JERSEY CITY PUBLIC SCHOOLS
AUDITOR'S MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL, COMPLIANCE AND PERFORMANCE
JUNE 30, 2025

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

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AUDITOR'S MANAGEMENT REPORT

Honorable President and
Members of the Board of Education
Jersey City Public Schools
Jersey City, 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 Jersey City Public Schools as of and for the fiscal year ended June 30, 2025 and have issued our report thereon dated February 24, 2026.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey 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 and use of Jersey City Public Schools' management, the Board of Trustees, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
February 24, 2026

Scope of Audit

The audit covered the financial transactions of the Business Administrator/Board Secretary and Board Designee for Cash Reconciliations, the activities of the Board of Education, 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 the Schedule of Insurance contained in the Statistical Section of the District's Annual Comprehensive Financial Report (the "ACFR").

Official Bonds

Name	Position	Amount
Dr. Francine Luce	School Business Administrator/ Board Secretary	$2,800,000
Charlotte Holowienka	Reconciliation Clerk	$2,800,000

There is a Public Employees' Faithful Performance Blanket Bond with the New Jersey School Boards Association Insurance Group covering all other employees with multiple coverage of $250,000.

P.L 2020, c. 44

Our audit procedures included an inquiry and subsequent review of health benefits data required per N.J.S.A. 18A:16-3.3 (Chapter 44) submitted for the year of audit. The Chapter 44 summary report was reviewed for reasonableness.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not indicate any material discrepancies with respect to signatures, certification or supporting documentation.

Payroll/Personnel

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

The District filed the required certification (E-CERT1) of compliance with requirements for income tax compensation of certain administrators with the NJ Department of Treasury.

- **Finding 2025-1** – Our audit indicated that deposits into the payroll salary and payroll escrow bank accounts were not made in the total required amounts as reflected on the respective payroll register reports. Rather, transfers were made into these accounts as the individual payments were being made from the respective payroll account.

  Recommendation – Payroll transfers be made into the Salary and Salary Escrow accounts for the total amount required for each individual pay period as reflected on the respective payroll register reports.

Financial Planning, Accounting and Reporting (Continued)

Payroll/Personnel (Continued)

- **Finding 2025-2** – Our audit indicated that salaries of certain administrative personnel approved by the Board in the minutes were not supported by employment contracts. Such contracts are required to be submitted to the County for review and approval.

  Recommendation – Employment contracts for all required administrative personnel be maintained and be submitted to the County for review and approval.

Employee Position Control Roster

The Board has implemented and maintains a personnel tracking and accounting (Position Control) system.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered to determine that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered as of June 30.

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 expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection specifically targeted administrative coding classifications to determine overall reliability and compliance with N.J.A.C. 6A:23A-8.3.

Travel

The Board of Trustees has adopted a travel policy that complies with N.J.S.A. 18A:11-12.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in fair condition.

The prescribed contractual order system was followed with immaterial exceptions noted.

Bids received were summarized in the minutes (N.J.S.A. 18A:18A-21).

Acknowledgement of the Board's receipt of the Board Secretary and Treasurer's monthly financial reports was included in the minutes. The monthly certification of the availability of line item appropriations and fund balances were also approved.

Financial Planning, Accounting and Reporting (Continued)

Board Secretary's Records (Continued)

- **Finding 2025-3 (ACFR Finding 2025-001)** – Our audit indicated that the financial reporting system for the fiscal year ending June 30, 2025 was not closed for several months subsequent to year end, resulting in financial reporting misstatements related to the District's cash balances. In addition, checks for the 2024-25 fiscal year issued subsequent to year end were back dated and continued to be posted during the subsequent period.

  Recommendation – The financial reporting system be closed in a timely manner subsequent to year end to ensure accurate reporting and accounting of financial transactions at year-end and the practice of issuing current year checks in the subsequent period be discontinued.

- **Finding 2025-4** – Our audit indicated that documentation was unable to be provided to support the liabilities accrued by the District for salaries and wages at year-end.

  Recommendation – The District's liabilities for accrued salaries and wages be supported by adequate documentation to ensure the accuracy and validity of the amounts reported.

The Board Secretary's and Treasurer's monthly reports were presented to the Board on a timely basis and were submitted to the Executive County Superintendent as prescribed by N.J.S.A. 18A:17-9 and 18A:17-36.

