

**CAMDEN COUNTY EDUCATIONAL SERVICES COMMISSION
COUNTY OF CAMDEN**

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

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**



CAMDEN COUNTY EDUCATIONAL SERVICES COMMISSIONAuditor'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**

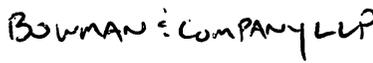
The Honorable President and
Members of the Board of Directors
Camden County Educational Services Commission
Clementon, New Jersey 08021

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 Camden County Educational Services Commission, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2015, which were separately issued in the Comprehensive Annual Financial Report dated December 17, 2015.

As part of our audit, we also performed procedures required by the Division of Administration and 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 issued in conjunction with the Comprehensive Annual Financial Report of the Camden County Educational Services Commission, for the fiscal year ended June 30, 2015, and is intended for the information of the Commission's management and the New Jersey Department of Education and should not be used by anyone other than these specified parties.

Respectfully submitted,

 BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



L. Jarred Corn
Certified Public Accountant
Public School Accountant No. CS 00219700

Voorhees, New Jersey
December 17, 2015

ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE

SCOPE OF AUDIT

The audit covered the financial transactions of the Board Secretary / Business Administrator, the activities of the Camden County Educational Services Commission ("Commission"), and the records of the various funds under the auspices of the Commission.

ADMINISTRATIVE PRACTICES AND PROCEDURES

Insurance

Fire insurance coverage was carried in the amounts as detailed on exhibit J-20, insurance schedule, contained in the Commission's Comprehensive Annual Financial Report ("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> |
|----------------|--|---------------|
| Patrick Madden | Board Secretary / Business Administrator | \$250,000.00 |

There is a comprehensive crime and bond policy covering all other employees with the multiple coverage of \$25,000.00.

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 Commission were deposited in the 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 Superintendent and were certified by the President of the Board of Directors and the Board Secretary / Business Administrator.

Sampled salary withholdings were promptly remitted to the proper agencies, including health benefit premium withholdings due to the general fund.

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 2014-2015 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 accounts payable. Our sample did not indicate any reportable noncompliance with respect to classification of orders.

Classification of Expenditures

The coding of expenditures was inspected for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our randomly sampled expenditure transactions. Our samples did not indicate any reportable noncompliance with respect to classification of expenditures.

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

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.) / Improving America's Schools Act (I.A.S.A.) as reauthorized by the No Child Left Behind Act (N.C.L.B.) of 2001

The E.S.E.A. / N.C.L.B. financial exhibits are contained within the special revenue section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Title I, Part D of the Elementary and Secondary Education Act as amended and reauthorized.

The audit for E.S.E.A. did not indicate any reportable exceptions.

Other Special Federal and / or State Projects

The Commission's other special projects were approved as listed on exhibit K-4 located in the CAFR.

Our audit of the 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 general fund and enterprise fund sections of the CAFR. These sections of the CAFR document the financial position pertaining to the aforementioned other special projects.

The audit of compliance for other special projects did not indicate any reportable noncompliance.

T.P.A.F. Reimbursement

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

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:

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

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

http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=1319801&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&ofpage=TOC_Frame_Pg42

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, amended.

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

PUPIL TRANSPORTATION

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

MISCELLANEOUS

Continuing Disclosure Agreements

Not applicable - no outstanding bonds

FOLLOW-UP ON PRIOR YEAR'S FINDINGS

There were no audit findings for the fiscal year ended June 30, 2014.

There were no Office of Fiscal Accountability and Compliance audit reports issued during the fiscal year ended June 30, 2015.

ACKNOWLEDGMENT

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

Respectfully submitted,

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