

PATERSON PUBLIC SCHOOL DISTRICT ACTION FORM

1. Curricular recommendations must include, if appropriate, school, student initials, tuition rate and/or other needed information.
2. Fiscal recommendations must include all appropriate fiscal information.
3. This Action Form must be in the State District Superintendent's office according to cutoff date before the meeting of the Board of Education.

Recommendation/Resolution:

WHEREAS, The Paterson Public Schools District caused an annual audit of the district's accounts and financial transactions to be conducted by a public school accountant for the 2017-2018 fiscal year pursuant to NJSA18A: 23: and,

WHEREAS, said "Comprehensive Annual Financial Report" and "Auditor's Management Report" for the fiscal year ended June 30, 2018, were filed in duplicate with the Office of the Commissioner on January 28, 2019, pursuant to NJSA 18A: 23-3: and

WHEREAS, a presentation of the audit with discussion of the district's fiscal status, audit findings and recommendations was made to the Board and public by members of the audit firm of Ferraioli, Wielkotz, Cerullo & Cuva, P.A., at the board meeting of February 6, 2019, and

WHEREAS, the presentation included a public discussion of the audit results including the district's overall financial position, reserved, unreserved and excess surplus fund balances, funding of worker's compensation and compensated absences, food services' operations and the six (6) audit findings and six (6) recommendations, that are addressed in the Corrective Action Plan; and

WHEREAS, that the annual audit and CAP for the year ended 2018 be accepted and placed on file. The audit report is included in the financial section, of the Comprehensive Annual Financial Report, and that the following corrective action plan be implemented:

AUDIT FINDINGS AND RECOMMENDATION	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
<p>Finding 2018-001:</p> <p>Expenditures in the following categories were not charged to the appropriate line item account in accordance with the Uniform Minimum Chart of Accounts for New Jersey Public Schools: <u>Required Maintenance. AP-20-53 Required Maintenance</u></p> <p>Recommendation:</p> <p>The District should reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools, 2018 Edition and other available reference /materials, such as the Budget Guidelines for the proper classifications required to be in compliance with N.J.A.C. 6A:23-2.3(f).</p>	<p>The district will reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools to comply with the proper classification of appropriations to be in compliance with N.J.A.C, 6A:23-2.3(f)</p>	<p>The Business Office will review account codes utilized for salaries and vendor expenses during the budget process to ensure that we are adhering to the Uniform Minimum Chart of Accounts for New Jersey Public Schools.</p> <p>Salary accounts will be verified by Position Control Coordinator before processing PTF</p> <p>Vendor account codes will be verified by Facilities to ensure that required maintenance account codes are used in accordance to <u>AP-20-53 Required Maintenance</u> guidelines.</p> <p>Business office will ensure that that the correct accounts are entered during the budget process.</p>	<p>Michelle Fiorillo -HR Stephanie Gales-Varlack – Facilities Linda Herald – Budget</p>	<p>January 2019 January 2019 January 2019</p>

<p>Finding 2018-002 (CAFR Finding 2018-001):</p> <p>A limited number of individual EXAID applications had services provided to students which were not required by their IEP. Furthermore, a limited number of EXAID applications had direct instructional costs which could not be supported by verifiable cost documentation.</p> <p>Recommendation:</p> <p>The Special Services department should ensure that all information being reported on each students EXAID application is accurate and supported by the necessary documentation.</p>	<p>Throughout the school year, the department will review student IEPs, for related services, for accuracy in services.</p> <p>Prior to EXAID submission, the department will collaborate with HR and Schools to gather adequate documentation to validate the direct instructional costs.</p>	<p>The department has assigned personnel to review related services, on a weekly basis, to monitor accuracy of caseloads and related services as prescribed in student IEPs.</p> <p>The department will request staffing schedules, salary, and benefits costs from Schools and HR to ensure the accuracy of direct instructional costs, prior to the EXAID submission.</p>	<p>Cheryl D. Coy / Alicia Pavone / Kiai Jones</p> <p>Cheryl D. Coy</p>	<p>Continuous throughout the school year.</p> <p>Prior to application due date / submission.</p>
<p>Finding 2018-003:</p> <p>Not all cash receipts were deposited into the JFK High School Athletic account in a time</p> <p>Recommendation:</p> <p>All cash receipts should be promptly deposited when received.</p>	<p>All cash receipts will be promptly deposited after athletic events.</p>	<p>To ensure that deposits will be made within a 24 hours time period. The JFK Athletic Department will utilize the Athletic Director and the Principal of Operations as individuals who will also make cash deposits following athletic events.</p>	<p>Athletic Director and the Principal of Operations</p>	<p>Immediately</p>
<p>Finding 2018-004:</p> <p>The District's supporting work papers for the ASSA-Private Schools Handicapped classification included more students than were actually listed on the submitted ASSA on roll report. The 22 handicapped student excluded from the ASSA submission were identified and began receiving services prior to October 15th. Students identified prior to October 15th must be reported in the current year by the October 5th reporting deadline.</p> <p>Recommendation:</p> <p>The private school must establish and implement procedures to ensure reporting of Special Education Categorical Aid for all students who are identified and receiving related services prior to the October 15th ASSA reporting deadline.</p>	<p>Prior to submission of the ASSA, October 15th submission, the department will review enrollment of the Private School students to verify active enrollment between the Student Information System and Easy IEP.</p>	<p>The department will review and cross reference enrollment from the Student Information System, Easy IEP, and Tuition Contracts report to verify active enrollment for students in Private Schools. Students identified will reflect an active status in the Student Information System for submission on the ASSA, October 15th report.</p>	<p>Cheryl D. Coy / Jannilka DeLeon</p>	<p>Prior to application due date / submission.</p>
<p>Finding 2018 - 005:</p> <p>The school register did not display similar student information that was shown on the ASSA supporting work papers.</p> <p>Recommendation:</p> <p>The District should update information to display correspondingly on both reports.</p>	<p>The District is aware of this deficiency in the student information system and has switched to a system that will provide the school register in the required format.</p>	<p>Replaced the deficient information system with a system that meets State requirements.</p>	<p>Pamela Powell</p>	<p>April, 2018</p>

