve (Sections 8002 and 8003) (N-7)	-
Impact Aid Capital Fund Reserve (Sections 8007 and 8008) (N-8)	-
 [Other Restricted Fund Balance not noted above]****	 -
 Total Other Restricted Fund Balance	 \$ 608 (C4)

**JERSEY CITY PUBLIC SCHOOLS
AUDIT RECOMMENDATIONS SUMMARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

Finding 2020-001 (CAFR Finding 2020-001)

The District aggregate compensated absences and calculate value of liability at year end for reporting purposes and monitor the accuracy and completeness of compensated absences tracking.

3. School Purchasing Programs

None

4. School Food Services

None

5. C.A.S.P.E.R. Program – Enterprise Fund

None

6. Unemployment Compensation Insurance Trust Fund

Finding 2020-002:

The District increase level of qualified staffing and resources to adequately review and dispute any discrepancies in unemployment claims on a timely basis.

7. Student Body Activities

None

8. Application for State School Aid

None

9. Pupil Transportation

Finding 2020-003:

The District maintain accurate and complete District Report of Transported Resident Students (DRTRS) information so that it can timely submit reports before State's filing deadline.

10. Facilities and Capital Assets

None

11. Testing for Lead and All Drinking Water in Educational Facilities

None

12. Status of Prior Year Audit Findings/Recommendations

Corrective action had been taken on all prior year findings.