

***CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL***

***ANNUAL COMPREHENSIVE  
FINANCIAL REPORT***

***FISCAL YEAR ENDED JUNE 30, 2024***

***CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL***

***Central Jersey College Prep Charter School  
Board of Trustees  
Somerset, New Jersey***

***Annual Comprehensive Financial Report  
For The Fiscal Year Ended June 30, 2024***

***ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
OF THE  
CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
SOMERSET, NEW JERSEY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024***

***Prepared by  
Central Jersey College Prep Charter School  
Finance Department***

***And  
Barre & Company LLC, CPAs***

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# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

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***INTRODUCTORY SECTION***



**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
**101 METTLERS ROAD**  
**SOMERSET, NEW JERSEY 08873**  
**732-302-9991**

December 25, 2024

Honorable President and  
Members of the Board of Trustees  
Central Jersey College Prep Charter School  
County of Somerset  
Somerset, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of Central Jersey College Prep Charter School (Charter School) for the fiscal year ended June 30, 2024 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Trustees (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the various funds of the Charter School. All disclosures necessary to enable the reader to gain an understanding of the Charter School's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the Charter School;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the Charter School's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the Charter School, generally presented on a multi-year basis;
- The Single Audit Section — The Charter School is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, and in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

## Charter School Organization

An elected five-member Board of Education (the “Board”) serves as the policy maker for the Charter School. The Board adopts an annual budget and directly approves all expenditures which serve as the basis for control over and authorization for all expenditures of Charter School tax money.

The Chief Education Officer is the chief executive officer of the Charter School, responsible to the Board for total educational and support operations. The Financial Coordinator is the chief financial officer of the Charter School, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the Charter School, acting as custodian of all Charter School funds, and investing idle funds as permitted by New Jersey law.

**1. REPORTING ENTITY AND ITS SERVICES:** Central Jersey College Prep Charter School is an independent reporting entity within the criteria adopted by the Government Auditing Standards Board (GASB) as established by Statement No. 14, as amended. All funds of the Charter School are included in this report. Central Jersey College Prep Charter School Board of Trustees constitutes the Charter School’s reporting entity.

Central Jersey College Prep Charter School provides a full range of services appropriate to Grades Kindergarten through 12<sup>th</sup> grade. These services include regular, as well as special education and basic skills instruction. The Charter School completed the 2023-2024 school year with an enrollment of 1329 students. The following details the student enrollment of the Charter School.

<u>Average Daily Enrollment</u>		
<u>Fiscal Year</u>	<u>Student Enrollment-ADE</u>	<u>Percent Change - ADE</u>
2023-2024	1329	3.25%
2022-2023	1286	2.97%
2021-2022	1248	2.52%
2020-2021	1216	16.65%
2019-2020	1014	19.51%

**2. MISSION AND GOALS:** The mission of Central Jersey College Prep Charter School (CJCP) is to provide students with the academic and social challenges necessary to develop the skills required for success in post-secondary education. CJCP operates on the belief that every student has the potential to excel in higher education when provided with high-quality, evidence-based instruction, an inclusive and collaborative learning environment, and innovative programming that fosters college and career readiness. By employing research-driven best practices, CJCP supports the holistic development of students, ensuring their success both at CJCP and in their future academic and professional pursuits.

Since 2011, CJCP’s mission-driven approach has consistently delivered outstanding results. The senior class of 2024 exemplifies this success, achieving a 100% graduation rate, with every graduate accepted into a four-year accredited university. This achievement has been a hallmark of CJCP’s performance for over a decade.

CJCP has earned numerous prestigious accolades at both state and national levels, highlighting its commitment to excellence:

- USDOE Blue Ribbon School, 2016
- NJDOE Tier I Charter School, 2013-2018
- The US News Best High Schools, 2015 - 2024
- National Character School, 2020
- College Board AP Capstone School, 2020 - 2024
- College Board Honor Roll Gold Award, 2023 & 2024
- College Board AP Access Award, 2023 & 2024
- Great Schools College Success Award, 2020 - 2022
- 100% Graduation Rate, 2011-2024

Additionally, in 2024, US News ranked CJCP 26 out of 426 high schools in New Jersey. This ranking is particularly notable because CJCP was the highest ranked charter school in the state and CJCP's ranking was significantly higher than the rankings of all three sending districts: Franklin High School (185), North Brunswick High School (206), and New Brunswick (324).

CJCP's commitment to preparing students for post-secondary success is reflected in its vision and programming. As a recipient of the 2023 College Board Honor Roll, CJCP is recognized for expanding access to Advanced Placement (AP) courses, particularly for underrepresented populations. At CJCP, 78.5% of 11th and 12th graders participated in AP courses, far exceeding the statewide average of 35.6%. Similarly, 67.8% of 11th and 12th graders participated in dual enrollment courses, compared to just 20.7% statewide, as reported in the New Jersey Department of Education's School Performance Report.

**3. INTERNAL ACCOUNTING CONTROLS:** Management of the Charter School is responsible for establishing and maintaining an internal control designed to ensure that the assets of the Charter School are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) the cost of a control should not exceed the benefits likely to be derived;
- (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the Board of Trustees also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the Charter School's management.

As part of the Charter School's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the Charter School has complied with applicable laws and regulations.

**4. BUDGETARY CONTROLS:** In addition to internal accounting controls, the Charter School maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments of fund balance at June 30, 2024.

**5. CASH MANAGEMENT:** The investment policy of the Charter School is guided in large part by state statute as detailed in "Notes to Basic Financial Statement" Note 2. The Charter School had adopted a cash management plan which requires it to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Government Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**6. RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, directors and officers insurance and workmen's compensation.

## 7. **OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Barre & Company, LLC, Certified Public Accountants, was selected by the Board of Trustees. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the Single Audit Act Amendment of 1996, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditors' reports, related specifically to the single audit, are included in the single audit section of this report.

**8. **ACKNOWLEDGMENTS:**** We would like to express our appreciation to the members of Central Jersey College Prep Charter School Board of Trustees for their concerns in providing fiscal accountability to the citizens and taxpayers of the participating school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office staff.

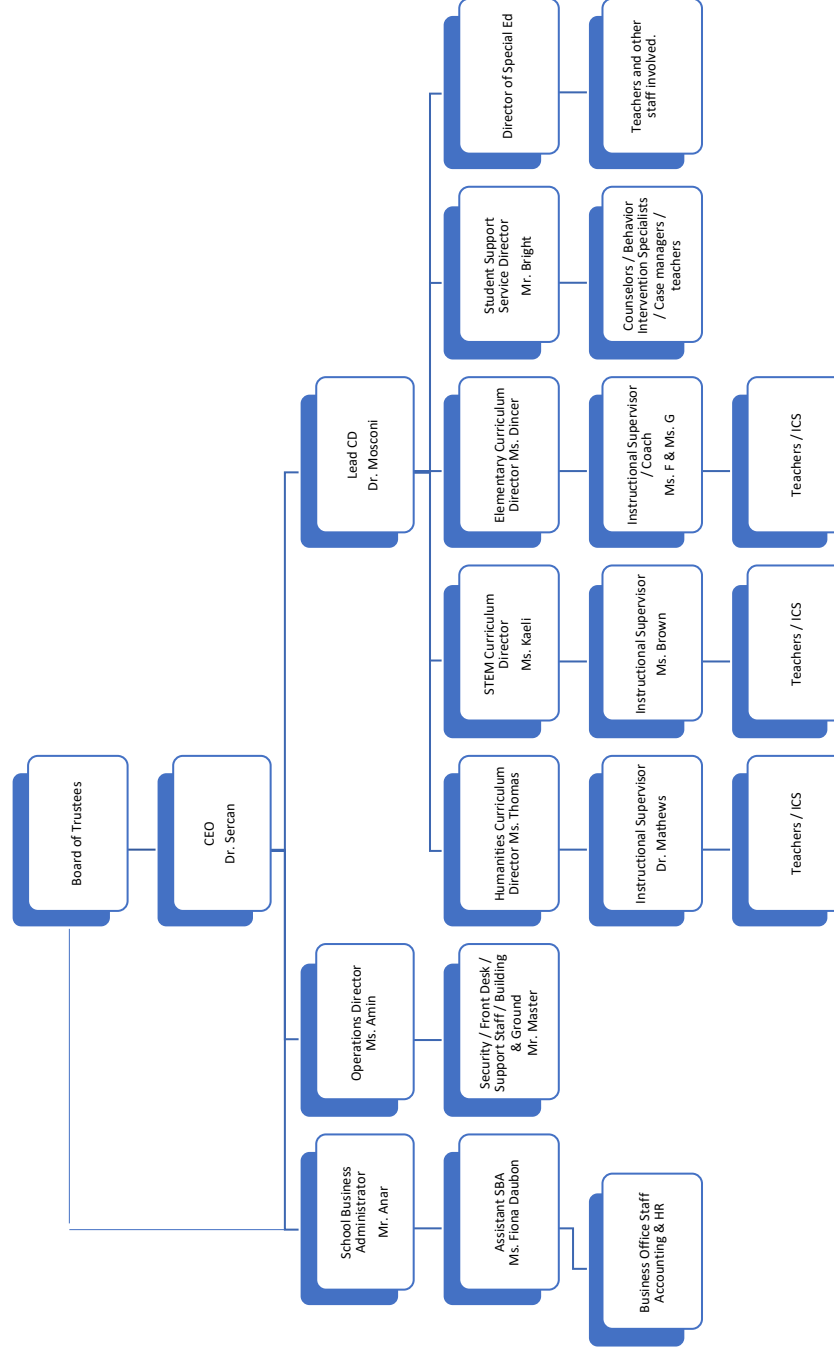
Respectfully submitted,



Dr. Namik Sercan  
Chief Education Officer

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## ORGANIZATIONAL CHART



# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL ORGANIZATIONAL CHART

## ROSTER OF OFFICIALS JUNE 30, 2024

### **MEMBERS OF THE BOARD OF TRUSTEES**

### **POSITION**

Dr. Ferhan Tunagur, PhD.

