

**ADVISORY BOARD OF
EDUCATION OF THE
CITY OF CAMDEN
SCHOOL DISTRICT
COUNTY OF CAMDEN**

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

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

CITY OF CAMDEN SCHOOL DISTRICT
Auditor's Management Report on Administrative
Findings - Financial, Compliance and Performance

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

The State District Superintendent and
Members of the Advisory Board of Education
City of Camden School District
County of Camden, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Advisory Board of Education of the City of Camden School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2021, which were separately issued in the Annual Comprehensive Financial Report dated February 28, 2022.

As part of our audit, we also 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 issued in conjunction with the Annual Comprehensive Financial Report of the Advisory Board of Education of the City of Camden School District, for the fiscal year ended June 30, 2021, and is intended for the information of the School District's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Kirk N. Applegate
Certified Public Accountant
Public School Accountant No. 20CS00223300

Voorhees, New Jersey
February 28, 2022

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

SCOPE OF AUDIT

The audit covered the financial transactions of the Board Secretary / School Business Administrator, the activities of the Advisory Board of Education and the records of the various funds under the auspices of the Advisory 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 School District's Annual Comprehensive Financial Report (ACFR).

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Margaret M. McDonnell	Interim Board Secretary / School Business Administrator	\$ 1,090,000.00

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs were different from estimated costs. The School District made a proper adjustment to the billings to sending districts for the difference in per pupil costs in accordance with N.J.A.C. 6A:23A-17.1(f)3.

FINANCIAL PLANNING, ACCOUNTING, AND REPORTING

Examination of Claims

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

Payroll Account

The net salaries of sampled employees of the School District were deposited in the net payroll account. Employees' payroll deductions and the employer's share of fringe benefits were deposited in the payroll agency account.

Sampled payrolls were approved by the Board Secretary / School Business Administrator.

Sampled salary withholdings were not promptly remitted to the proper agencies, including health benefit premium withholdings due to the general fund.

Sampled payrolls were delivered to the Board Secretary who then deposited with warrants in separate bank accounts for net payroll and withholdings.

Finding No. 2021-001 (Prior Year Finding 2020-004)

Condition

The School District did not have good internal controls in place regarding the accurate and timely reporting of pension liabilities.

Recommendation

That the School District design and implement good internal controls that will ensure accurate and timely reporting of its pension liabilities.

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

Employee Position Control Roster

A sample of the Employee Position Control Roster indicated that it was in satisfactory condition and was approved by the county office submission with the 2020-2021 budget review checklist.

Encumbrances and Accounts Payable

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

Travel

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

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

Board Secretary's Records

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

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

The E.S.S.A. financial exhibits are contained within the special revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to the projects under Titles I, II, III and IV of the Every Student Succeeds Act.

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

Other Special Federal and / or State Projects

The School District's other special projects were approved as listed on exhibits K-3 and K-4 located in the ACFR.

Our audit of the federal and state funds on a sample basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

The financial exhibits are contained within the special revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to the aforementioned other special projects.

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

Other Special Federal and / or State Projects (Cont'd)

The audit of compliance for other special projects indicated the following reportable instances of noncompliance:

Finding No. 2021-005

Information on the Federal Program

Coronavirus Relief Funds

Federal Assistance Listing No. 21.019

Condition

The School District did not obtain subrecipient monitoring reports for the Coronavirus Relief Funds that were passed through to renaissance schools as required by Uniform Guidance, Section CFR 200.331(d).

Recommendation

That the School District comply with Uniform Guidance, Section CFR 200.331(d) by obtaining subrecipient monitoring reports for Federal awards that are passed through to renaissance schools.

Finding No. 2021-006

Information on the State Program

Special Education Cluster:

I.D.E.A. Part B – Basic

Federal Assistance Listing No. 84.027

I.D.E.A. Part B – Preschool

Federal Assistance Listing No. 84.173

Condition

The School District incorrectly reported expenditures and budget amounts on its maintenance of effort (M.O.E.) calculation reported to the State. This resulted in the School District not providing accurate information to the State that is used to determine if the maintenance of effort requirements were met as required by the Individuals with Disabilities Education Act (I.D.E.A.), section CFR 300.203(b)(2).

Recommendation

That the School District comply with Individuals with Disabilities Education Act (I.D.E.A.), section CFR 300.203(b)(2) requirements by filing an I.D.E.A. grant application, maintenance of effort calculation, that includes expenditures and budget amounts that agree with School District records.