<p>Finding 2018-006:</p> <p>There were multiple instances in which students on the DRTRS Summary were listed as attending a different school than what the students were listed as on the ASSA work papers and school registers. <u>2017-2018 DRTRS ASSA.</u></p> <p>Recommendation:</p> <p>Be aware of information and update accordingly to display records correctly on all reports.</p>	<p>The Transportation department will update all information yearly and check again before submission of the DRTRS report to the state.</p>	<p>All data in the Transfinder system will be checked immediately to ensure all school codes and other data are input correctly.</p>	<p>Lisa Vainieri-Marshall</p>	<p>Immediately and every year</p>
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NOW, THEREFORE, BE IT RESOLVED, that the Paterson Public Schools Board of Education accepts and approved the "Corrective Action Plan" for the fiscal year ended June 30, 2018, and,

BE IT FURTHER RESOLVED, that the School Business Administrator be directed to forward to the County Superintendent the minutes together with two copies of the CAFR Synopsis, two copies of the Corrective Action Plan and certified board minutes adopting the above items; and,

BE IT FURTHER RESOLVED, that this resolution shall take effect upon its adoption.

APPROVALS REQUIRED

1. Submitted by Richard L. Matthews, School Business Administrator February 1, 2019
Date
(Name, Title)
2. Approval by Divisional Administrator Richard L. Matthews 2/5/19
Date
State District Superintendent, Assistant Superintendent or Business Administrator
3. Account No. N/A
- Certification of Funds Richard L. Matthews 2/5/19
Date
Signature
- Funds Available Funds Not Needed
 Funds Not Available Non-Budget Item
4. Verification by Legal Department, if required [Signature] 2/7/19
Date
5. Approval - State District Superintendent Eileen [Signature] 2/13/19
Date
6. Board Adoption Date March 13, 2019 Resolution Number 7


Rec'd 2/7/19 CB

CORRECTIVE ACTION PLAN

Name of School: **Paterson Public School**
 Type of Audit: **Comprehensive Annual Financial Report (CAFR)**
 Date of Board Meeting: **February 6, 2019**
 Contact Person: **Richard L. Matthews**
 Telephone Number: **973-321-0772**

County: Passaic

FINDINGS AND RECOMMENDATION	CORRECTIVE ACTION APPROVED BY THE BOARD	METHOD OF IMPLEMENTATION	PERSON RESPONSIBLE FOR IMPLEMENTATION	COMPLETION DATE OF IMPLEMENTATION
<p>Finding 2018-001:</p> <p>Expenditures in the following categories were not charged to the appropriate line item account in accordance with the Uniform Minimum Chart of Accounts for New Jersey Public Schools: <u>Required Maintenance. AP-20-53 Required Maintenance</u></p> <p>Recommendation:</p> <p>The District should reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools, 2018 Edition and other available reference /materials, such as the Budget Guidelines for the proper classifications required to be in compliance with N.J.A.C. 6A:23-2.3(f).</p>	<p>The district will reference the Uniform Minimum Chart of Accounts for New Jersey Public Schools to comply with the proper classification of appropriations to be in compliance with N.J.A.C. 6A:23-2.3(f)</p>	<p>The Business Office will review account codes utilized for salaries and vendor expenses during the budget process to ensure that we are adhering to the Uniform Minimum Chart of Accounts for New Jersey Public Schools.</p> <p>Salary accounts will be verified by Position Control Coordinator before processing PTF</p> <p>Vendor account codes will be verified by Facilities to ensure that required maintenance account codes are used in accordance to <u>AP-20-53 Required Maintenance</u> guidelines.</p> <p>Business office will ensure that that the correct accounts are entered during the budget process.</p>	<p>Michelle Fiorillo -HR Stephanie Gales-Varlack – Facilities Linda Herald – Budget</p>	<p>January 2019 January 2019 January 2019</p>


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Richard L. Matthews 2/5/19
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