President

Mrs. Jackie Lewis

Vice President/ Trustee

Mr. Eric Van Bladel

Trustee

Dr. Ahmet Atlig

Trustee

Dr. Tracy Gill

Trustee

### **OTHER OFFICIALS**

Dr. Namik Sercan

Chief Education Officer

Matt Anar

Business Administrator

Christopher Lessard

Treasurer

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL ORGANIZATIONAL CHART

## CONSULTANTS AND ADVISORS

### ***Audit Firm***

Barre & Company LLC  
Certified Public Accountants  
2204 Morris Avenue, Suite 206  
Union, NJ 07083

### ***Attorneys***

Thomas O. Johnston, Esq.  
Johnston Law Firm LLC  
151 Forest Street, Suite A  
Montclair, New Jersey 07042

### ***Official Depository***

Unity Bank  
120 Cedar Grove Ln,  
Somerset, NJ 08873

***FINANCIAL SECTION***



**BARRE & COMPANY LLC**  
**CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS**  
*2204 Morris Avenue, Suite 206*  
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**Independent Auditor's Report**

Honorable President  
Members of the Board of Trustees  
Central Jersey College Prep Charter School  
County of Somerset  
Somerset, New Jersey

**Report on the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Central Jersey College Prep Charter School (Charter School), in the County of Somerset, State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Central Jersey College Prep Charter School, in the, State of New Jersey, as of June 30, 2024, and the respective changes in the financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and in compliance with audit requirements as prescribed by the Office of School Finance. Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Central Jersey College Prep Charter School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

The Charter School's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Responsibilities of Management for the Financial Statements (Continued)**

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Jersey College Prep Charter School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Central Jersey College Prep Charter School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Central Jersey College Prep Charter School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, following this report, and pension and post-employment benefit schedule in Exhibits L-1 through L-3, M-1, and the related notes be presented to supplement the basic financial statements and budgetary comparison information in Exhibits C-1 through C-3. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards

## **Required Supplementary Information (Continued)**

generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Central Jersey College Prep Charter School's basic financial statements. The combining and related major fund supporting statements and schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of New Jersey's Circular 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, are also presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting statements and schedule and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***


Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey**

In accordance with *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey, we have also issued our report dated December 25, 2024 on our consideration of the Central Jersey College Prep Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Charter School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Office of School Finance, Department of Education, State of New Jersey and the Office of School Finance, Department of Education, State of New Jersey in considering the Charter School's internal control over financial reporting and compliance.

  
BARRE & COMPANY LLC  
Certified Public Accountants  
Public School Accountants

  
Richard M. Barre  
Public School Accountant  
PSA Number CS-01181

December 25, 2024

***REQUIRED SUPPLEMENTARY INFORMATION – PART I***

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED**

The discussion and analysis of Central Jersey College Prep Charter School's financial performance provides an overall review of the Charter School's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the Charter School's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the Charter School's financial performance. Certain comparative information between the current year (2023-2024) and the prior year (2022-2023) is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for 2024 are as follows:

District-Wide Financial Statement of Activities: Revenue

	<u>Amount</u>	<u>%</u>
General Revenues	\$26,917,018	95%
Program Specific	1,368,777	5%
Total Revenues	\$28,285,795	100%

District-Wide Financial Statement of Activities Revenue and Expenses

	<u>Amount</u>
Charter School Expenses	\$30,505,782
Program Specific	\$1,368,777
General Revenues	\$26,917,018

Governmental Funds: General Fund

	<u>Amount</u>
General Fund Revenues	\$25,930,483
General Fund Expenditures	\$26,348,823
Decrease in Fund Balance	-\$418,340

The General Fund's fund balance increase was anticipated by the Board of Trustees.

**Using this Annual Comprehensive Financial Report (ACFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Central Jersey College Prep Charter School as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole Charter School, presenting both an aggregate view of the Charter School's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Charter School's most significant funds. In the case of Central Jersey College Prep Charter School, the General Fund is by far the most significant fund.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED  
(CONTINUED)**

**Reporting the Charter School as a Whole**

**Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the Charter School to provide programs and activities, the view of the Charter School as a whole looks at all financial transactions and ask the question, "How did we do financially during 2024?" The *Statement of Net Position* and the *Statement of Activities* answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Charter School's net position and changes in that position. This change in net position is important because it tells the reader that, for the Charter School as a whole, the financial position of the Charter School have improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the *Statement of Net Position* and the *Statement of Activities*, the Charter School is divided into two distinct kinds of activities:

- ❖ Governmental activities — All of the Charter School's programs and services are reported here including instruction, administration, support services, and capital outlay.
- ❖ Business-Type Activity — These services are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service and School Store enterprise funds are reported as business activities.

**Reporting the Charter School's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the Charter School's funds. The Charter School uses many funds to account for a multitude of financial transactions. The Charter School's governmental funds are the General Fund and Special Revenue Fund.

**Governmental Funds**

The Charter School's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Charter School's general government operations and the basic services it provides. Governmental fund

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED  
(CONTINUED)**

**Governmental Funds (Continued)**

information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is reconciled in the financial statements.

**Proprietary Fund**

The proprietary fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Charter School-wide and fund financial statements. The notes to the financial statements can be found starting on page 35 of this report.

**The Charter School as a Whole**

Recall that the *Statement of Net Position* provides the perspective of the Charter School as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The Charter School's financial position is the product of several financial transactions including the net results of activities. The net position is as follows:

	<u>2024</u>	<u>2023</u>
Combined Net Position	10,505,738	\$12,725,725

**Governmental Activities**

	<u>2024</u>	<u>% of Total Expenses</u>	<u>2023</u>	<u>% of Total Expenses</u>
Total Revenues	\$27,380,441		\$22,560,162	
State Reimbursed TPAF Social Security	\$2,427,365		\$509,789	
State Reimbursed Pension Contributions	<u>\$587,592</u>		<u>\$1,819,598</u>	
Total State Reimbursements	\$3,014,957		\$2,329,387	
Total Cost of All Programs and Services	\$29,318,037		\$20,183,927	
Instruction Expenses	\$11,599,728	40%	\$9,062,950	45%

The Charter School's total revenues includes state reimbursed TPAF social security and pension contributions.



**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED  
(CONTINUED)**

**Governmental Activities (Continued)**

The *Statement of Activities* shows the cost of program services and the charges for services and grants offsetting those services. Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Administration includes expenses associated with administrative and financial supervision of the Charter School.

Support services include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development and the costs associated with operating the facility.

Capital Outlay represents instructional and/or non-instructional equipment purchased and is capitalized when such equipment is over the \$2,000 threshold.

**Business-Type Activity**

Revenues for the Charter School's business-type activity (food service program and after care) are comprised of charges for services and federal and state reimbursements.

**FOOD SERVICE**

	<u>2024</u>	<u>2023</u>
Net Loss	\$278,383	\$42,771
Charges for Services	\$266,333	\$210,854
Federal and State Reimbursements	\$589,714	\$446,220

- ❖ Charges for services represents amounts paid by patrons for daily food.
- ❖ Federal and state reimbursements for meals, includes payments for free and reduced lunch, breakfast, and snack programs.

**AFTER CARE**

<b>After Care</b>	<u>2024</u>	<u>2023</u>
Net Loss	\$4,008	
Net Income		\$42,902
Charges for Services	\$49,134	\$98,907

- ❖ Charges for services represents amounts paid by patrons for services rendered in the After Care program.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED  
(CONTINUED)**

**The Charter School's Funds**

All governmental funds (i.e., general fund and special revenue fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. The net change in fund balance for the year was most significant in the general fund.

As demonstrated by the various statements and schedules included on the financial section of this report, the Charter School continues to meet its responsibility for sound financial management. The following schedule presents a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2024, and the amounts and percentages of increases and decreases in relation to prior year amounts.

