



**NEWARK BOARD OF EDUCATION  
COUNTY OF ESSEX, NEW JERSEY**

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

**JUNE 30, 2020**

**NEWARK BOARD OF EDUCATION  
AUDITORS' MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS–  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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## Independent Auditors' Report

President and Members  
of the Board of Education  
Newark Board of Education  
County of Essex, 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 Newark Board of Education, in the County of Essex, for the year ended June 30, 2020, and have issued our report thereon dated February 4, 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 solely for the information of the Newark Public School's management and Board members and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Scott A. Clelland  
Licensed Public School Accountant  
No. 1049

WISS & COMPANY, LLP

February 4, 2021  
Florham Park, New Jersey

**Newark Board of Education  
Administrative Findings-Financial,  
Compliance and Performance**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Moneys, 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

Insurance coverage was carried in the amounts as detailed on J-20, Insurance Schedule contained in the District's 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>
Evan S. Gillingham	Treasurer of School Monies	\$3,000,000

There is a Public Employee's Faithful Blanket Position Bond with Fidelity Insurance Company covering all other employees with coverage of \$200,000.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. Adjustments to the billings to sending districts for the change in per pupil costs, in accordance with *N.J.A.C 6A:23A-17.1(f)3*, was required.

**Financial Planning, Accounting and Reporting**

Examination of Claims

An examination of claims paid during the period did not identify 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 payroll account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the payroll agency account.

All payrolls tested were approved by the School Business Administrator and Payroll Director and reviewed by the Finance Committee of the Board.

**Newark Board of Education  
Administrative Findings-Financial,  
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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 Treasurer of School Monies with a warrant made to his order for the full amount of each payroll.

A review of the Position Control Roster found it to be consistent with payroll records, employee benefit records (e.g. pension reports and health benefit coverage reports) and the general ledger accounts to where wages are posted (administrative versus instruction).

The following was noted related to health benefits:

**Finding 2020-002**

*Finding:*

While the District has made progress regarding the removal and updating of employee health benefit elections, the District did not always follow internal policies and procedures with respect to the removal of terminated employees from the monthly health benefit billings. During our testing of the District's April 2020 health benefits extract, we noted the District incurred costs for several former employees that were no longer eligible for District health benefits. Upon further review, we identified that the District was delayed in terminating the benefits of three employees, the employees were listed as inactive by the benefit provider in their system, but were still included in the bill. We identified four individuals included on the bill that the District was unable to identify as employee or dependent. We also identified six employees that were not included on the bill, however were eligible and had elected for District health coverage.

*Recommendation:*

We suggest the District continue to strengthen its internal controls relating to the timely removal of employees from the District's health insurance coverage and timely submissions of employees' changes in coverage elections to the health insurance company to ensure the District is charged accurately for health benefits at the time of the employee's separation from the District or change in election of coverage. The District continues to make progress and anticipates that the mandatory open enrollment in January 2021 along with the automation of their control processes will correct the issue.

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. Subsequent to the end of the fiscal year, the District performed an analysis of accounts payable and open purchase orders and made entries to properly classify the account balances. Our testing identified the following:

**Newark Board of Education  
Administrative Findings-Financial,  
Compliance and Performance**

**Finding 2020-003**

*Finding:*

During our review of accounts payable and open purchase orders, we noted instances, identified throughout various testing, where the District did not issue a purchase order prior to goods being received or services being rendered (confirming order). The District continues to make progress decreasing the number of instances. Additionally, the majority of the items identified did have authorization purchase forms approved prior to payment.

*Recommendation:*

We suggest the District strengthen internal controls and procedures to ensure that all purchase orders that are issued to vendors for goods or services be approved prior to the vendor providing those goods or services.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6A:23A-16.2(f)* as part of our test of transactions of randomly and haphazardly 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 selected targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A:23A-8.3*. As a result of the procedures performed, a transaction error rate of 0.0% was noted and no additional procedures were deemed necessary to test the propriety of expenditure classifications.

Board Secretary's Records

Our review of financial and accounting records maintained by the Board Secretary disclosed the following item:

**Finding 2020-004**

*Finding:*

During our testing of legal expenses, we noted the District's annual legal costs exceeded 130 percent of the statewide average per pupil. The District has kept costs consistent in the past two years from \$86 per pupil in the 2018 fiscal year to \$88 per pupil in the 2019 fiscal year.