- **Finding 2025-5** – Our audit indicated that the District did not obtain an actuarial report with respect to a calculation of Incurred But Not Reported (IBNR) claims pertaining to the self-insurance workers' compensation plan.

  Recommendation – The District obtain an actuary report with respect to Incurred But Not Reported (IBNR) claims for the self- insured workers compensation plan.

Cash Reconciliations

The Board designee did perform cash reconciliations for all accounts required.

All cash receipts were promptly deposited.

- **Finding 2025-6 (ACFR Finding 2025-002)** – Our audit indicated that the District's year-end reconciliation of the general operating bank account was revised several times, resulting in a significant variance between the cash balances reported on the District's financial records and the final reconciled bank account balance.

  Recommendation – Internal controls over the reconciliation of the general operating bank account at year-end be reviewed and enhanced to ensure the final reconciled balance is in agreement with the District's financial reports provided for audit.

Unemployment Compensation Insurance

The Board has adopted the direct reimbursement method and maintains an Unemployment Compensation Insurance bank account. The financial transactions related to unemployment are reported in the General Fund.

Financial Planning, Accounting and Reporting (Continued)

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 Title I, II, III, and IV of the Elementary and Secondary Education Act, as amended.

The audit indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

I.D.E.A. Part B

Separate accounting records were maintained for each approved grant program, project grant application approvals and acceptance of grant funds were made by Board resolution.

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.

- **Finding 2025-7 (ACFR Finding 2025-003)** – Our audit of employee salaries charged to the District's federal grant programs indicated the following:
  - Employees whose salaries were charged to the ESEA Title I, Title II and IDEA Part B grant programs were not approved in the minutes as federally funded employees.
  - Expenditures for certain employee salary accruals were charged to ESEA Title I and IDEA Part B grant programs via a year-end adjustment which could not be supported with a detail by individual employee.

  Recommendation – With respect to employee salaries funded by federal grant programs, it is recommended that:
  - Employees whose salaries are charged to federal grant programs be specifically approved in the official minutes by the Board.
  - In all instances, salaries charged to federal grant programs be supported by a detail report by individual employee.

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Exhibit K-3 and Exhibit K-4 located in the ACFR.

Our audit indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

T.P.A.F. Reimbursements

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.

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. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

Nonpublic State Aid

Project Completion Reports were finalized and transmitted to the State by the due date.

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 $44,000 (with a Qualified Purchasing Agent) and $32,000 (without a Qualified purchasing Agent), respectively. The law regulating bidding for public school student transportation contracts under N.J.S.A. 18A:39-3 is currently $22,400. The Board has designated the Business Administrator/Board Secretary as the qualified purchasing agent.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Board Attorney'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 the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

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

- **Finding 2025-8 (ACFR Finding 2025-004)** – Our audit of District contracts subject to the provisions of the Public School Contracts Law and State procurement regulations indicated the following:

    - Contract awards and purchases which exceeded the bid threshold were not approved in the minutes and therefore we were unable to determine the method of procurement.
    - Prevailing wage reports from certain vendors performing construction services were unable to be provided for audit.
    - Political Contribution Disclosure forms and Business Registration Certificates for vendors paid in excess of the threshold were not able to be provided for audit.
    - Post-award advertisement notices for certain professional service contracts were unable to be provided for audit.
    - Quotes were not obtained for certain purchases exceeding the statutory threshold.

  Recommendation - Internal controls over the awarding of contracts and purchases be reviewed and enhanced to ensure compliance with the Public School Contracts Law and State procurement regulations.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids (Continued)

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal, however, that purchases were made through the use of State contracts.

- **Finding 2025-9 (ACFR Finding 2025-004)** – Our audit of contracts procured through the use of State contracts and cooperative purchasing agreements indicated the following:

    - Certain purchase orders and invoices for vendor payments indicated the use of a State or cooperative purchasing contract. However, contract award documentation was unable to be provided for audit.

    - Per unit prices charged on vendor invoices for payment were not in agreement with the cooperative purchasing contract award documentation.

    - Vendor invoices for goods and services under cooperative purchasing contracts were not sufficiently detailed to determine compliance with contract award pricing.

  Recommendation – With respect to payments on contracts procured through the use of State contracts and local cooperative purchasing programs, it is recommended that:

    - Documentation to support the State and cooperative purchasing program contracts be maintained on file and made available for audit.

    - Vendor invoices submitted for payment be reviewed to ensure that per unit prices charged agree with State and cooperative purchasing program contract award documentation.