	2024	2023
Total Revenues	\$27,380,441	\$24,629,601
Total Expenditures	\$27,873,750	\$21,519,137
Decrease in Fund Bal	\$493,309	
Increase in Fund Bal		\$3,110,464

The following schedule represents a summary of the expenditures of the governmental funds for the fiscal year ended June 30, 2024, and the amounts and percentages of increases in relation to prior year amounts.

Revenues	Amount	Percent of Total	Increase/ (Decrease) From 2023	Percent of Increase/ (Decrease)
Local Sources	\$ 16,150,997	58.99%	\$ 604,641	3.89%
State Sources	10,095,322	36.87%	2,414,154	31.43%
Federal Sources	1,134,122	4.14%	(267,955)	-19.11%
<b>Total</b>	<b>\$ 27,380,441</b>	<b>100.00%</b>	<b>\$ 2,750,840</b>	

Expenditures	Amount	Percent of Total	Increase/ (Decrease) From 2023	Percent of Increase/ (Decrease)
Instruction	\$ 11,658,328	41.83%	\$ 2,423,481	26.24%
Administration	9,428,969	33.83%	2,669,205	39.49%
Support Services	6,786,453	24.34%	1,261,927	22.84%
<b>Total</b>	<b>\$ 27,873,750</b>	<b>100.00%</b>	<b>\$ 6,354,613</b>	

Changes in expenditures were the results of varying factors.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
SOMERSET, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024  
UNAUDITED  
(CONTINUED)**

**General Fund Budgeting Highlights**

The Charter School's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the Charter School revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts.

**Capital Assets (Net of Accumulated Depreciation)**

	2024	2023
Machinery and Equipment	\$923,989	\$1,171,057

**For the Future**

Central Jersey College Prep Charter School is in good financial condition presently. The Charter School is proud of its community support. A major concern is the continued enrollment growth of the Charter School with the increased reliance on federal and state funding.

In conclusion, Central Jersey College Prep Charter School has committed itself to financial excellence for many years. In addition, the Charter School's system for financial planning, budgeting, and internal financial controls are well regarded. The Charter School plans to continue its sound fiscal management to meet the challenge of the future.

**Contacting the Charter School's Financial Management**

This financial report is designed to provide our constituents with a general overview of the Charter School's finances and to show the Charter School's accountability for the money it receives. If you have questions about this report or need additional information, contact Dr. Namik Sercan, Chief Education Officer at Central Jersey College Prep Charter School, 101 Mettlers Road, Somerset, New Jersey 08873. Please visit our website at [www.cjcollegeprep.org](http://www.cjcollegeprep.org).

***BASIC FINANCIAL STATEMENTS***

## **SECTION A – CHARTER SCHOOL-WIDE FINANCIAL STATEMENTS**

*The statement of net position and the statement of activities display information about the Charter School. These statements include the financial activities of the overall Charter School. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the Charter School.*

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

## Statement of Net Position

June 30, 2024

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 12,674,246	\$ 62,437	\$ 12,736,683
Internal Balances	211,853	52,879	264,732
Receivables	897,477	114,626	1,012,103
Prepaid Expenses	200,000		200,000
Right of Use Asset, Net of Amortization	6,862,322		6,862,322
Capital Assets, Net	923,989	-	923,989
<b>Total Assets</b>	<b>21,769,887</b>	<b>229,942</b>	<b>21,999,829</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Pensions	1,701,188		1,701,188
<b>Total Deferred Outflows of Resources</b>	<b>1,701,188</b>	<b>-</b>	<b>1,701,188</b>
<b>LIABILITIES:</b>			
Interfund Payable	264,732		264,732
Accounts Payable	567,861	57,132	624,993
Unearned Revenue	265,752		265,752
Noncurrent Liabilities:			
Due Within One Year	1,146,796		1,146,796
Due Beyond One Year	5,408,397		5,408,397
Pensions	5,151,358		5,151,358
<b>Total Liabilities</b>	<b>12,804,896</b>	<b>57,132</b>	<b>12,862,028</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Pensions	333,251		333,251
<b>Total Deferred Inflows of Resources</b>	<b>333,251</b>	<b>-</b>	<b>333,251</b>
<b>NET POSITION (DEFICIT):</b>			
Net Investment in Capital Assets	7,786,311		7,786,311
Restricted for:			
General Fund			
Student Activities	59,257		59,257
Unemployment Fund	(227,667)		(227,667)
Net Investment in Capital Assets			
Unrestricted	2,715,027	172,810	2,887,837
<b>Total Net Position (Deficit)</b>	<b>\$ 10,332,928</b>	<b>\$ 172,810</b>	<b>\$ 10,505,738</b>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Statement of Activities  
For The Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes In Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES:</b>								
Instruction	\$ 11,599,728	\$ -	\$ -	\$ 463,596	\$ -	\$ (11,136,132)	\$ -	\$ (11,136,132)
Administration	10,328,537	-	-	-	-	(10,328,537)	-	(10,328,537)
Support Services	5,314,226	-	-	-	-	(5,131,338)	-	(5,131,338)
Interest of Long Term Debt	456,013	-	-	-	-	(456,013)	-	(456,013)
Unallocated Depreciation and Amortization	1,619,533	-	-	-	-	(1,619,533)	-	(1,619,533)
Total Governmental Activities	29,318,037	-	-	463,596	-	(28,854,441)	-	(28,854,441)
<b>BUSINESS-TYPE ACTIVITIES:</b>								
Food Service and After Care	1,187,745	-	359,886	545,295	-	-	(282,564)	(282,564)
Total Business-Type Activities	1,187,745	-	359,886	545,295	-	-	(282,564)	(282,564)
Total Primary Government	\$ 30,505,782	-	\$ 359,886	\$ 1,008,891	\$ -	\$ (28,854,441)	\$ (282,564)	\$ (29,137,005)
<b>GENERAL REVENUES</b>								
General Purposes						\$ 15,501,921	\$ -	\$ 15,501,921
Federal and State Aid Not Restricted						10,765,848	-	10,765,848
Investment Earnings						378,009	-	378,009
Miscellaneous Income						271,067	173	271,240
Total General Revenues						26,916,845	173	26,917,018
Change in Net Position						(1,937,596)	(282,391)	(2,219,987)
Net Position - Beginning						12,270,524	455,201	12,725,725
Net Position - Ending						\$ 10,332,928	\$ 172,810	\$ 10,505,738

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

## ***SECTION B – FUND FINANCIAL STATEMENTS***

***The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.***



***GOVERNMENTAL FUNDS***

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Governmental Funds

## Balance Sheet

June 30, 2024

	General Fund	Special Revenue Fund	Total
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 12,212,383	\$ 461,863	\$ 12,674,246
Receivables:			
Interfund Receivables	211,853		211,853
Receivables From Other Governments	29,979	192,455	222,434
Receivables, Net	675,043		675,043
Other Assets	200,000		200,000
Total Current Assets	13,329,258	654,318	13,983,576
Total Assets	<u>\$ 13,329,258</u>	<u>\$ 654,318</u>	<u>\$ 13,983,576</u>
<b>LIABILITIES AND FUND BALANCES:</b>			
Liabilities:			
Current Liabilities:			
Interfund Payables	\$ 87,029	\$ 177,703	\$ 264,732
Accounts Payable	134,975	151,606	286,581
Unearned Revenue		265,752	265,752
Unemployment Trust Liability	281,280		281,280
Total Current Liabilities	503,284	595,061	1,098,345
Total Liabilities	503,284	595,061	1,098,345
Fund Balances:			
Unassigned:			
General Fund	13,053,641		13,045,916
Unemployment Compensation	(227,667)		(227,667)
Student Activities		59,257	59,257
Total Fund Balances	12,825,974	59,257	12,885,231
Total Liabilities and Fund Balances	<u>\$ 13,329,258</u>	<u>\$ 654,318</u>	

Amounts reported for *governmental activities* in the statement of net position (A-1) which are different:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of the assets is \$1,739,681 and the accumulated depreciation is \$815,692.	923,989
Right of use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$13,724,646 and the accumulated depreciation is \$6,862,324.	6,862,322
Long-term liabilities used in governmental activities are not financial uses and therefore are not reported in the funds. Long-term debt included as net position from lease liabilities	(6,555,193)
Net pension liability of \$5,151,358, deferred inflows of resources of \$333,251 less deferred outflows of resources of \$1,701,188 related to pensions are not reported in the governmental funds	(3,783,421)
Net Position of Governmental Activities	<u>\$ 10,332,928</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Total
<b>REVENUES:</b>			
Local Sources:			
Local Tax Levy	\$ 15,501,921	\$ -	\$ 15,501,921
Interest on Investments	378,009	4,467	382,476
Miscellaneous	125,894	140,706	266,600
<b>Total Local Sources</b>	<b>16,005,824</b>	<b>145,173</b>	<b>16,150,997</b>
State Sources	9,924,659	170,663	10,095,322
Federal Sources		1,134,122	1,134,122
<b>Total Revenues</b>	<b>25,930,483</b>	<b>1,449,958</b>	<b>27,380,441</b>
<b>EXPENDITURES:</b>			
Current:			
Instruction	10,853,173	805,155	11,658,328
Administration	9,428,969		9,428,969
Support Services	6,066,681	719,772	6,786,453
<b>Total Expenditures</b>	<b>26,348,823</b>	<b>1,524,927</b>	<b>27,873,750</b>
Excess (Deficiency) of Revenues over Expenditures	(418,340)	(74,969)	(493,309)
<b>NET CHANGE IN FUND BALANCES</b>	<b>(418,340)</b>	<b>(74,969)</b>	<b>(493,309)</b>
<b>FUND BALANCES, JULY 1</b>	<b>13,244,314</b>	<b>134,226</b>	<b>13,378,540</b>
<b>FUND BALANCES, JUNE 30</b>	<b>\$ 12,825,974</b>	<b>\$ 59,257</b>	<b>\$ 12,885,231</b>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Reconciliation of the Statement of Revenues, Expenditures  
And Changes in Fund Balances of Governmental Funds  
To the Statement of Activities  
For the Fiscal Year Ended June 30, 2024

Total net change in fund balances - governmental fund (from B-2)	\$ (493,309)
--	--------------

Amounts reported for governmental activities in the statement of activities (A-2) which are different:

Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets which are capitalized are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.