TPAF Reimbursement

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

TPAF Reimbursement to the State for Federal Salary Expenditures

The amount of the expenditure charged to the current year's final 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 and N.J.S.A. 18A:66-90. The expenditure was inspected subsequent to the reimbursement and the following exception was noted:

Finding No. 2021-002 (Prior Year Finding 2020-005)

Condition

Payroll documentation was not provided that supported the amounts reported on the School District's Reimbursement to the State of New Jersey form listing all federally funded contractual salaries. Additionally, documentation that was provided with the form could not be reconciled with payroll records or budget reports.

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

TPAF Reimbursement to the State for Federal Salary Expenditures (Cont'd)

Finding No. 2021-002 (Prior Year Finding 2020-005) (Cont'd)

Recommendation

That the School District retain and provide audit documentation that utilizes proper base wages and allocations in order to generate accurate numbers that are reported on its Reimbursement to the State of New Jersey form listing all federally funded contractual salaries as required by N.J.S.A. 18A:66-90.

SCHOOL PURCHASING PROGRAMS

Contracts and Agreements Requiring Advertisement for Bids

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

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

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

<http://www.njleg.state.nj.us/>

The bid thresholds in accordance with N.J.S.A. 18A:18A-2 and 18A:18A-3(a) are \$44,000.00 (with a Qualified Purchasing Agent) and \$32,000.00 (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 \$19,000.00 for 2020-21.

The School District's State District Superintendent has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the contract year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Based on the results of our audit, we did not note any individual payments, contracts, or agreements made for the performance of any work or goods or services, in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

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

Finding No. 2021-007

Information on the State Program

State Aid Public:

Equalization Aid	G.M.I.S. No. 495-034-5120-078
Special Education Categorical Aid	G.M.I.S. No. 495-034-5120-089
Security Aid	G.M.I.S. No. 495-034-5120-084
Adjustment Aid	G.M.I.S. No. 495-034-5120-085

Condition

The District did not completely comply with purchasing, bids, national cooperative contracts, quotations and state contract requirements and guidance provided by N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law) and New Jersey Administrative Code.

Recommendation

That the School District comply completely with purchasing, bids, national cooperative contracts, quotations and state contract requirements and guidance provided by N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law) and New Jersey Administrative Code.

SCHOOL FOOD SERVICE

Public Health Emergency

In accordance with the Governor's Declaration of Emergency pertaining to the public health emergency all public, charter, 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.

During fiscal year 2020-2021, the public health emergency was still applicable. As a result, School Food Authorities (SFAs) were required to provide meals in accordance with the regulations governing the National School Nutrition Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) option.

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 all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

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 financial transactions and statistical records of the school food service fund were audited. The financial accounts, meal count records, and eligibility applications were tested on a sample basis. Exceptions were noted.

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

The School District utilizes a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC cost reimbursable or fixed price or non-competitive emergency procurement contract / addendum were inspected and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will break even. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the food service account and reconciled to supporting documentation at least annually.

Expenditures should be separately recorded as food, labor, and other costs. Vendor invoices were sampled and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

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.

The SFA recorded and maintained separate supporting documentation for additional costs (food, supplies, transportation, etc.) applicable to the implementation of the COVID-19 meal service under SSO or SFSP program requirements.

The FSMC did not apply for and receive a loan in accordance with the Paycheck Protection Plan (PPP).

27600

SCHOOL FOOD SERVICE (CONT'D)

Net cash resources did exceed three months average expenditures.

Finding No. 2021-004

Information on the Federal Program

Child Nutrition Cluster:

School Breakfast Program	Federal Assistance Listing No. 10.553
National School Lunch Program	Federal Assistance Listing No. 10.555
National School Lunch Program (COVID EMOP)	Federal Assistance Listing No. 10.555
Summer Food Service Program for Children	Federal Assistance Listing No. 10.559

Condition

The School District did not limit its net cash resources to three months average expenditures for its school food service fund as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

Recommendation

That the School District develop a plan to reduce the food service fund's net cash resources below its three month average expenditures as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

Sampled time sheets were tested and labor costs verified. Payroll records were maintained on all sampled school food service employees authorized by the School District. 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. Reimbursement claims were submitted / certified in a timely manner. The following item was noted:

Finding No. 2021-003 (Prior Year Finding 2020-010)

Information on the Federal Program

Child Nutrition Cluster:

School Breakfast Program	Federal Assistance Listing No. 10.553
National School Lunch Program	Federal Assistance Listing No. 10.555
National School Lunch Program (COVID EMOP)	Federal Assistance Listing No. 10.555
Summer Food Service Program for Children	Federal Assistance Listing No. 10.559

Condition

One food service daily meal count report did not agree with the School District's edit check worksheets that detail the number of meals served and provides the number of meals used to determine the amount of Federal reimbursement.