*Recommendation:*

We suggest the District continue to follow the requirements of *N.J.A.C. 6A:23A-5.2* that requires school districts to establish policies setting forth strategies to minimize the costs of legal services that exceed 130 percent of the statewide average. We note the District continually strives to reduce this number, but based upon the size of the District and the number of legal cases it is extremely difficult to reduce the costs to \$57 per pupil.

**Newark Board of Education  
Administrative Findings-Financial,  
Compliance and Performance**

Treasurer's Records

Our review of the financial and accounting records maintained by the Treasurer did not disclose any exceptions.

Unemployment Compensation Insurance Trust Fund

The District 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 Fund. No exceptions were noted.

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 Comprehensive Annual Financial Report (CAFR). This section of the CAFR documents the financial position pertaining to the projects under E.S.E.A.

The study of compliance for E.S.E.A. did not identify any areas of noncompliance.

Other Special Federal and/or State Projects

The District's Special Projects were approved as listed on Schedule A (K-3) and Schedule B (K-4) 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.

The study of compliance for the special projects indicated the following instance of noncompliance that is required to be reported in accordance with 2 CFR 200.516(a) or State Circular 15-08.

**Finding 2020-001**

*Criteria:* In accordance with 7 CFR section 226.11(c) reimbursements are to be based upon daily meal counts recorded by the provider.

*Statement of Condition:* During our testing of the Child and Adult Food Care Program, we identified the District was unable to provide recorded meal counts that agreed to the reimbursements submitted. We selected 40 claims from various locations for testing. For 15 of the claims selected the support of recorded meals provided represented an underclaim of 2,023 meals. We expanded our sample and selected an additional 30 claims from various locations and found a net underclaim of 1,504 meals for 13 of the 30 additional claims. In total, we tested 70 claims from various locations where a total

**Newark Board of Education  
Administrative Findings-Financial,  
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of 136,842 individual meals were claimed and 140,369 individual meals were recorded on the District meal counts. This represents a net total of 3,527 meals underclaimed for 28 of the 70 selections.

*Questioned Costs:* Because the District provided support for more individual meals than they submitted for, no questioned costs were identified.

*Context:* During our testing of Federal grant compliance, we selected a sample of meals claimed for reimbursement and traced to supporting documentation. The District utilizes meal count tally sheets to record meal counts. The meal count sheets agree to attendance sheets. A nutrition specialist summarizes this data into a spreadsheet and sends the spreadsheet to the administrator responsible for submitting the reimbursement. The District was unable to provide us with the spreadsheets used to submit the vouchers and only provided the meal count sheets and the attendance sheets. Based upon discussions with District personnel, the individual receiving the spreadsheet does not agree the information provided to the tally sheets and solely relies on the nutrition specialists to provide accurate information on the spreadsheet.

*Cause and Effect:* The District closed its schools in March of 2020 due to the COVID-19 pandemic and as a result, many of the records needed to support the amounts claimed were not available from the school, which could have resulted in differences between underlying records and meals claimed. Without proper review of the meals submitted for reimbursement, the District can underclaim or overclaim the actual number of meals provided.

*Recommendation:* We suggest the District determine the most appropriate approach to ensure appropriate documentation is kept on file and is in agreement with reimbursement requests.

T.P.A.F. Reimbursement

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

*T.P.A.F. Reimbursement to the State for Federal Salary Expenditures*

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



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Non-Public State Aid

Our review of Non-Public State Aid did not identify any exceptions.

**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 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 \$19,000 for 2019-20.

The Newark 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.

Procedures were performed on a test basis, to indicate if any individual payments, contracts, or agreements were 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*.

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

No exceptions were noted during our testing procedures.

**School Food Service**

The school food service program was not selected as a major federal program. However, the program expenditures exceeded \$100,000 in federal support. Accordingly, we inquired of school management, or appropriate food service personnel, as to whether the School Food Authority (SFA) 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 SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. No exceptions were noted.

The financial transactions and statistical records of the school food service fund were reviewed on a test basis and are being maintained in satisfactory condition. The financial accounts, meal count records and eligibility applications were reviewed on a test-check basis. No exceptions were noted.

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*COVID – 19 EMERGENCY*

In accordance with the Governor’s Declaration of Emergency pertaining to the COVID 19 Virus all Public, Charter and Non-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, School Food Authorities (SFA) were required to institute alternate procedures to provide meals to Free and Reduced Price eligible students during the period of school closures.