    - Vendor invoices be sufficiently detailed to ensure compliance with cooperative purchasing program contract award pricing.

- **Finding 2025-10 (ACFR Finding 2025-004)** – Our audit indicated that post-award notification to the State Comptroller's office was not made for certain contracts, the cost of which exceeded $2.5 million.

  Recommendation – Notification to the State Comptroller's office be made for contracts awarded in excess of statutory thresholds.

School Food Service

The school food service program was not selected as a major federal or state program. However, the program expenditures exceeded $100,000 in Federal and State support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. Exceptions were not 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. Exceptions were not noted.

The financial transactions and records of the school food service fund were reviewed. The financial accounts were reviewed on a test-check basis.

Cash receipts and bank records were reviewed for timely deposit.

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

Net cash resources did exceed three months average expenditures.

Time sheets were reviewed, and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid (ASSA).

USDA Food Distribution Program (food and/or commodities) were received and a single inventory was maintained on a first-in, first-out basis.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (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, Exhibits B-4 through B-6 of the ACFR.

CASPER Program

The financial records of the CASPER Program were accounted for in an Enterprise Fund and were maintained in good condition.

Student Body Activities

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

The financial records of the student activity accounts were maintained in satisfactory condition.

All cash disbursements tested had proper supporting documentation.

Application for State School Aid

Our audit procedures included a test of information reported in the October 15, 2024 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the disabled, bilingual and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to District workpapers without exception. The information that was included on the workpapers was verified with exceptions noted. The results of our procedures are presented in the Schedule of Audited Enrollments.

- **Finding 2025-11 (ACFR Finding 2025-005)** – Our audit of students reported on the ASSA and categorized as special education or as attending private schools for the disabled did not have an Individualized Education Program (IEP) in effect as of October 15, 2024.

  Recommendation – Student Individualized Education Program's (IEP's) be updated and in effect on the statutory date of the ASSA for special education and private schools for the disabled categories.

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 2024-2025 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report. The information on the DRTRS was verified with exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

- **Finding 2025-12 (ACFR Finding 2025-006)** – Our audit indicated of the DRTRS indicated the following:

  - An Individualized Education Program (IEP) was unable to be provided for certain students reported as special education students.

  - Certain students reported as special education did not have an IEP in effect or such IEP's did not include transportation as a requirement. In addition, certain students did not meet the remote mileage requirement for transportation services.

  - Tuition contracts and/or tuition bills were unable to be provided for certain students reported as attending out-of-district schools.

  Recommendation – Internal controls over the District Report of Transported Resident Students be reviewed and enhanced to ensure only those students eligible for transportation be reported and that documentation to support such eligibility be maintained and available for audit.

Pupil Transportation (Continued)

Our procedures also included a review of transportation related contracts and purchases.

- **Finding 2025-13 (ACFR Finding 2025-006)** – Our audit indicated that renewal contracts for student transportation services were not submitted to the County for review and approval in a timely manner. Certain contracts were not submitted while others were submitted up to twelve (12) months after approval by the Board.

  Recommendation – Contract renewals for student transportation services be submitted to the County for review and approval in a timely manner.

Facilities and Capital Assets

Our procedures included a review of the District's capital assets and related depreciation as well as current capital improvement projects.

Testing for Lead of all Drinking Water in Educational Facilities

The school district adhered to all 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 did submit 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 all prior year recommendations.

Suggestions to Management

- The District monitor the remittance of employee payroll deductions to the Internal Revenue Service through the Electronic Federal Tax Payment System.
- The District complete a list of all lease-purchase agreements, leases and subscription based information technology arrangements.
- Employee payroll deductions for summer savings be maintained in a separate bank account.
- A review be performed of the District's self-insured workers compensation program claims liability.
- A review be performed of enrollments in the Defined Contribution Retirement Plan (DCRP) to ensure all required employees are enrolled.
- The District develop a plan to eliminate the excess cash resources in the Food Service Fund.