Depreciation Expense	\$ (247,068)	
Amortization Expense	<u>(1,372,465)</u>	<u>\$ (1,619,533)</u>

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Principal payment on long-term debt	1,074,814
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Pension costs associated with the PERS pension plan are reported in the governmental funds as expenditures in the year the school pension contribution is paid. However, on the statement of activities, the net difference between the current and prior year net pension liability is recognized.

	<u>(899,568)</u>
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Change in net position of governmental activities	<u><u>\$ (1,937,596)</u></u>
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***PROPRIETARY FUNDS***

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Proprietary Fund  
Statement of Fund Net Position  
June 30, 2024

	Business-Type Activities		
	Food Service	After Care	Total
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 62,437	\$ -	\$ 62,437
Interfund Receivable	9,471	43,408	52,879
Intergovernmental Accounts Receivable:			
Federal	108,674		108,674
State	5,952		5,952
Total Current Assets	186,534	43,408	229,942
Noncurrent Assets:			
Machinery and Equipment	13,375		13,375
Less Accumulated Depreciation	(13,375)		(13,375)
Total Assets	<u>\$ 186,534</u>	<u>\$ 43,408</u>	<u>\$ 229,942</u>
<b>LIABILITIES AND NET POSITION</b>			
Liabilities:			
Current Liabilities:			
Accounts Payable	\$ 57,132		\$ 57,132
Total Liabilities	57,132	-	57,132
Net Position:			
Unrestricted	129,402	43,408	172,810
Total Net Position	129,402	43,408	172,810
Total Liabilities and Net Position	<u>\$ 186,534</u>	<u>\$ 43,408</u>	<u>\$ 229,942</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Proprietary Fund  
Statement of Revenues, Expenses, and Changes in Net Position  
For the Fiscal Year Ended June 30, 2024

	Business-Type Activities		
	<u>Food Service Program</u>		
	<u>Food Service</u>	<u>After Care</u>	<u>Total Enterprise</u>
OPERATING REVENUES:			
Charges for Services:	\$ -	\$ 49,134	\$ 49,134
Daily Sales - Program (Reimbursable Program) Meals	266,333		266,333
Total Operating Revenues	266,333	49,134	315,467
OPERATING EXPENSES:			
Cost of Sales - Program (Reimbursable Programs) Meals	713,591		713,591
Salaries	317,001	53,142	370,143
Management Fees	29,000		29,000
Supplies and Materials	61,976		61,976
Miscellaneous Expenses	13,035		13,035
Total Operating Expenses	1,134,603	53,142	1,187,745
OPERATING (LOSS)	(868,270)	(4,008)	(872,278)
NONOPERATING REVENUES:			
Miscellaneous Income	173		173
State Source:			
State School Lunch Program	23,898		23,898
State School Breakfast Program	3,133		3,133
Federal Source:			
National School Lunch/Snack Program/FFVP	420,271		420,271
National School Breakfast Program	97,993		97,993
Supply Chain Assistance Grant	44,419		44,419
Total Nonoperating Revenues	589,887	-	589,887
CHANGE IN NET POSITION	(278,383)	(4,008)	(282,391)
TOTAL NET POSITION, JULY 1	407,785	47,416	455,201
TOTAL NET POSITION, JUNE 30	<u>\$ 129,402</u>	<u>\$ 43,408</u>	<u>\$ 172,810</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Proprietary Fund  
Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2024

	Business-Type Activities		
	Food Service	After Care	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash Received from Customers	\$ 236,095	53,142	\$ 289,237
Cash Payments to Suppliers and Employees	(1,119,415)	(53,142)	(1,172,557)
Net Cash Used In Operating Activities	(883,320)	-	(883,320)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Cash Received From State And Federal Reimbursements	589,714		589,714
Net Cash Provided By Noncapital Financing Activities	589,714	-	589,714
Net Increase In Cash And Cash Equivalents	(293,606)		(293,606)
Cash And Cash Equivalents, Beginning Of Year	356,043	-	356,043
Cash And Cash Equivalents, End Of Year	<u>\$ 62,437</u>	<u>\$ -</u>	<u>\$ 62,437</u>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>			
Operating (Loss) Used for Operating Activities	\$ (868,097)	\$ (4,008)	\$ (872,105)
Change In Assets And Liabilities:			
Increase In Interfund Receivables	(4,008)		(4,008)
(Increase) Decrease In Receivables	(30,411)		(30,411)
Increase (Decrease) In Interfund Payable		4,008	4,008
Increase In Accounts Payable	19,196		19,196
Net Cash Used In Operating Activities	<u>\$ (883,320)</u>	<u>\$ -</u>	<u>\$ (883,320)</u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.



***FIDUCIARY FUNDS  
(NOT APPLICABLE)***

***NOTES TO THE FINANCIAL STATEMENTS***

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Board of Education (Board) of Central Jersey College Prep Charter School have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accounting standard-setting body responsible for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

##### **A. Reporting Entity**

The Charter School is an instrument of the State of New Jersey, established to function as an educational institution. Its mission is to establish a charter school to serve as a neighborhood resource and as a model for other similar schools. Central Jersey College Prep Charter School is committed to achieving the New Jersey Core Curriculum Content Standards and producing high academic achievement by all students. The Charter School will integrate a holistic curriculum, utilize learner center techniques, family and care giver centered approaches, comprehensive community involvement, cutting edge technology and an intimate nurturing environment that will enhance positive self-images.

The primary criterion for including activities within the Charter School's reporting entity, as set forth in Section 2100 of the GASB's Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the Charter School management. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, and ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the Charter School.

##### **B. Basis of Presentation, Basis of Accounting**

The Charter School's basic financial statements consist of Charter School-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

*Charter School-Wide Statements:* The statement of net position and the statement of activities display information about the Charter School as a whole. These statements include the financial activities of the overall Charter School. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the Charter School. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Basis of Presentation, Basis of Accounting (Continued)**

The statement of net position presents the financial condition of the governmental and business-type activity of the Charter School at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the Charter School and for each function of the Charter School's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the Charter School.

*Fund Financial Statements:* During the fiscal year, the Charter School segregates transactions related to certain Charter School functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the Charter School's funds. The New Jersey Department of Education (NJDOE) has elected to require New Jersey Charter Schools to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among Charter School financial reporting models.

The Charter School reports the following governmental funds:

**General Fund:** The general fund is the general operating fund of the Charter School and is used to account for all expendable financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the Charter School includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Basis of Presentation, Basis of Accounting (Continued)

Special Revenue Fund: The special revenue fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund: Not Applicable.

The Charter School reports the following proprietary funds:

Enterprise (Food Services and After Care) Fund: The enterprise fund accounts for all revenues and expenses pertaining to the Charter School's Food Service operations, and After School Care services. These funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84 – Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local government, including New Jersey school districts and their charter schools. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020, or fiscal year 2020-2021. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. After considering the criteria and guidance, it was determined that Payroll, Payroll Agency, and Unemployment Compensation Insurance (Fund 60), previously reported as fiduciary funds, are more appropriately reported in a general fund (Fund 10).

#### Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

*Charter School-wide and Proprietary:* The financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Basis of Presentation, Basis of Accounting (Continued)**

###### **Basis of Accounting (Continued)**

Additionally, the charter school previously reported the activity of the Student Activity (Fund 90) as a fiduciary fund. Beginning in fiscal year 2020-2021, such activity are more appropriately reported in a special revenue fund (Fund 20).