Therefore, SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A.18A:18A-7. The SFAs were 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.

SFAs were 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.

The Statement of Revenues, Expenses, and Changes in Fund Net Position (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 SFA 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.

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

**Student Body Activities**

During our audit of the student activity funds, no exceptions requiring corrective action were noted.

**Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2019 Application for State School Aid (A.S.S.A.) 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 A.S.S.A. was compared to the District work papers with exceptions as presented in the Schedule of Audited Enrollments. The information that was included on the work papers was verified as presented in the Schedule of Audited Enrollments, with the exceptions listed below. The results of our procedures are presented in the Schedule of Audited Enrollments.

**Newark Board of Education  
Administrative Findings-Financial,  
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**Finding 2020-005**

*Finding:*

During our review of the District's ASSA, the following was identified:

- During our testing of the amounts reported on the ASSA as compared to District internal workpapers, the following was identified:
  - The total number of students reported on the ASSA as full-time on-roll was over-reported by 72 students while the total number of students reported on the ASSA as shared-time on-roll was over-reported by 111 students. A total of 37,099 full-time and part-time students were reported on the ASSA.
  - Out of 322 students selected in a sample of low-income students:
    - The District reported 2 as low income who, upon review were not eligible and were not receiving the services.
    - The District reported 1 student as attending a school other than the school the student attended.
- During our testing of the amounts reported on the ASSA as enrolled in private school as compared to District internal workpapers, we noted the District was unable to provide support for 16 of 129 students selected:
  - The District was unable to provide an October 2019 tuition bill and unable to confirm the student's attendance at the private school for 5 students.
  - The District provided IEPs for 6 students that did not cover the reporting date, and therefore could not be verified.
  - The District was unable to provide a tuition contract or October billing statement for 6 students. Upon further review, it was noted that these 6 students were misclassified as private school students on the ASSA.
  - For 1 selected student the District was unable to provide any verification the student was enrolled in a private school as of October 15, 2019. This student is considered improperly included in the private school population.
- During our testing of the amounts reported on the ASSA, we compared the amount of students reported with District attendance records and IEPs (when required). For a sample of 2,280 students, the following was noted:
  - The District reported 6 students as attending a school other than the school the student attended.
  - The District was unable to provide attendance records for the District's Adult High school program, with a total of 73 full-time students and 110 part-time students reported.
  - The attending school listed on the District provided IEP and attendance record for 6 students did not agree to the school as reported on the ASSA.

*Recommendation:*

We suggest that the District strengthen its internal controls to ensure that the students listed on the ASSA reports are properly supported by District records and reported correctly.

**Newark Board of Education  
Administrative Findings-Financial,  
Compliance and Performance**

**Pupil Transportation**

Because Transportation Aid was not tested as a major program in the 2020 fiscal year, our audit procedures did not include a test of on-roll status reported in the 2019-2020 District Report of Transported Resident Students (DRTRS). We did agree the information presented on the DRTRS by the County/NJDOE and compared to the information presented by the District with two minor exceptions.

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. The bid specifications for the purchase of buses or contracted services for pupil transportation were in compliance with applicable statutes. 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 New Jersey Schools Development Authority (“NJSDA”) grant agreements for consistency with recording NJSDA revenue and awarding of contracts for eligible facilities construction. No exceptions were noted during our testing procedures.

**Testing for Lead of All Drinking Water in Educational Facilities**

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

**Miscellaneous**

*Student Activity Funds*

During our testing of student activity fund receipts and disbursements, we noted immaterial instances of noncompliance related to the timeliness of deposits and deposited amounts not always agreeing to receipt records. A recommendation was not included in this report, as the District continues to implement new oversight procedures related to student activity funds and the District had already identified the exceptions as part of its internal procedures.

**Newark Board of Education  
Administrative Findings-Financial,  
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**Follow-up on Prior Year Findings**

In accordance with *Government Auditing Standards*, our procedures included a review of all prior year recommendations. Corrective action has been taken on all prior year findings with the exception of the following, which are repeated in this year's recommendations.

- Terminated employees were not timely removed from the District's health benefits system.
- Purchase orders not always being approved prior to goods being received or services being rendered (confirming orders).
- Legal costs exceeded 130 percent of the statewide average per pupil. The District has made progress reducing this number, but based upon the size of the District and the number of legal cases it is extremely difficult to reduce the costs to \$57 per pupil.
- Findings related to the District's Application for State School Aid.