Recommendation

That the School District's food service daily meal count reports agree with the edit check worksheets in an effort to request the appropriate amount of Federal reimbursement.

Sampled applications for free and reduced price meals were tested for completeness and accuracy. The number of free and reduced price meals claimed as served was compared to the number of valid applications and / or to the list of directly certified students on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy was inspected for uniform administration throughout the school system. The required verification procedures for free and reduced price applications were completed and available for audit.

USDA Food Distribution Program (food and / or commodities) were received and a single inventory was maintained on a first-in, first-out basis. No exceptions were noted.

The statement of revenues, expenses, and changes in fund net position (ACFR exhibit B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

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

STUDENT BODY ACTIVITIES

Our audit of the financial and accounting records for student activities indicated that they were in satisfactory condition.

APPLICATION FOR STATE SCHOOL AID

Our audit procedures included a sample of information reported in the October 15, 2020 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, low-income, and bilingual. We also performed an inspection of the School District procedures related to its completion. The information on the A.S.S.A. was compared to the School District workpapers with certain exceptions noted. The information that was included on the workpapers was verified with certain exceptions. The results of our procedures are presented in the schedule of audited enrollments. The following item was noted:

Finding No. 2021-008 (Prior Year Finding 2020-017)

Information on the State Program

State Aid Public:	
Equalization Aid	G.M.I.S. No. 495-034-5120-078
Special Education Categorical Aid	G.M.I.S. No. 495-034-5120-089
Security Aid	G.M.I.S. No. 495-034-5120-084
Adjustment Aid	G.M.I.S. No. 495-034-5120-085
Preschool Education Aid	G.M.I.S. No. 495-034-5120-086

Condition

The School District’s workpapers and corresponding documentation did not agree with the submitted A.S.S.A. report and as a result, differences were identified.

Recommendation

That the School District’s workpapers and corresponding documentation agree with the submitted A.S.S.A. report.

PUPIL TRANSPORTATION

Our audit procedures included a sample of on-roll status reported in the 2020-2021 District Report of Transported Resident Students (DRTRS). The information that was reported on the DRTRS was verified to the DRTRS Eligibility Summary Report with certain exceptions noted. The results of our procedures are presented in the schedule of audited enrollments.

Finding No. 2021-009 (Prior Year Finding 2020-018)

Information on the State Program

Transportation Aid	G.M.I.S. No. 495-034-5120-014
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Condition

Our examination of the School District’s District Report of Transported Resident Students (D.R.T.R.S) revealed reported students who could not be traced to attendance records and documentation that did not support the School District’s classifications.

Recommendation

That the School District’s District Report of Transported Resident Students (D.R.T.R.S.) report students who can be traced to attendance records and retain documentation that supports the District’s classifications.

FACILITIES AND CAPITAL ASSETS

Our audit of the financial and accounting records for facilities and capital assets indicated that they were in satisfactory condition.

MISCELLANEOUS

Continuing Disclosure Agreements

Not applicable - no outstanding bonds.

Testing for Lead of All Drinking Water in Education Facilities

The School District complied with all the requirements of N.J.A.C. 6A: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).

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

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

<u>Prior Year Finding No.</u>	<u>Current Year Finding No.</u>
2020-004	2021-001
2020-005	2021-002
2020-010	2021-003
2020-017	2021-008
2020-018	2021-009

There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2021.