The Charter School is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements:* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

##### **C. Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. Budgets are prepared using the modified accrual basis of accounting except for special revenue funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2 (m) All budget amendments/transfers must be approved by School Board resolution.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Budgets/Budgetary Control (Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the special revenue funds from the budgetary basis of accounting to the GAAP basis of accounting:

	<u>2024</u>	<u>2023</u>
Total Revenues & Expenditures (Budgetary Basis)	\$ 1,449,958	\$ 1,665,772
Adjustments:		
Less Encumbrances at June 30, 2024	-	(70,000)
Plus Encumbrances at June 30, 2023	-	70,000
Total Revenues and Expenditures (GAAP Basis)	<u>\$ 1,449,958</u>	<u>\$ 1,665,772</u>

#### Encumbrances Accounting

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as assignments of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the Charter School has received advances are reflected in the balance sheet as unearned revenues at fiscal year-end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Notes to the Financial Statements

June 30, 2024

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Equity**

Interfund Transactions:

Transfers between governmental and business-type activities on the Charter School - wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method.

Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Capital Assets:

The Charter School has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at acquisition cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The Charter School does not possess any infrastructure. The capitalization threshold used by Charter Schools in the State of New Jersey is \$2,000.

All reported capital assets except for land are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<b><u>Asset Class</u></b>	<b><u>Estimated Useful Lives</u></b>
Office & Computer Equipment	10-15
Instructional Equipment	10
Grounds Equipment	15



## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Assets, Liabilities, and Equity (Continued)**

###### Capital Assets (Continued)

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

###### Unearned Revenue:

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlement received before the eligibility requirements are met are also recorded as unearned revenue.

###### Accrued Liabilities and Long-Term Obligations:

All payables, accrued liabilities, and long-term obligations are reported on the Charter School - wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds.

###### Net Position:

The Charter School implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, during the current fiscal year.

This statement defines net position as the residual of all other elements presented in statement of financial position. It is the difference between (1) assets and deferred outflows of resources and (2) liabilities and deferred inflows of resources. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities.

In the Government-Wide Statements, there are three classes of net position:

Net Investment in Capital Assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets or related debt also should be included.

Restricted Net Position – reports net position when constraints placed on the residual amount of noncapital assets are either imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Assets, Liabilities, and Equity (Continued)**

Unrestricted Net Position – any portion of net position not already classified as either net investment in capital assets or net position-restricted. Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Charter School or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Charter School's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

##### Fund Balance Reserves:

In the fund financial statements, governmental funds report the following classifications of fund balance:

Unassigned – Includes amounts that have not been assigned to other funds or restricted, committed, or assigned to a specific purpose within the General Fund. The Charter School reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes for which both restricted and unassigned fund balance is available, the Charter School considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, and the Charter School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

##### Revenues — Exchange and Non-exchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Charter School, available means within sixty days of the fiscal year end.

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Assets, Liabilities, and Equity (Continued)

##### Revenues — Exchange and Non-exchange Transactions: (Continued)

Non-exchange transactions, in which the Charter School receives value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Charter School must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Charter School on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: interest and tuition.

##### Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the Charter School, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

##### Allocation of Indirect Expenses:

The Charter School reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

##### Extraordinary and Special Items:

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Assets, Liabilities, and Equity (Continued)**

###### Management Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

###### Accrued Salaries and Wages:

Certain Charter School employees who provide services to the Charter School over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

###### Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2024 as well as security deposits for current lease agreements. The Charter School had \$200,000 in security deposits for the fiscal year ended June 30, 2024. In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (non-allocation method). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

#### **E. PENSIONS**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net pension of the State of New Jersey Public Employees' Retirement System (PERS) and the State of New Jersey Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's net position have been determined on the same basis as they are reported by the PERS and the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension Plan investments are reported at fair value.

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **F. IMPACT OF RECENTLY ISSUED ACCOUNTING POLICIES**

###### Impact of Recently Issued Accounting Principles

The GASB has adopted the following as of June 30, 2024

GASB No. 96, *Subscription-Based Information Technology Arrangements* (SBITA), is effective with the fiscal year ending June 30, 2023. The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs.

As of June 30, 2024, the entity's SBITAs were all 12 months or less and so the entity was exempt from reporting under this pronouncement.

The Charter School will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material

- GASB Statement No. 100, Accounting Changes and Error Corrections, effective for the years beginning after June 15, 2023.
- GASB Statement No. 101, Compensated Absences, effective for the year ending June 30, 2025.

##### **G. LEASES**

As a result of the adoption of GASB 87, leases are recognized as a right-of-use asset and a corresponding lease liability in other financial liabilities at the date at which the leased asset is available for use by the School. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Right-of-use assets are subject to impairment.

The lease liability is measured at the present value of lease payments to be made over the lease term, discounted using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily available. Lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected

## **CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

### **Notes to the Financial Statements**

June 30, 2024

#### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **G. LEASES (CONTINUED)**

to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the School and payment of penalties for termination of a lease when the lease term reflects the lessee exercising a termination option. Each lease payment is allocated between the repayment of the principal portion of lease liability and the interest portion. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period and is recorded in financing expense. Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the consolidated statement of income.

#### **NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash and cash equivalents includes amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

Investments are stated at cost, or amortized cost, which approximates market. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity of any discount or premium. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40 replaces in part, and otherwise modifies the prior GASB Statement No. 3, in addressing the requirements for disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments.

As a result of GASB 40, effective June 15, 2004, custodial credit risk disclosures are limited to deposits that are not covered by depository insurance and are (a) uncollateralized; (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name. Investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name. The previous GASB Statement No. 3 disclosures generally referred to as Category 1 and Category 2 deposits and investments are eliminated. However, GASB No. 40 does not change the required disclosure of authorized investments or the requirements for reporting certain repurchase agreements and reverse repurchase agreements, and it maintains, with modification, the level-of-detail disclosure requirements of GASB Statement No. 3.

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

#### Deposits

New Jersey statutes require that Charter Schools deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

Charter Schools are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least five percent of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

#### Investments

New Jersey statutes permit the Board to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the Charter School.

As of June 30, 2024, cash and cash equivalents of the Charter School consisted of the following:

	General Fund	Special Revenue	Proprietary Fund	Total
Operating Account	\$ 12,212,383	\$461,863	\$ 62,437	\$ 12,736,683

## **CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

### **Notes to the Financial Statements**

June 30, 2024

#### **NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

##### **Investments (Continued)**

The carrying amount of the Board's cash and cash equivalents at June 30, 2024 was \$12,736,683 and the bank balance was \$13,605,697. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes.

##### **Risk Category**

All bank deposits, as of the balance sheet date, are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act. Although GASB Statement No. 40 eliminated Categories 1 and 2 as previously established by GASB Statement No. 3, it maintained, with modification, the level-of-disclosure requirements of GASB Statement No. 3.

As of June 30, 2024, the Board had funds invested and on deposit in checking accounts. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 3 and modified by GASB Statement No. 40, and as such, are deposits that are insured or collateralized with securities held by the Board or by its agent in the Board's name, both at year-end and throughout the year.

##### **New Jersey Cash Management Fund**

All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of June 30, 2024, the Charter School had no funds on deposit with the New Jersey Cash Management Fund.

#### **NOTE 3: RECEIVABLES**

Receivables at June 30, 2024, consisted of accounts, intergovernmental, grants, and miscellaneous.



**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Notes to the Financial Statements  
June 30, 2024

**NOTE 3: RECEIVABLES (CONTINUED)**

All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Funds			Proprietary Fund		
	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Total Business Type Activities	Total
State Awards	\$ 705,022	\$ -	\$ 705,022	\$ 5,952	\$ 5,952	\$ 710,974
Federal Awards	-	192,455	192,455	108,674	108,674	301,129
Other	-	-	-	-	-	-
Gross Receivables	705,022	192,455	897,477	114,626	114,626	1,012,103
Less: Allowance for Uncollectibles	-	-	-	-	-	-
Total Receivables, Net	<u>\$ 705,022</u>	<u>\$ 192,455</u>	<u>\$ 897,477</u>	<u>\$ 114,626</u>	<u>\$ 114,626</u>	<u>\$ 1,012,103</u>

**NOTE 4: INTERFUND TRANSFERS AND BALANCES**

Transfers between funds are used to repay expenses paid by another fund.

The following interfund balances remained on the fund financial statements at June 30, 2024:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 211,853	\$ 87,029
Special Revenue Fund		177,703
Proprietary Fund	52,879	
Total	<u>\$ 264,732</u>	<u>\$ 264,732</u>

Interfund balances are expected to be liquidated by the end of June 30, 2024.

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 5: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
<b>Governmental Activities:</b>				
<i>Capital Assets Being Depreciated:</i>				
Site Improvements	\$ -	\$ -	\$ -	\$ -
Building and Building Improvements	721,285	-	-	721,285
Machinery and Equipment	1,018,396	-	-	1,018,396
Totals at Historical Cost	1,739,681	-	-	1,739,681
Less Accumulated Depreciation For:				
Site Improvements	-	-	-	-
Building and Building Improvements	218,064	66,704	-	284,768
Machinery and Equipment	350,560	180,364	-	530,924
Total Accumulated Depreciation	568,624	247,068	-	815,692
Total Capital Assets Being Depreciated,				
Net of Accumulated Depreciation	1,171,057	(247,068)	-	923,989
Government Activity Capital Assets, Net	<u>\$ 1,171,057</u>	<u>\$ (247,068)</u>	<u>\$ -</u>	<u>\$ 923,989</u>
<b>Business-Type Activities:</b>				
<i>Capital Assets Being Depreciated:</i>				
Machinery and Equipment	\$ 13,375	\$ -	\$ -	\$ 13,375
Less Accumulated Depreciation	13,375	-	-	13,375
Enterprise Fund Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by Charter Schools in the State of New Jersey is increased to \$2,000. The previous threshold was \$500.