**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.

**SCHEDULE OF AUDITED ENROLLMENTS**

**NEWARK BOARD OF EDUCATION**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2019**

	2020-21 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Registers On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verification	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool - 3 yrs	757		806		(49)		86		86							
Full Day Preschool - 4yrs	1,100	1	950		150	1	70		68		2					
Half Day Kindergarten																
Full Day Kindergarten	2,250		2,177		73		143		141		2					
One	2,433		2,361		72		86		84		2					
Two	2,417		2,365		52		109		109							
Three	2,305		2,248		57		92		88		4					
Four	2,337		2,295		42		128		124		4					
Five	2,288		2,254		34		95		92		3					
Six	2,326		2,299		27		62		57		5					
Seven	2,382		2,359		23		114		111		3					
Eight	2,254		2,242		12		87		87							
Nine	2,155		2,071		84		165		165							
Ten	1,921		1,958		(37)		192		191		1					
Eleven	1,809		1,854		(45)		408		414		(6)					
Twelve	2,022		2,029		(7)		370		383		(13)					
Post-Graduate																
Adult H.S. (15+CR.)	73		109		(36)		73		106		(33)					
Adult H.S. (1-14 CR.)		110	66		(66)	110			6		(6)					
Subtotal	30,829	111	30,443	-	386	111	2,280	-	2,312	-	(32)	-	-	-	-	-
Special Ed - Elementary	2,927		3,142		(215)		89		92		(3)		33	11	10	1
Special Ed - Middle School	1,623		1,691		(68)		74		74				46	23	23	
Special Ed - High School	1,605	4	1,636	4	(31)		220	4	223		(3)		147	95	80	15
Unallocated																
Subtotal	6,155	4	6,469	4	(314)	-	383	4	389	-	(6)	-	226	129	113	16
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	36,984	115	36,912	4	72	111	2,663	4	2,701	-	(38)	-	226	129	113	16
Percentage Error					0.20%	96.52%					-1.43%	0.00%				12.40%

**NEWARK BOARD OF EDUCATION  
APPLICATION FOR STATE SCHOOL AID SUMMARY  
ENROLLMENT AS OF OCTOBER 15, 2019**

**SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident Low Income</u>			<u>Sample for Verification</u>			<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>		
	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 - 3 yrs	477	477		5	5							
Full Day Preschool - 4yrs	784	782	2	4	4							
Half Day Kindergarten												
Full Day Kindergarten	1,733	1,722.00	11	16	16		398	396	2	18	18	
One	2,150	2,098	52	33	33		482	471	11	21	21	
Two	2,134	2,089	45	27	26	1	618	607	11	26	26	
Three	2,007	1,965	42	33	33		530	521	9	22	22	
Four	2,050	2,011	39	22	22		489	480	9	16	16	
Five	1,969	1,942	27	18	17	1	374	369	5	12	12	
Six	2,001	1,988	13	12	12		319	317	2	9	9	
Seven	2,003	1,983	20	19	19		335	333	2	16	16	
Eight	1,889	1,872	17	26	25	1	285	285		17	17	
Nine	1,547	1,541	6	17	17		232	231	1	12	12	
Ten	1,487	1,480	7	10	10		200	196	4	9	9	
Eleven	1,359	1,357	2	15	15		200	200		11	11	
Twelve	1,442	1,436	6	12	12		216	215	1	7	7	
Post-Graduate		1	(1)									
Adult H.S. (15+CR.)		3	(3)									
Adult H.S. (1-14 CR.)		8	(8)									
Subtotal	25,032	24,755	277	269	266	3	4,678	4,621	57	196	196	-
Special Ed - Elementary	2,611	2,831	(220)	26	26		355	402	(47)	11	11	
Special Ed - Middle	1,453	1,503	(50)	13	13		79	83	(4)	2	2	
Special Ed - High	1,331	1,355	(24)	14	14		53	59	(6)	2	2	
Subtotal	5,395	5,689	(294)	53	53	-	487	544	(57)	15	15	-
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	30,427	30,444	(17)	322	319	3	5,165	5,165	-	211	211	-
Percentage Error			-0.06%			0.93%			0.00%			0.00%

	<u>Transportation</u>					
	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Regular - Public	6,903	6,903	-	-	-	-
Regular - Spec. Ed	3,767	3,765	2	-	-	-
Transported - Non-Public	1,705	1,705	-	-	-	-
Transported - Aid-In-Leu	546	546	-	-	-	-
Spec. Ed - Special needs	409	409	-	-	-	-
Totals	13,330	13,328	2	-	-	-
Percentage Error			0.02%			0.00%

**Note:** Detailed testing over DRTRS and Non-public transportation was not performed for the fiscal year ending June 30, 2020 as Transportation Aid was not tested as a major program in the current year for Single Audit purposes.