ACKNOWLEDGMENT

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

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Kirk N. Applegate
Public School Accountant No. 20CS00223300

CITY OF CAMDEN SCHOOL DISTRICT
 Schedule of Meal Count Activity
 Food Service Fund
 Number of Meals Served and (Over) / Underclaim - Federal
 Enterprise Fund
 For the Fiscal Year Ended June 30, 2021

<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>Estimated (Over) / Under Claim</u>
National School Lunch (High Rate)	Paid	-	-	-	-	\$ 0.3500	\$ -
	Reduced	-	-	-	-	3.1300	-
	Free	-	-	-	-	3.5300	-
	Total	-	-	-	-		-
National School Lunch	HHFKA - PB Lunch Only	16,712	-	-	-	0.0700	-
School Breakfast (Regular Rate)	Paid	-	-	-	-	0.3200	-
	Reduced	-	-	-	-	1.5900	-
	Free	4,086	-	-	-	1.8900	-
	Total	4,086	-	-	-		-
Seamless Summer Option (SSO) Breakfast	Free	11,852	-	-	-	2.2600	-
	Lunch	16,712	-	-	-	3.5300	-
	Total	28,564	-	-	-		-
CACFP - Food	Free	477,047	21,820	21,820	-	3.5100	-
CACFP - Supplement	Free	477,047	21,820	21,820	-	0.9600	-
CACFP - Cash-in-lieu of USDA Foods	Free	477,047	21,820	21,820	-	0.2450	-
Summer Food Service (SFSP)	<u>Self-Prep Rates - Calendar Year 2020</u>						
	Breakfast	224,309	-	-	-	2.3750	-
	Lunch or Supper	224,629	4,641	4,641	-	4.1525	-
	Supplemental	-	-	-	-	0.9975	-
	Total	448,938	4,641	4,641	-		-
	<u>Self-Prep Rates - Calendar Year 2021</u>						
	Breakfast	554,882	-	-	-	2.4625	-
Lunch or Supper	544,366	15,823	35,823	20,000	4.3175	86,350.00	
Supplemental	-	-	-	-	1.0200	-	
Total	1,099,248	15,823	35,823	20,000		86,350.00	
Total Net Underclaim / (Overclaim)							\$ 86,350.00

CITY OF CAMDEN SCHOOL DISTRICT
 Schedule of Net Cash Resources
 Net Cash Resources Did Exceed Three Months of Expenditures
 Proprietary Funds - Food Service Fund
 For the Fiscal Year Ended June 30, 2021

<u>Net Cash Resources:</u>	<u>Food Service B - 4/5</u>	
ACFR	Current Assets	
B-4	Cash & Cash Equivalents	\$ 89,409.38
B-4	Due from Other Governments	3,671,574.63
B-4	Due from Other Funds	
B-4	Accounts Receivable	
B-4	Investments	
ACFR	Current Liabilities	
B-4	Less Accounts Payable	(1,036,862.29)
B-4	Less Accruals	
B-4	Less Due to Other Funds	
B-4	Less Unearned Revenue	
	Net Cash Resources	<u><u>\$ 2,724,121.72</u></u> (A)
 <u>Net Adjusted Total Operating Expense:</u>		
B-5	Total Operating Expenditures	\$ 7,765,054.37
B-5	Less Depreciation	<u>(95,146.60)</u>
	Adjusted Total Operating Expense	<u><u>\$ 7,669,907.77</u></u> (B)
 <u>Average Monthly Operating Expense:</u>		
	B / 10	<u><u>\$ 766,990.78</u></u> (C)
 <u>Three Times Monthly Average:</u>		
	3 X C	<u><u>\$ 2,300,972.33</u></u> (D)

TOTAL IN BOX A	\$ 2,724,121.72
LESS TOTAL IN BOX D	<u>\$ 2,300,972.33</u>
NET	<u><u>\$ 423,149.39</u></u>

From above:

A is greater than D, cash exceeds 3 X average monthly operating expenses.

D is greater than A, cash does not exceed 3 X average monthly operating expenses.

CITY OF CAMDEN SCHOOL DISTRICT
 Application for State School Aid Summary
 Schedule of Audited Enrollments
 Enrollment as of October 15, 2020

