

**CAMDEN PREP, INC.**

**AUDITOR'S MANAGEMENT REPORT ON  
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE  
FOR THE YEAR ENDED JUNE 30, 2022**

**CAMDEN PREP, INC.**

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June 30, 2022

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Independent Auditor's Report

To the Board of Trustees of  
Camden Prep, Inc.:

**Report on the Financial Statements**

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 Camden Prep, Inc., in the County of Camden, as of and for the year ended June 30, 2022, and have issued our report thereon dated March 10, 2023.

As part of our audit, we performed procedures required by the New Jersey Department of Education and the findings as results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of Camden Prep, Inc.'s management, Board of Trustees and the New Jersey Department of Education. However, this report is a matter of public records and its distribution is not limited.

*AAFCPAs, Inc.*

Westborough, Massachusetts  
March 10, 2023

John R. Buckley, C.P.A.  
Public School Accountant  
PSA #20CS00271800

**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 Board of Trustees, and the records of the various funds under the auspices of the Board of Trustees.

**ADMINISTRATIVE PRACTICES AND PROCEDURES**

Insurance

Fire insurance coverage was carried in the amounts as detailed in Exhibit J-20, Insurance Schedule contained in the Renaissance School's Annual Comprehensive Financial Report (ACFR).

Official Bonds

<u>Name</u>	<u>Position</u>
Raj Taruvai	Director of Accounting

There is a Fidelity bond in the name of a related party, Uncommon Schools, Inc., which extends to the Renaissance School in the amount of \$1,000,000.

**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.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C. 6A23A-23A-16(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 state single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with *N.J.A.C. 6A23A-8.3*. As a result of the procedures performed, a transaction error rate of zero percent overall was noted, and no additional procedures were deemed necessary to test the propriety of expenditure classification.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the Payroll Agency Account.

All payrolls were approved by the designee in the Renaissance School and were certified by the President of the Board of Trustees and the School Business Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits premium.

Reserve for Encumbrances and Accounts Payable

A review of outstanding payables was made as of June 30, 2022, for proper classification of orders for accounts payable. No discrepancies were noted.

## **FINANCIAL PLANNING, ACCOUNTING AND REPORTING (Continued)**

### Board's Secretary Accounting Records

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

#### **Finding 2022-02:**

Within 60 days of the December month-end, or later upon approval of the executive county superintendent, every school district's board of education and charter school or renaissance school project board of trustees shall provide a copy of the school business administrator/board secretary's and treasurer's (where the BOE/BOT has elected to maintain the position) monthly financial reports to the executive county superintendent pursuant to N.J.A.C. 6A:23A-16.10(c)(4)(iv). (6A:23A-16.10 Budgetary controls and over expenditure of funds). These reports were submitted after the deadline.

#### *Recommendation:*

The Renaissance School should submit the required reports timely.

#### *Management Response:*

Efforts will be made to submit the required reports timely.

## **SCHOOL PURCHASING PROGRAMS**

### Student Body Activities

Our review of the student activities funds did not disclose any new exceptions during the year.

## **SCHEDULE OF AUDITED ENROLLMENTS**

### Enrollment Counts and Submissions to the Department

Our audit procedures included tests of information reported on the October 15, 2021, and the last day of school for on-roll, special education, bilingual, and low-income. We also performed a review of the Renaissance School's procedures related to its completion. The Renaissance School maintained adequate written procedures for the recording of student enrollment data. The results of our procedures are presented in the Schedule of Audit Enrollments. No exceptions noted.

#### **Finding 2022-01**

During our testing of Limited English Proficiency (LEP), Special Education (SPED) and Free or Reduced Plan (FRPL) enrollment and on-roll students enrollment, we noted that the number of students classified as LEP, SPED and FRPL per the NJ Smart report and the Renaissance School's internal tracking report did not agree.

#### *Recommendation:*

Management should keep supporting documentation to ensure all students are correctly entered in the NJ Smart report.

#### *Management Response:*

Efforts will be made to review and maintain the information to support numbers in the NJ Smart reports.

## **SCHEDULE OF AUDITED ENROLLMENTS (Continued)**

### Teacher's Pension and Annuity Fund (TPAF) Reimbursement to the State for Federal Salary Expenditures

As of June 30, 2022, the state has not reimbursed the Renaissance School for Social Security and pension related costs for TPAF employees. Therefore, this is not applicable for fiscal year 2022.

### 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 ACFR. This section of the ACFR documents the financial position pertaining to the projects under Titles I and VI of the Elementary and Secondary Education Act as amended. No exceptions noted.

### Other Special Federal and/or State Projects

The Renaissance School's Special Projects were approved as listed on Exhibit E-1 located in the ACFR.

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 ACFR. This section of the ACFR documents the financial position pertaining to the aforementioned special projects.

## **MISCELLANEOUS**

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

The Renaissance School 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 Renaissance School 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 FINDINGS**

In accordance with *Government Auditing Standards*, our procedures included a review of the prior year findings.