JERSEY CITY PUBLIC SCHOOLS
FOOD SERVICE FUND
NUMBER OF MEALS SERVED AND (OVER)/UNDERCLAIM - FEDERAL
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Not Applicable

JERSEY CITY PUBLIC SCHOOLS
FOOD SERVICE FUND
NET CASH RESOURCE SCHEDULE
ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Current Assets			
	Cash & Cash Equiv.	$	11,611,466
	Due from Other Gov'ts		3,823,034
	Accounts Receivable		99,256
Current Liabilities			
	Less Accrued Salaries		(2,583)
	Less Due to Other Funds		(10,187,297)
	Less: Unearned Revenue		(59,751)
	Less: Compensated Absences		(15,798)
	Net Cash Resources	**$**	**5,268,327**
Net Adjusted Total Operating Expense:			
B-5	Total Operating Exp.		15,806,452
B-5	Less Depreciation		(66,952)
	Adjusted Total Operating Exp.	**$**	**15,739,500**
Average Monthly Operating Expense:		**$**	**1,573,950**
Three times monthly Average:		**$**	**4,721,850**

Total Net Cash Resources	$	5,268,327
Three Times Monthly Average	$	4,721,850
Amount Above Allowable Net Cash Resources	**$**	**546,477**

Net cash resources does exceed three times monthly average expenses.

SCHEDULE OF AUDITED ENROLLMENTS

JERSEY CITY PUBLIC SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	2025-2026 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 Verify-cation	Sample Verified	Sample Errors
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared				
Full Day Preschool 3 Years Olc	440		440				68		68		0					
Full Day Preschool 4 years old	1,591		1,591		0		106		107		(1)					
Half Day Kindergarten																
Full Day Kindergarten	1,663		1,663		0		194		194		0					
One	1,698		1,698		0		280		279		1					
Two	1,598		1,598		0		189		189		0					
Three	1,581		1,581		0		138		138		0					
Four	1,437		1,437		0		96		96		0					
Five	1,424		1,424		0		73		73		0					
Six	1,394		1,394		0		350		350		0					
Seven	1,379		1,379		0		427		427		0					
Eight	1,391		1,391		0		89		88		1					
Nine	1,555		1,555		0		511		510		1					
Ten	1,178		1,178		0		476		476		0					
Eleven	1,146		1,146		0		95		95		0					
Twelve	1,244		1,244		0		124		124		0					
Post-Graduate																
Adult H.S. (15+CR.)	539		539		0		539		539							
Adult H.S. (1-14 CR.)																
Subtotal	21,258	0	21,258	0	0	0	3,755	0	3,753	0	2	0	0	0	0	0
Special Ed - Elementary	1,702		1,702		0		35		26		9		29	9	9	0
Special Ed - Middle School	792		792		0		16		13		3		26	8	7	1
Special Ed - High School	916		916		0		19		12		7		46	14	11	3
Subtotal	3,410	0	3,410	0	0	0	70	0	51	0	19	0	101	31	27	4
Co. Voc. - Regular																
Co. Voc. Ft. Post Sec.																
Totals	24,668	0	24,668	0	0	0	3,825	0	3,804	0	21	0	101	31	27	4
Percentage Error					0.00%	-					0.55%	-				12.90%

SCHEDULE OF AUDITED ENROLLMENTS

JERSEY CITY PUBLIC SCHOOL DISTRICT
APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	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
Half Day Preschool												
Full Day Preschool												
Half Day Kindergarten												
Full Day Kindergarten	1,362	1,362	0	5	5	0	215	215		5	5	0
One	1,448	1,448	0	5	5	0	273	273		6	5	1
Two	1,386	1,386	0	5	5	0	293	293		7	7	0
Three	1,411	1,411	0	5	5	0	307	307		7	7	0
Four	1,303	1,303	0	5	5	0	273	273		6	6	0
Five	1,329	1,329	0	5	5	0	237	237		5	5	0
Six	1,363	1,363	0	5	5	0	212	212		5	5	0
Seven	1,360	1,360	0	5	5	0	238	238		5	5	0
Eight	1,347	1,347	0	5	5	0	214	214		5	5	0
Nine	1,371	1,371	0	5	5	0	259	259		6	6	0
Ten	1,039	1,039	0	4	4	0	176	176		4	4	0
Eleven	904	904	0	4	4	0	151	151		3	3	0
Twelve	945	945	0	3	3	0	148	148		3	3	0
Post-Graduate												
Adult H.S. (15+CR.)												
Adult H.S. (1-14 CR.)												
Subtotal	16,568	16,568	0	61	61	0	2,996	2,996	0	67	66	1
Special Ed - Elementary	1,541	1,541	0	5	5	0	149	150		3	3	0
Special Ed - Middle	864	864	0	3	3	0	94	95		2	2	0
Special Ed - High	917	917	0	4	4	0	59	59		1	1	0
Subtotal	3,322	3,322	0	12	12	0	302	304	0	6	6	0
Co. Voc. - Regular												
Co. Voc. Ft. Post Sec.												
Totals	19,890	19,890	0	73 (c)	73	0	3,298	3,300	0	73	72	1
Percentage Error			0.00%			0.00%			0.00%			1.37%