	Reported	Recalculated
Reg Avg.(Mileage) = Regular Including Grade PK students	3.3	-
Reg Avg.(Mileage) = Regular Excluding Grade PK students	3.3	-
Spec Avg. = Special Ed with Special Needs	8.1	-

**NEWARK BOARD OF EDUCATION**  
**APPLICATION FOR STATE SCHOOL AID SUMMARY**  
**ENROLLMENT AS OF OCTOBER 15, 2019**

**SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident LEP NOT Low Income</u>			<u>Sample for Verification</u>		
	<u>Reported on A.S.S.A. as NOT Low Income</u>	<u>Reported on Workpapers as NOT Low Income</u>	<u>Errors</u>	<u>Sample Selected from Workpapers</u>	<u>Verified to Application and Register</u>	<u>Sample Errors</u>
Full Day Preschool - 3 yrs						
Full Day Preschool - 4yrs						
Half Day Kindergarten						
Full Day Kindergarten	101	101		11	11	
One	41	38	3	2	2	
Two	67	67		6	6	
Three	58	58		7	7	
Four	61	61		3	3	
Five	43	43		3	3	
Six	45	45		5	5	
Seven	59	59		6	6	
Eight	74	74		10	10	
Nine	114	114		9	9	
Ten	95	95		5	5	
Eleven	96	96		13	13	
Twelve	124	124		14	14	
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)		1	(1)			
Subtotal	<u>978</u>	<u>976</u>	<u>2</u>	<u>94</u>	<u>94</u>	<u>-</u>
Special Ed - Elementary	28	31	(3)	4	4	
Special Ed - Middle	10	10		1	1	
Special Ed - High	7	7		2	2	
Subtotal	<u>45</u>	<u>48</u>	<u>(3)</u>	<u>7</u>	<u>7</u>	<u>-</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Totals	<u>1,023</u>	<u>1,024</u>	<u>(1)</u>	<u>101</u>	<u>101</u>	<u>-</u>
Percentage Error			<u>-0.10%</u>			<u>0.00%</u>



**Newark Board of Education**  
**Audit Recommendations Summary**  
**June 30, 2020**

We suggest the following:

**Administrative Practices and Procedures**

None

**Financial Planning, Accounting and Reporting**

2020-001 - We suggest the District determine the most appropriate approach to ensure appropriate documentation is kept on file and is in agreement with reimbursement requests related to the Child and Adult Food Care Program.

2020-002 - The District continue to strengthen its internal controls relating to the timely removal of employees from the District's health insurance coverage and timely submissions of employees' changes in coverage elections to the health insurance company to ensure the District is charged accurately for health benefits at the time of the employee's separation from the District or change in election of coverage.

2020-003 – The District strengthen internal controls and procedures to ensure that all purchase orders that are issued to vendors for goods or services be approved prior to the vendor providing those goods or services.

2020-004 - The District continue to follow the requirements of N.J.A.C. 6A:23A-5.2 that requires school districts to establish policies setting forth strategies to minimize the costs of legal services that exceed 130 percent of the statewide average. We note the District continually strives to reduce this number, but based upon the size of the District and the number of legal cases it is extremely difficult to reduce the costs to \$57 per pupil.

**School Purchasing Programs**

None

**School Food Service**

None

**Student Body Activities**

None

**Newark Board of Education**  
**Audit Recommendations Summary**  
**June 30, 2020**

**Application for State School Aid**

2020-005 - The District strengthen its internal controls to ensure that the students listed on the ASSA reports are properly supported by District records and reported correctly.

**Pupil Transportation**

None

**Facilities and Capital Assets**

None

**Miscellaneous**

None

**Status of Prior Year Findings**

All prior year findings were corrected, except the findings 2020-002, 2020-003, 2020-004 and 2020-005, which were repeated in the current year.