Applying the higher capitalization threshold retroactively will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives.

Depreciation expense of \$247,068 was charged to an unallocated function.

### NOTE 6: LEASES

#### RIGHT OF USE LEASE ASSETS

The Charter School has recorded two right of use leased assets. The assets are right to use assets for leased equipment and leased school facility. The related leases are discussed in the Leases subsection of the Liabilities section of this note. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

On July 21, 2016, the school entered into a lease agreement with 101 Mettlers Road LLC, to relocate the school to premises located at 101 Mettlers Road, Somerset, New Jersey. There were several conditions to be met relative to this lease, but all such conditions were met as the school began its 2017-2018 school

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

## Notes to the Financial Statements

June 30, 2024

**NOTE 6: LEASES (CONTINUED)****RIGHT OF USE LEASE ASSETS (CONTINUED)**

year at said new location. The initial term of the lease was for a 5 year period. There are ongoing negotiations relative to the cancellation of the prior lease at 17 Schoolhouse Road.

On March 7, 2019, the school entered into a lease agreement with Anshe Emeth Memorial Temple to lease the premises located at 222 Livingston Avenue, New Brunswick, New Jersey for a term ending June 30, 2020 and a rent of \$12,000 per month. The lease has since been renewed effective July 1, 2022 to June 30, 2023 at a rent rate of \$14,000 every other month.

Right of use asset activity for the Primary Government for the year ended June 30, 2024, was as follows:

Leased Assets	Beginning Balance	Additions	Deductions	Ending Balance
Leased Assets Being Amortized				
Leased - Real Estate Expense	13,724,646	0	0	13,724,646
Total Leased Assets Being Amortized	13,724,646	0	0	13,724,646
Less: Accumulated Amortization				
Leased - Real Estate Expense	(5,489,859)	(1,372,465)	0	(6,862,324)
Total Accumulated Amortization	(5,489,859)	(1,372,465)	0	(6,862,324)
Total, Net of Accumulated Amortization	8,234,787	(1,372,465)	0	6,862,322

**NOTE 7: LONG-TERM OBLIGATIONS**

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Maturity Analysis	Principal	Interest	Total
07/01/2024 - 06/30/2025	1,146,796	384,030	1,530,827
07/01/2025 - 06/30/2026	1,223,599	307,227	1,530,827
07/01/2026 - 06/30/2027	1,305,546	225,281	1,530,827
07/01/2027 - 06/30/2028	1,392,981	137,846	1,530,827
07/01/2028 - 06/30/2033	1,486,271	44,555	1,530,827
Total	6,555,193	1,098,940	7,654,133
Lease Liability	6,555,193		

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 7: LONG-TERM OBLIGATIONS (CONTINUED)

#### A. LONG-TERM LIABILITY ROLLFORWARD SCHEDULE

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion of Balance
Governmental Activities:					
Lease Liabilities	\$ 7,630,007	\$ (1,074,814)	\$ -	\$ 6,555,193	\$ 1,146,796
Net Pension Liability	3,812,193		1,339,165	5,151,358	-
Governmental Activity Long-Term Liabilities	\$ 11,442,200	\$ (1,074,814)	\$ 1,339,165	\$ 11,706,551	\$ 1,146,796

### NOTE 8: PENSION PLANS

Substantially all the Board's employees participate in one of the two contributory, defined benefit public employee systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP).

#### A. Public Employees' Retirement System (PERS)

##### Plan Description

The State of New Jersey, Public Employees; Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

##### Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

Tier	Descriptions
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008, and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Notes to the Financial Statements  
June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (PERS) (Continued)**

**Benefits Provided (Continued)**

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to tier 5 members upon 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age of which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Basis of Presentation**

The schedule of employer allocations and the schedule of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

The following is essential data related to the PERS pension plan:

Pension Liabilities Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	
At June 30, 2023, the CS / District reported a liability of	5,151,358
At June 30, 2023 the CS / District's proportion was	0.03556493%
which was a decrease of [ENTER %] from its proportion measured as of June 30, 2023	0.01030420%
For the fiscal year ended June 30, 2023, the District recognized pension expense	906,367

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 8: PENSION PLANS (CONTINUED)

##### Public Employees' Retirement System (PERS) (Continued)

##### Allocation Methodology and Reconciliation to Financial Statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer are based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2022 through June 30, 2023. Employer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedule of pension amounts by employer. The allocation percentages for each group as of June 30, 2023 measurement date are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2024.

##### Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The state's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2023, the State's pension contribution was less than the actuarially determined amount.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Notes to the Financial Statements  
June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (PERS) (Continued)**

**Contributions (Continued)**

The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment amounts certified for payments due not be included in their unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

**Pension Liabilities Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension liability was measured as of June 30, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the Charter School's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2023, the Charter School reported deferred outflows of resources and deferred related to pensions from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 11,316	\$ 312,194
Changes in Proportion	\$ 1,616,895	\$ -
Difference between Expected and Actual Experience	\$ 49,254	21,057
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	\$ 23,723	-
	<u>\$ 1,701,188</u>	<u>\$ 333,251</u>

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Notes to the Financial Statements  
June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)**

**Public Employees' Retirement System (PERS) (Continued)**

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 years for 2023, 2022, 2021, 2020, 2019, and 2018 amounts, respectively.

Amounts reported as deferred outflows of resources and deferred inflows resources (excluding employer specific amounts including changes in proportion) related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Total
2024	1,965,266
2025	1,096,936
2026	-1,532,894
2027	274,328
2028	-4,666
	<u>\$ 1,798,969</u>

**Actuarial Assumptions**

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuations as of July 1, 2023. This actuarial valuations used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75-6.55% based on years of service
Investment Rate of Return	7.00%



**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

## Notes to the Financial Statements

June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)****Public Employees' Retirement System (PERS) (Continued)****Long Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the Board of Trustees and the actuaries. The long-term future real rates of return (expected returns, net of pension plan investments expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Assets	3.00%	8.40%
Real Estate	8.00%	8.58%
High Yield	4.00%	4.95%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

## Notes to the Financial Statements

June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)****Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of the Charter School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Charter School's proportionate share of the collective net pension liability as of June 30, 2023 calculated using the discount rate as disclosed below, as well as what the Charter School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Measurement Date June 30, 2023			
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
Charter School proportionate share of the Net Pension Liability	\$ 6,762,508	\$ 5,194,788	\$ 3,860,450

Measurement Date June 30, 2022			
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
Charter School's proportionate share of the Net Pension Liability	\$ 4,939,028	\$ 3,844,478	\$ 2,912,972

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 8: PENSION PLANS (CONTINUED)

##### B. Teacher's Pension Annuity Fund (TPAF)

###### Pension Description

The State of New Jersey, Teacher's Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrpts.shtml](http://www.state.nj.us/treasury/pensions/annrpts.shtml).

###### Benefit Provided

The vesting and benefit provision are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested of 2% of related interest earned on the contributions. In the case of death before retirement, member's beneficiaries are entitled to full interest credited to the member's accounts. The following represents the membership tiers for TPAF:

Tier	Descriptions
1	Members who were enrolled prior to July 1, 2007
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible to enroll on or after November 2, 2008, 2010 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
5	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age of which a member can receive full early retirement benefits in accordance with their respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Notes to the Financial Statements  
June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

**Allocation Methodology**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows in resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocations and applied to amounts presented in the schedule of pension amounts by employer and nonemployer are based on the ratio of the State's actual contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2023 measurement date.

The contributions policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2023 measurement date, the State's pension contribution was less than the actuarial determined amount.

The following is essential data related to the TPAF pension plan:

CONTRIBUTIONS

During the fiscal years ended 2022, the State of New Jersey contributed [ENTER AMOUNT] to the TPAF which is less than the contractually required contribution of [ENTER AMOUNT].	296,577 1,829,191
--	----------------------

Pension Liabilities Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As June 30, 2023, the State's proportionate share of the net pension liability associated with the CS / District was	22,403,846
At June 30, 2023 the CS / District's proportion was which was a decrease of [ENTER %] from its proportion measured as of June 30, 2023	0.0439010% -0.0023697%

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the CS / District in the amount	1,829,191
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The [ENTER AMOUNT] reported as deferred outflows of resources related to pensions resulting from changes in assumptions	2,502,380,838
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The [ENTER AMOUNT] reported as deferred outflows of resources related to pensions resulting from changes in assumptions will be amortized over a period of 8.5 years.	2,502,380,838
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The [ENTER AMOUNT] reported as a deferred inflow of resources	14,830,205,473
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# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 8: PENSION PLANS (CONTINUED)

#### Teacher's Pension Annuity Fund (TPAF) (Continued)

##### Special Funding Situation

The Employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose that the portion of the nonemployer contribution was less than the actuarial determined amount.