	Transportation					
	Reported on DRTRS by DOE/County	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools	2,651	2,651	0	180	172	8
Reg -Sp Ed	1,284	1,284	0	87	76	11
Transported - Non-Public	0	0	0	0	0	0
Special Ed - Spec Needs	536	536	0	36	35	1
Totals	4,471	4,471	0	303	283	20
Percentage Error			0.00%			6.60%

JERSEY CITY PUBLIC SCHOOL DISTRICT

SCHEDULE OF AUDITED ENROLLMENTS

APPLICATION FOR STATE SCHOOL AID SUMMARY
ENROLLMENT AS OF OCTOBER 15, 2024

	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	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool						
Full Day Preschool						
Half Day Kindergarten						
Full Day Kindergarten	108	108	0	8	8	0
One	94	94	0	7	7	0
Two	99	99	0	7	7	0
Three	93	93	0	7	7	0
Four	89	89	0	7	7	0
Five	76	76	0	6	6	0
Six	67	67	0	5	5	0
Seven	42	42	0	3	3	0
Eight	49	49	0	4	4	0
Nine	55	55	0	4	4	0
Ten	62	62	0	4	4	0
Eleven	49	49	0	3	3	0
Twelve	63	63	0	4	4	0
Post-Graduate						
Adult H.S. (15+CR.)						
Adult H.S. (1-14 CR.)						
Subtotal	946	946	0	69	69	0
Special Ed - Elementary	26	26	0	2	2	0
Special Ed - Middle	16	16	0	1	1	0
Special Ed - High	16	16	0	1	1	0
Subtotal	58	58	0	4	4	0
Co. Voc. - Regular						0
Co. Voc. Ft. Post Sec.						0
Totals	1,004	1,004	0	73	73	0
Percentage Error			0.00%			0.00%

JERSEY CITY PUBLIC SCHOOLS
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

2024-25 Total General Fund Expenditures Reported on Exhibit C-1	$ 911,827,075	
Increased by:		
Transfer from General Fund to Special Revenue Fund Pre-K	2,335,560	
Less: Expenditures Allocated to Restricted Federal Resources as Reported on Exhibit D-2	(9,962,786)	
Adjusted 2024-25 General Fund and Other State Expenditures		$ 904,199,849
Decreased by:		
On-Behalf TPAF Pension & Social Security		(128,348,905)
2024-25 General Fund Expenditures		$ 775,850,944
2% of Adjusted 2024-25 General Fund Expenditures		$ 15,517,019
Increased by:		
Allowable Adjustment *		1,914,959
Maximum Unassigned Fund Balance		$ 17,431,978
Total General Fund - Fund Balance at June 30, 2025 (Budgetary Basis)		$ 284,398,090
Decreased by:		
Reserved for Encumbrances	$ 24,819,811	
Other Restricted Fund Balance - Capital Reserve	12,739,608	
Excess Surplus, Designated for Subsequent Year's Expenditures	102,665,479	
Assigned, Designated for Subsequent Year's Expenditures	46,181,720	
		186,406,618
Total Unassigned Fund Balance		$ 97,991,472
Fund Balance - Excess Surplus		$ 80,559,494

Recapitulation of Excess Surplus as of June 30, 2025

Excess Surplus- Designated in Subsequent Year's Budget	$ 102,665,479
Excess Surplus	80,559,494
	$ 183,224,973

* **Detail of Allowable Adjustments**

Unbudgeted Extraordinary Aid	$ 1,648,769
Unbudgeted Additional Nonpublic School Transportation Aid	266,190
Total Adjustments	$ 1,914,959

JERSEY CITY PUBLIC SCHOOLS
Encumbrances
For the Fiscal Year Ended June 30, 2025

Encumbrances per the June 30, 2025 Board Secretary Report (General Fund)	$24,004,634