	2021-2022 Application for State School Aid						Sample for Verification						Private Schools for the 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 Verifi- cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Half Day Preschool																
Full Day Preschool	542		544		(2)			542		544		(2)				
Half Day Kindergarten																
Full Day Kindergarten	1,200		1,205		(5)			1,200		1,205		(5)				
One	1,281		1,287		(6)			1,281		1,287		(6)				
Two	1,253		1,260		(7)			1,253		1,260		(7)				
Three	1,190		1,195		(5)			1,190		1,195		(5)				
Four	1,123		1,129		(6)			1,123		1,129		(6)				
Five	1,003		1,009		(6)			1,003		1,009		(6)				
Six	1,088		1,094		(6)			1,088		1,094		(6)				
Seven	990		997		(7)			990		997		(7)				
Eight	1,005		1,011		(6)			1,005		1,011		(6)				
Nine	897		905		(8)			897		905		(8)				
Ten	789		796		(7)			789		796		(7)				
Eleven	676		682		(6)			676		682		(6)				
Twelve	631		638		(7)			631		638		(7)				
Post-Graduate																
Adult H.S. (15+CR.)																
Adult H.S. (1-14CR.)																
Subtotal	13,668	-	13,752	-	(84)	-		13,668	-	13,752	-	(84)	-	-	-	-
Special Education-Elementary	874		877		(3)			874		877		(3)	22	14	14	
Special Education-Middle School	778		782		(4)			778		782		(4)	18	12	7	5
Special Education-High School	704		707		(3)			704		707		(3)	77	54	46	8
Subtotal	2,356	-	2,366	-	(10)	-		2,356	-	2,366	-	(10)	117	80	67	13
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Subtotal	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-
Totals	16,024	-	16,118	-	(94)	-		16,024	-	16,118	-	(94)	117	80	67	13
Percentage Error					<u>-0.58%</u>	<u>-</u>						<u>-0.59%</u>	<u>-</u>			<u>16.25%</u>

CITY OF CAMDEN SCHOOL DISTRICT
 Application for State School Aid Summary
 Schedule of Audited Enrollments
 Enrollment as of October 15, 2020

	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 Application, Test Score and Register	Sample Errors
Half Day Preschool												
Full Day Preschool	418	419	(1)	11	11							
Half Day Kindergarten												
Full Day Kindergarten	1,029	1,034	(5)	8	8		78	79	(1)	10	2	8
One	1,135	1,139	(4)	9	9		117	117		14	11	3
Two	1,078	1,082	(4)	13	13		156	157	(1)	29	28	1
Three	1,047	1,052	(5)	17	17		116	117	(1)	14	14	
Four	1,007	1,010	(3)	15	15		119	120	(1)	14	14	
Five	870	874	(4)	13	13		96	98	(2)	12	12	
Six	954	955	(1)	15	15		79	79		11	10	1
Seven	855	859	(4)	18	18		83	84	(1)	9	8	1
Eight	851	853	(2)	12	12		77	77		10	7	3
Nine	734	736	(2)	10	10		54	54		6	6	
Ten	584	585	(1)	28	28		68	68		1	1	
Eleven	488	489	(1)	18	18		49	49		3	2	1
Twelve	426	426		69	68	1	46	46		3	3	
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14CR.)												
Subtotal	11,476	11,513	(37)	256	255	1	1,138	1,145	(7)	136	118	18
Special Education-Elementary	761	763	(2)	11	10	1	107	107		17	14	3
Special Education-Middle School	678	682	(4)	27	27		87	87		9	9	
Special Education-High School	525	528	(3)	34	34		36	37	(1)	1	1	
Subtotal	1,964	1,973	(9)	72	71	1	230	231	(1.00)	27	24	3
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-
Totals	13,440	13,486	(46)	328	326	2	1,368	1,376	(8)	163	142	21
Percentage Error			<u>-0.34%</u>			<u>0.61%</u>			<u>-0.58%</u>			<u>12.88%</u>

	Transportation							Reported	Re-Calculated
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors			
Reg. - Public Schools, Col. 1	2,547	2,547		196	156	40	Reg. Avg. (Mileage) = Regular Including Grade PK students (Part A)	3.5	3.6
Reg. - SpEd, Col. 4	362	362		29	25	4	Reg. Avg. (Mileage) = Regular Excluding Grade PK students (Part B)	3.6	3.6
Transported - Non-Public, Col. 3	257	257		19	19		Spec. Avg. (Mileage) = Special Ed. with Special Needs	3.8	3.8
Special Needs, Col. 6	755	755		59	56	3			
Totals	3,921	3,921	-	303	256	47			
Percentage Error			<u>-</u>			<u>15.51%</u>			

CITY OF CAMDEN SCHOOL DISTRICT
 Application for State School Aid Summary
 Schedule of Audited Enrollments
 Enrollment as of October 15, 2020