During our testing of Limited English Proficiency (LEP) and Special Education (SPED) and Free or Reduced Plan (FRPL) enrollment, we noted that the number of students classified as LEP, SPED and FRPL per the NJ Smart report and the Renaissance School's internal tracking report did not agree.

During our testing of Limited English Proficiency (LEP), Special Education (SPED), and Free or Reduced Plan (FRPL) students, we noted that the number of students classified per the NJ Smart report and the Renaissance School's internal tracking report did not agree. Though these discrepancies do not affect the billing for these students, there is a misclassification of students between the reports. This finding is still in process during the fiscal year 2022 audit.

## **ACKNOWLEDGEMENT**

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

**CAMDEN PREP, INC.**  
**APPLICATION FOR CHARTER SCHOOL AID**  
**ENROLLMENT COUNT AS OF OCTOBER 15, 2021**

Grades	Submission to DOE reported On Roll	Sample												
		Reported on workpapers	Verified signed registration forms	Errors	Verified # days enrolled	Errors	Special Ed/ Bilingual	Verified documentation	Errors	Verified # days Service Provided	Errors	Low Income	Verified documentation	Errors
Kindergarten	91	46	46	0	46	0	8	8	0	8	0	84	84	0
One	115	58	58	0	58	0	11	11	0	11	0	102	102	0
Two	153	77	77	0	77	0	17	17	0	17	0	143	143	0
Three	156	78	78	0	78	0	45	45	0	45	0	146	146	0
Four	147	74	74	0	74	0	30	30	0	30	0	139	139	0
Five	127	64	64	0	64	0	29	29	0	29	0	104	104	0
Six	84	42	42	0	42	0	21	21	0	21	0	68	68	0
Seven	86	43	43	0	43	0	18	18	0	18	0	74	74	0
Eight	60	30	30	0	30	0	17	17	0	17	0	51	51	0
Nine	66	33	33	0	33	0	20	20	0	20	0	61	61	0
Ten	65	33	33	0	33	0	17	17	0	17	0	59	59	0
<b>Total</b>	<b>1150</b>	<b>578</b>	<b>578</b>	<b>0</b>	<b>578</b>	<b>0</b>	<b>233</b>	<b>233</b>	<b>0</b>	<b>233</b>	<b>0</b>	<b>1031</b>	<b>1031</b>	<b>0</b>
Percentage				0%		0%			0%		0%			0%

**CAMDEN PREP, INC.**  
**APPLICATION FOR CHARTER SCHOOL AID**  
**ENROLLMENT COUNT AS OF THE LAST DAY OF SCHOOL**

Grades	Submission to DOE reported On Roll	Sample												
		Reported on workpapers	Verified signed registration forms	Errors	Verified # days enrolled	Errors	Special Ed/ Bilingual	Verified documentation	Errors	Verified # days Service Provided	Errors	Low Income	Verified documentation	Errors
Kindergarten	96	48	48	0	48	0	8	8	0	8	0	84	84	0
One	122	61	61	0	61	0	11	11	0	11	0	104	104	0
Two	161	81	81	0	81	0	17	17	0	17	0	147	147	0
Three	160	80	80	0	80	0	45	45	0	45	0	147	147	0
Four	156	78	78	0	78	0	32	32	0	32	0	138	138	0
Five	131	66	66	0	66	0	29	29	0	29	0	105	105	0
Six	91	46	46	0	46	0	21	21	0	21	0	66	66	0
Seven	88	44	44	0	44	0	18	18	0	18	0	73	73	0
Eight	65	33	33	0	33	0	18	18	0	18	0	53	53	0
Nine	73	37	37	0	37	0	21	21	0	21	0	59	59	0
Ten	70	35	35	0	35	0	17	17	0	17	0	57	57	0
<b>Total</b>	<b>1213</b>	<b>609</b>	<b>609</b>	<b>0</b>	<b>609</b>	<b>0</b>	<b>237</b>	<b>237</b>	<b>0</b>	<b>237</b>	<b>0</b>	<b>1033</b>	<b>1033</b>	<b>0</b>
Percentage				0%		0%			0%		0%			0%



It is recommended that:

1. Administrative Practices and Procedures

None

2. Financial Planning, Accounting and Reporting

*Recommendations:*

The Renaissance School should submit the required reports timely (see Finding 2022-02 on page 3).

Management should ensure all supporting documentation is kept on file (see Finding 2022-01 on page 3).

3. School Purchasing Program

None

4. School Food Service

Not applicable

5. Student Body Activities

Not applicable

6. Application for State and School Aid

None

7. Pupil Transportation

Not applicable

8. Facilities and Capital Assets

Not applicable

9. Miscellaneous

None

10. Status of Prior Year's Findings and Recommendations

Management should maintain supporting documentation to ensure all students are correctly entered in the NJ Smart.