Description	Total by Category	Amount Properly Encumbered	Encumbrances Cancelled (Added) Through Audit Adjustments
Regular Instruction	$ 592,802	$ 592,802	
Special Education	74,040	74,040	
Other Instruction	1,031	1,031	
School Sponsored Co-Curricular	112,101	112,101	
Tuition	776,812	776,812	
Student Support Services	894,547	894,547	
General Administration	353,838	353,838	
School Administration	97,263	97,263	
Central Services	273,117	273,117	
Operations and Maintenance	4,213,575	4,213,575	
Transportation	732,357	732,357	
Unallocated Benefits	3,448,534	(722)	3,449,256
Capital Outlay	11,456,469	16,674,969	(5,218,500)
Transfer to Charter Schools	978,148	24,081	954,067
	24,004,634	24,819,811	(815,177)

Total Encumbrances Cancelled (Added) During the Audit	(815,177)
Year End Encumbrances, June 30, 2025 (Committed and Assigned)	$ 24,819,811

JERSEY CITY PUBLIC SCHOOLS
Encumbrances
For the Fiscal Year Ended June 30, 2025

Encumbrances per the June 30, 2025 Board Secretary Report (Special Revenue Fund)				$ 2,732,722
Description	Total by Category	Amount Properly Encumbered	Encumbrances Cancelled Through Audit Adjustments	
Regular Instruction	$ 272,176	$ 272,176		
Special Education Instruction	124,307	124,307		
Other Instruction	27,224	27,224		
Student Support Services	2,030,351	1,602,437	$ 427,914	
Central Services	20,259	20,259		
Operations and Maintenance	87,459	87,459		
Capital Outlay	170,946	170,946	-	
	2,732,722	2,304,808	427,914	
Total Encumbrances Cancelled During the Audit				427,914
Year End Encumbrances, June 30, 2025				$ 2,304,808

JERSEY CITY PUBLIC SCHOOLS
RECOMMENDATIONS

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

It is recommended that:

* 1. Payroll transfers be made into the Salary and Salary Escrow accounts for the total amount required for each individual pay period as reflected on the respective payroll register reports.

2. Employment contracts for all required administrative personnel be maintained and be submitted to the County for review and approval.

* 3. The financial reporting system be closed in a timely manner subsequent to year end to ensure accurate reporting and accounting of financial transactions at year-end and the practice of issuing current year checks in the subsequent period be discontinued.

* 4. The District's liabilities for accrued salaries and wages be supported by adequate documentation to ensure the accuracy and validity of the amounts reported.

* 5. The District obtain an actuary report with respect to Incurred But Not Reported (IBNR) claims for the self-insured workers compensation plan.

* 6. Internal controls over the reconciliation of the general operating bank account at year-end be reviewed and enhanced to ensure the final reconciled balance is in agreement with the District's financial reports provided for audit.

7. With respect to employee salaries funded by federal grant programs, it is recommended that:

    a) Employees whose salaries are charged to federal grant programs be specifically approved in the official minutes by the Board.

    b) In all instances, salaries charged to federal grant programs be supported by a detail report by individual employee.

III. School Purchasing Program

It is recommended that:

* 8. Internal controls over the awarding of contracts and purchases be reviewed and enhanced to ensure compliance with the Public School Contracts Law and State procurement regulations.

* 9. With respect to payments on contracts procured through the use of State contracts and local cooperative purchasing programs, it is recommended that:

    a) Documentation to support the State and cooperative purchasing program contracts be maintained on file and made available for audit.

    b) Vendor invoices submitted for payment be reviewed to ensure that per unit prices charged agree with State and cooperative purchasing program contract award documentation.

    c) Vendor invoices be sufficiently detailed to ensure compliance with cooperative purchasing program contract award pricing.

* 10. Notification to the State Comptroller's office be made for contracts awarded in excess of statutory thresholds.

IV. School Food Services

There are none.

V. CASPER Program

There are none.

VI. Student Body Activities

There are none.

VII. Application for State School Aid

11. Student Individualized Education Program's (IEP's) be updated and in effect on the statutory date of the ASSA for special education and private schools for the disabled categories.

VIII. Pupil Transportation

It is recommended that:

* 12. Internal controls over the District Report of Transported Resident Students be reviewed and enhanced to ensure only those students eligible for transportation be reported and that documentation to support such eligibility be maintained and available for audit.

* 13. Contract renewals for student transportation services be submitted to the County for review and approval in a timely manner.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. **Status of Prior Years' Audit Findings/Recommendations**

A review was performed on all prior years' recommendations and corrective action was taken on all other than those denoted with an asterisk (*) above.

ACKNOWLEDGEMENT

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.

Respectfully submitted,

LERCH, VINCI & BLISS, LLP

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932