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low <u>Income</u>	Reported on Workpapers as NOT Low <u>Income</u>	<u>Errors</u>	Sample Selected from <u>Workpapers</u>	Verified to Test Score and Register	Sample <u>Errors</u>
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	12	12		1		1
One	26	26		6	6	
Two	44	44		14	12	2
Three	32	32		7	7	
Four	34	35	(1)	15	15	
Five	20	20		5	4	1
Six	24	24		11	10	1
Seven	15	15		4	4	
Eight	17	17		6	5	1
Nine	15	15		5	4	1
Ten	41	41		13	11	2
Eleven	22	23	(1)	6	6	
Twelve	33	33		8	8	
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14CR.)						
Subtotal	<u>335</u>	<u>337</u>	<u>(2)</u>	<u>101</u>	<u>92</u>	<u>9</u>
Special Education-Elementary	25	25		10	7	3
Special Education-Middle School	15	15				
Special Education-High School	11	11		5	4	1
Subtotal	<u>51</u>	<u>51</u>	<u>-</u>	<u>15</u>	<u>11</u>	<u>4</u>
Co. Voc. - Regular						
Co. Voc. Ft. Post Sec.						
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>386</u>	<u>388</u>	<u>(2.00)</u>	<u>116</u>	<u>103</u>	<u>13</u>
Percentage Error			<u>-0.52%</u>			<u>11.21%</u>

EXCESS SURPLUS CALCULATION

SCHOOL BASED BUDGET DISTRICT

SECTION 1

4% Calculation of Excess Surplus

2020-21 Total General Fund Expenditures Reported on ACFR Exhibit C-1	<u>\$ 325,136,402.36</u> (A)
Increased by Applicable Operating Transfers:	
Transfer from Capital Outlay to Capital Projects Fund	<u>-</u> (A1a)
Transfer from Capital Reserve to Capital Projects Fund	<u>-</u> (A1a)
Transfer from General Fund to Special Revenue Fund for Preschool - Regular	<u>-</u> (A1a)
Transfer from General Fund to Special Revenue Fund for Preschool - Inclusion	<u>1,277,747.00</u> (A1a)
Less: Expenditures Allocated to Restricted Federal Resources as reported on Exhibit D-2	<u>11,050,678.00</u> (A1b)
2020-21 Adjusted General Fund & Other State Expenditures [(A)+(A1a)-(A1b)]	<u>\$ 315,363,471.36</u> (A2)
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>28,634,397.32</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>0%</u> (A6)
General Fund & State Resources Portion of Fund 15 Assets Acquired Under Capital Leases [(A5)*(A6)]	<u>-</u> (A7)
Total Assets Acquired Under Capital Leases [(A4)+(A7)]	<u>-</u> (A8)
2020-21 General Fund Expenditures [(A2)-(A3)-(A8)]	<u>\$ 286,729,074.04</u> (A9)
4% of Adjusted 2020-21 General Fund Expenditures [(A9) times .04]	<u>\$ 11,469,162.96</u> (A10)
Enter Greater of (A10) or \$250,000	<u>11,469,162.96</u> (A11)
Increased by: Allowable Adjustment *	<u>3,155,569.00</u> (K)
Maximum Unassigned Fund Balance [(A11)+(K)]	<u>\$ 14,624,731.96</u> (M)

EXCESS SURPLUS CALCULATION (CONT'D)

SCHOOL BASED BUDGET DISTRICT

SECTION 2

Total General Fund - Fund Balances at June 30, 2021	\$ 16,592,664.61 (C)
Decreased by:	
Year-end Encumbrances	184,622.32 (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	- (C2)
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures **	- (C3)
Other Restricted Fund Balances ****	2,500,001.00 (C4)
Assigned Fund Balance - Designated for Subsequent Year's Expenditures	2,019,866.21 (C5)
Total Unassigned Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	<u>\$ 11,888,175.08 (U)</u>

SECTION 3

Restricted Fund Balance - Excess Surplus *** [(U)-(M)] IF NEGATIVE ENTER -0-	<u>\$ - (E)</u>
--	-----------------

Recapitulation of Excess Surplus as of June 30, 2021

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

Footnotes:

* Allowable adjustment to expenditures on line K must be detailed as follows. This adjustment line (as detailed below is to be utilized when applicable for:

(H) Federal Impact Aid. The passage of P.L.2015, c.46 amended N.J.S.A. 18A:7F-41 to permit a board of education to appropriate federal impact aid funds to establish or supplement a federal impact aid legal reserve in the general fund. Accordingly, the Federal Impact Aid adjustment to expenditures is limited to the portion of Federal Impact Aid Section 8002 and Section 8003 received during the fiscal year and recognized as revenue on the General Fund Budgetary Comparison Schedule, but not transferred to the Federal Impact Aid Reserve – General (8002 or 8003) by board resolution during June 1 to June 30 of the fiscal year under audit. Amounts transferred to the reserve are captured on line (C4);

(I) Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10);

(J1) Extraordinary Aid;

(J2) Additional Nonpublic School Transportation Aid;

(J3) Recognized current year School Bus Advertising Revenue; and

(J4) Family Crisis Transportation Aid.