This note discloses the portion of the Charter School's total proportionate share of the net pension liability that is associated with the Charter School. During the fiscal years ended 2024, the State of New Jersey contribution to the TPAF for normal pension benefits on behalf of the Charter School was less than the contractually required contribution.

##### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023.

The Charter School's proportion of the net pension liability was based on a projection of the Charter School's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, Charter School's liability proportion decreased from its proportion measured as of June 30, 2022.

Charter School's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Charter School	<u>22,403,846</u>
Total	<u>\$ 22,403,846</u>

For the fiscal year ended June 30, 2024, the State recognized pension expense on behalf of the Charter School and the Charter School recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Notes to the Financial Statements  
June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)**

**Teacher's Pension Annuity Fund (TPAF) (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 1,278,925,078	\$ 14,657,999,241
Difference Between Expected and Actual Experience	658,340,412	83,374,071
Changes in Proportion and differences between employer contributions and proportionate share of contributions	88,832,162	88,832,161
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	476,283,186	-
	<u>\$ 2,502,380,838</u>	<u>\$ 14,830,205,473</u>

The amount reported as deferred outflows of resources related to pensions resulting from changes in assumptions will be amortized over a period of 8.5 years.

The amount reported as a deferred inflow of resources resulting from the difference between projected and actual is as follows:

Z

**Actuarial Assumptions**

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

### Notes to the Financial Statements

June 30, 2024

#### NOTE 8: PENSION PLANS (CONTINUED)

##### Teacher's Pension Annuity Fund (TPAF) (Continued)

##### Actuarial Assumptions

Inflation Rate	
Price	2.75%
Wages	3.25%
Salary Increases:	
	2.75 - 4.25%
	based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2023.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

##### Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pension and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF' target asset allocation as of June 30, 2023 is summarized in the following table:

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

## Notes to the Financial Statements

June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)****Teacher's Pension Annuity Fund (TPAF) (Continued)****Long Term Expected Rate of Return (Continued)**

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Assets	3.00%	8.40%
Real Estate	8.00%	8.58%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

**Discount Rate – TPAF**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability..

**Sensitivity of the Charter School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State as of June 30, 2023 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:



**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

## Notes to the Financial Statements

June 30, 2024

**NOTE 8: PENSION PLANS (CONTINUED)****Teacher's Pension Annuity Fund (TPAF) (Continued)****Sensitivity of the Charter School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate (Continued)**

Measurement Date June 30, 2023			
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Charter School's proportionate share of the Net Pension Liability	\$ 26,458,213	\$ 22,437,779	\$ 19,051,618

Measurement Date June 30, 2022			
	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
Charter School's proportionate share of the Net Pension Liability	\$ 28,036,286	\$ 23,911,111	\$ 20,436,170

**Pension Plan Fiduciary Net Position – TPAF**

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

**C. Defined Contribution Retirement Program (DCRP)**

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey 08625-0295.

## **CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

### **Notes to the Financial Statements**

June 30, 2024

#### **NOTE 8: PENSION PLANS (CONTINUED)**

##### **Defined Contribution Retirement Program (DCRP) (Continued)**

The contribution policy is set by the New Jersey Statutes and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by the State of New Jersey regulation. Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits, and post-retirement medical premiums.

For DCRP, the Charter School recognized no pension expense for the fiscal year ended June 30, 2024. There were no employee contributions to DCRP for the fiscal year ended June 30, 2024.

#### **NOTE 9: POST-RETIREMENT BENEFITS**

##### **General Information about the OPEB Plan**

##### **Plan Description and Benefits Provided**

The school is in a "special funding situation, as described in GASB Statement No. 75 in that OPEB contributions and expense are legally required to be made by and are the sole responsibility of the State of New Jersey.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14- 17.32f, the State provides employer-paid coverage to employees who retire from a board of education or

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)

#### General Information about the OPEB Plan (Continued)

#### Plan Description and Benefits Provided (Continued)

county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits are the responsibility of the individual local education employers.

#### Employees covered by benefit terms:

At June 30, 2023, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted for the following members:

Active plan member	217,212
Inactive plan members or beneficiaries currently receiving benefits	152,383
Inactive plan members entitled to but not yet receiving benefit payments	-
	<hr/>
Total	369,595

#### Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

#### Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)

#### General Information about the OPEB Plan (Continued)

#### Actuarial Assumptions and Other Inputs (Continued)

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases	2.75% to 4.25% based on service years	2.75% to 6.55% based on service years	3.25% to 16.25% based on service years

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2023. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2023. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2023.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

#### Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50 in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

#### Discount rate

The discount rate for June 30, 2023 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Notes to the Financial Statements

June 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)**

**General Information about the OPEB Plan (Continued)**

**Changes in the Total Non-Employer OPEB Liability:**

The following presents the total nonemployer OPEB liability measured as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Total OPEB Liability
Balance at June 30, 2023	\$ 5,674,297
Service cost	1,301,389
Interest on Total OPEB Liability	215,996
Effect on Changes of Benefit Terms	-
Difference between expected and actual experience	(908,229)
Effect of Changes of Assumptions	12,362
Contributions - Employee	5,535
Gross Benefits Paid by the State	(168,372)
Net Changes	458,681
Balance at June 30, 2024	6,132,978

**Sensitivity of Total Nonemployer OPEB Liability to Changes in the Discount Rate:**

The following presents the total nonemployer OPEB liability measured as of June 30, 2023 calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Measurement Date Ended June 30, 2023		
	At 1% Decrease (2.65%)	At current discount rate (3.65%)	At 1% Increase (4.65%)
Total OPEB Liability	\$ 7,189,864	\$ 6,132,978	\$ 5,284,421

# CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

## Notes to the Financial Statements

June 30, 2024

### NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)

#### General Information about the OPEB Plan (Continued)

#### Sensitivity of Total Nonemployer OPEB Liability to Changes in the Healthcare Trend Rate:

The following presents the total nonemployer OPEB liability measured as of June 30, 2023 calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	Measurement Date Ended June 30, 2023		
	At 1% decrease	Healthcare Cost Trend Rate	At 1% Increase
Total OPEB Liability	\$ 5,091,317	\$ 6,132,978	\$ 7,495,994

#### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024 the Charter School recognized OPEB expense of \$ in the government-wide financial statements for the State's proportionate share of the OPEB Plan's OPEB expenses, associated with the Charter School. This expense and revenue was based on the OPEB Plan's June 30, 2023 measurement date.

In accordance with GASB Statement 75, as the Charter School's proportionate share of the OPEB liability is \$-0, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At the measurement date of June 30, 2023 the State had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Difference between Actual and Expected Experience	\$ 894,819	\$ 1,615,365
Net Difference between Expected and Actual Earnings on OPEB Plan Investments	-	-
Assumption Changes	\$ 872,117	1,692,483
Sub Total	1,766,936	3,307,848
Contributions Made in Fiscal Year 2021 after June 30, 2020 Measurement Date	TBD	N/A
Total	TBD	3,307,848

Amounts reported as deferred outflows of resources and deferred inflows of resources related OPEB will be recognized in OPEB expense as follows:

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Notes to the Financial Statements

June 30, 2024

**NOTE 9: POST-RETIREMENT BENEFITS (CONTINUED)**

**General Information about the OPEB Plan (Continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

Measurement Period ending June 30

2024	\$	(305,846)
2025	\$	(305,846)
2026	\$	(265,823)
2027	\$	(156,719)
2028	\$	(32,079)
Total Thereafter	\$	<u>(474,600)</u>
	\$	<u><u>(1,540,912)</u></u>

**NOTE 10: RISK MANAGEMENT**

The Charter School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance**

The Charter School maintains commercial insurance coverage for property, liability, student accident, and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report.

**NOTE 11: FUND BALANCE APPROPRIATED**

	<u>2024</u>	<u>2023</u>
General Fund:		
Total Fund Balance	\$12,825,97	\$13,244,314
Reserved for Unemployment Comp.	\$227,667	\$0
Unassigned	\$13,053,641	\$13,501,069

**NOTE 12: CONTINGENCIES**

In 2016, a former landlord commenced a summary dispossess action against the school whereas the school responded by commencing a declaratory judgment action seeking a determination that the school was relieved of all its obligations under the leases with the landlord due to the conduct of the landlord. Trial

## **CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

### **Notes to the Financial Statements**

June 30, 2024

#### **NOTE 12: CONTINGENCIES (CONTINUED)**

commenced in October, 2019. As of the date of the audit report the matter remains in a lower court where it is awaiting trial on the issue of damages relating to unpaid rent of approximately \$2.1 million. An outcome cannot be predicted as of the date of the audit.

#### **NOTE 13: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2024, the Charter School has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$587,592 , \$2,427,365 \$660,640 , and \$2,543 , respectively.