Detail of Allowable Adjustments

Federal Impact Aid	\$ - (H)
Sale & Lease-Back	- (I)
Extraordinary Aid	3,155,569.00 (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)]	<u>\$ 3,155,569.00 (K)</u>

EXCESS SURPLUS CALCULATION (CONT'D)

SCHOOL BASED BUDGET DISTRICT

Footnotes: (Cont'd)

- ** This amount represents the Excess Surplus (C3 above) generated during June 30, 2020 and must be included in the Audit Summary Line 90031. This amount was to be appropriated in the 2021-2022 general fund budget.
- *** Amounts must agree to the June 30, 2021 ACFR and must agree to Audit Summary Line 90030.
- **** Amount for Other Restricted 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 the Assistant Commissioner - Field Services prior to September 30.

Detail of Other Restricted Fund Balance

Statutory restrictions:

Approved unspent separate proposal	\$ -
Sale/lease-back reserve	-
Capital reserve (N-1)	1.00
Maintenance reserve (N-2)	1,500,000.00
Tuition reserve (N-3)	-
Emergency reserve (N-4)	1,000,000.00
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)	-
Restricted for Unemployment (N-9)	-
[Other Restricted Fund Balance not noted above]****	-
Total Other Restricted Fund Balance	<u>\$ 2,500,001.00 (C4)</u>

CITY OF CAMDEN SCHOOL DISTRICT
Audit Recommendations Summary
For the Fiscal Year Ended June 30, 2021

Recommendations:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

That the School District design and implement good internal controls that will ensure accurate and timely reporting of its pension liabilities.

That the School District retain and provide audit documentation that utilizes proper base wages and allocations in order to generate accurate numbers that are reported on its Reimbursement to the State of New Jersey form listing all federally funded contractual salaries as required by N.J.S.A. 18A:66-90.

That the School District comply with Uniform Guidance, Section CFR 200.331(d) by obtaining subrecipient monitoring reports for Federal awards that are passed through to renaissance schools.

That the School District comply with Individuals with Disabilities Education Act (I.D.E.A.), section CFR 300.203(b)(2) requirements by filing an I.D.E.A. grant application, maintenance of effort calculation, that includes expenditures and budget amounts that agree with School District records.

3. School Purchasing Programs

That the School District comply completely with purchasing, bids, national cooperative contracts, quotations and state contract requirements and guidance provided by N.J.S.A. 18A:18A-1 et seq. (Public School Contracts Law) and New Jersey Administrative Code.

4. School Food Service

That the School District's food service daily meal count reports agree with the edit check worksheets in an effort to request the appropriate amount of Federal reimbursement.

That the School District develop a plan to reduce the food service fund's net cash resources below its three month average expenditures as required by CFR Section 210.14 Resource Management (b) Net Cash Resources.

5. Student Body Activities

None

6. Application for State School Aid

That the School District's workpapers and corresponding documentation agree with the submitted A.S.S.A. report.

7. Pupil Transportation

That the School District's District Report of Transported Resident Students (DRTRS) report students who can be traced to attendance records and retain documentation that supports the District's classifications.

CITY OF CAMDEN SCHOOL DISTRICT
Audit Recommendations Summary (Cont'd)
For the Fiscal Year Ended June 30, 2021

Recommendations (Cont'd):

8. Facilities and Capital Assets

None

9. Miscellaneous

None

10. Status of Prior Year Audit Findings/Recommendations

A review was performed on the prior year recommendations and corrective action was taken on all prior year findings, with the exception of the following, which are repeated in this year's recommendations:

<u>Prior Year Finding No.</u>	<u>Current Year Finding No.</u>
2020-004	2021-001
2020-005	2021-002
2020-010	2021-003
2020-017	2021-008
2020-018	2021-009