#### **NOTE 14: CONCENTRATIONS**

The Charter School depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Charter School is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations

#### **NOTE 15: RELATED PARTY TRANSACTIONS**

In 2019, the charter school entered into a food service agreement with Middlesex County Stem Charter School ("Middlesex") where the charter school would provide food services to Middlesex during future school years. The agreement is in accordance with Department of Agriculture guidelines. There are no charges for this service per the agreement.

There are members of the charter school's Board of Trustees that also serve on the Middlesex Board of Trustees and the same school business administrator is used for both charter schools.

#### **NOTE 16: SUBSEQUENT EVENTS**

The Central Jersey College Prep Charter School's management has informed us that there are no significant events that need to be disclosed after the balance sheet date through the date of the audit which was December 25, 2024.



***REQUIRED SUPPLEMENTARY INFORMATION – PART II***

***SECTION C – BUDGETARY COMPARISON SCHEDULES***

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**General Fund  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2024

2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Levy Budget:					
Equalization Aid Local Share-Charter School Aid	\$ 17,104,365	\$ -	\$ 17,104,365	\$ 15,501,921	\$ (1,602,444)
Total Local Levy Budget	17,104,365	-	17,104,365	15,501,921	(1,602,444)
Categorical Aid:					
Special Education Categorical Aid	517,817		517,817	463,596	(54,221)
Demonstrably Effective Program Aid	5,207,305	-	5,207,305	5,459,505	252,200
Security Aid			-	323,418	323,418
Total Categorical Aid	5,725,122	-	5,725,122	6,246,519	521,397
Revenues From Other Sources:					
Interest Income	15,000		15,000	378,009	363,009
Miscellaneous Revenue	15,000		15,000	125,894	110,894
Reimbursed Social Security Contributions				2,427,365	2,427,365
On-Behalf TPAF(Non-Budget)					
Post Retirement Medical Aid				660,640	660,640
Long-Term Disability Insurance Aid				2,543	2,543
Pension Aid - Normal Cost				587,592	587,592
Total Revenues From Other Sources	30,000	-	30,000	4,182,043	3,561,908
Total Revenues	22,859,487	-	22,859,487	25,930,483	2,480,861
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	9,057,010	(1,474,467)	7,582,543	7,473,152	109,391
Other Salaries for Instruction	1,545,902	1,118,637	2,664,539	2,636,251	28,288
Purchased Prof/Tech Services	140,000	(81,166)	58,834	48,354	10,480
Other Purchased Services	42,800	58,666	101,466	99,636	1,830
General Supplies	375,516	251,880	627,396	583,519	43,877
Textbooks	6,366	(5,917)	449	333	116
Miscellaneous	11,300	3,801	15,101	11,928	3,173
Total Instruction	11,178,894	(128,566)	11,050,328	10,853,173	197,155
Administration:					
Salaries - General Administration	1,294,230	213,111	1,507,341	1,461,439	45,902
Salaries of Secretarial/Clerical Assistants	174,600	13,716	188,316	188,316	
Total Benefits Cost	3,226,936	434,858	3,661,794	3,565,191	96,603
Purchases Prof/Tech Services	137,290	(34,756)	102,534	99,309	3,225
Other Purchased Services	191,587	(20,162)	171,425	166,971	4,454
Communications/Telephone	37,323	24,138	61,461	55,300	6,161
Supplies and Materials	50,000	23,312	73,312	67,783	5,529
Miscellaneous Expenses	3,000	67,050	70,050	106,723	(36,673)
Total Administration	5,114,966	721,267	5,836,233	5,711,032	125,201

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**General Fund  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2024

2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
(Continued from Prior Page)					
Support Services:					
Salaries	\$ 2,999,007	\$ (145,072)	\$ 2,853,935	\$ 2,852,323	\$ 1,612
Purchased Prof/Ed Services	159,000	(48,905)	110,095	16,862	93,233
Purchased Prof/Tech Services	202,770	64,590	267,360	243,939	23,421
Rental of Land and Buildings	2,080,826	34,546	2,115,372	2,101,867	13,505
Other Purchased Services	376,430	(111,786)	264,644	245,366	19,278
Transportation-Other Than To/From School	-	27,420	27,420	49,190	(21,770)
Insurance for Property, Liability and Fidelity	1,833	1,000	2,833	2,742	91
Supplies and Materials	225,705	113,553	339,258	322,043	17,215
Energy Costs (Heat and Electricity)	152,000	46,808	198,808	198,808	
Miscellaneous Expenses	28,000	14,878	42,878	33,541	9,337
Total Support Services	6,225,571	(2,968)	6,222,603	6,066,681	155,922
Reimbursed TPAF Social Security (Non-Budgeted)				2,427,365	(2,427,365)
On-Behalf TPAF (Non-Budgeted)					
Post Retirement Medical Benefits				660,640	(660,640)
Long-Term Disability Insurance				2,543	(2,543)
Pension				587,592	(587,592)
Total Expenditures	22,553,931	595,030	23,148,961	26,348,823	(3,199,862)
Excess (Deficiency) of Revenues Over (Under) Expenditures	305,556	(595,030)	(289,474)	(418,340)	128,866
FUND BALANCE, JULY 1	13,501,071	-	13,501,071	13,244,314	(256,757)
FUND BALANCE, JUNE 30	\$ 13,806,627	\$ (595,030)	\$ 13,211,597	\$ 12,825,974	\$ (127,891)

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Special Revenue Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUE SOURCES:</b>					
Local	\$ -	\$ -	\$ -	\$ 140,706	\$ 140,706
Intermediate	2,385		2,385	4,467	2,082
State	\$ 406,459	\$ -	\$ 406,459	\$ 170,663	\$ (235,796)
Federal	1,194,622	-	1,194,622	1,134,122	(60,500)
<b>Total Revenues</b>	<b>1,603,466</b>	<b>-</b>	<b>1,603,466</b>	<b>1,449,958</b>	<b>(153,508)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries			-	-	
Salaries of Teachers	307,980	-	307,980	277,980	30,000
Other Salaries for Instruction	60,000		60,000	60,000	-
Purchased Prof/Tech Services	23,172	-	23,172	23,172	-
Other Purchased Services		-	-	58,375	(58,375)
General Supplies	260,666		260,666	222,861	37,805
Textbooks	-	-	-	-	
Other Objects	1,000	-	1,000	162,767	(161,767)
<b>Total Instruction</b>	<b>652,818</b>	<b>-</b>	<b>652,818</b>	<b>805,155</b>	<b>(152,337)</b>
Support Services:					
Salaries	291,265		291,265	291,265	-
Personal Services - Employee Benefits	101,243		101,243	101,243	-
Purchased Professional Services			-	2,730	(2,730)
Purchased Technical Services	156,019		156,019	111,576	44,443
Other Purchased Services	18,873		18,873	159,464	(140,591)
Supplies and Materials	15,066		15,066	40,079	(25,013)
Miscellaneous Expenditures	11,500	-	11,500	13,415	(1,915)
<b>Total Support Services</b>	<b>593,966</b>	<b>-</b>	<b>593,966</b>	<b>719,772</b>	<b>(125,806)</b>
<b>Total Expenditures</b>	<b>1,653,243</b>	<b>-</b>	<b>1,653,244</b>	<b>1,524,927</b>	<b>128,317</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ (49,777)</b>	<b>\$ -</b>	<b>\$ (49,778)</b>	<b>\$ (74,969)</b>	<b>\$ (25,191)</b>

***NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION***

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Required Supplementary Information

Budgetary Comparison Schedule

Note to RSI

Fiscal Year Ended June 30, 2024

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/Inflows of Resources</b>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	[C-1] \$ 25,930,483	[C-2] \$ 1,449,958
 Difference - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
	<u>                    </u>	<u>                    </u>
 Total revenues as reports on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2] \$ <u>25,930,483</u>	[B-2] \$ <u>1,449,958</u>
 <b>Uses/Outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 26,348,823	[C-2] \$ 1,524,927
 Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial accounting purposes.		
	<u>                    </u>	<u>49,777</u>
 Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ <u>26,348,823</u>	[B-2] \$ <u>1,524,927</u>

**REQUIRED SUPPLEMENTARY INFORMATION – PART III**



**SCHEDULE L - SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR  
PENSIONS (GASB 68)**

CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF THE CHARTER SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE FISCAL YEARS  
UNAUDITED

	Fiscal Year Ending June 30,								
	2016	2017	2018	2019	2020	2021	2022	2023	2024
Charter School's proportion of the net pension liability	0.00808396%	0.00754571%	0.00881139%	0.01359230%	0.01547190%	0.02206966%	0.02407985%	0.03556493%	0.03556493%
Charter School's proportionate share of the net pension liability	\$ 1,545,006	\$ 2,234,823	\$ 2,051,726	\$ 2,676,267	\$ 2,787,801	\$ 3,598,985	\$ 2,852,619	\$ 3,812,193	\$ 5,151,358
Charter School's covered payroll (plan measurement period)	\$ 498,947	\$ 778,576	\$ 1,397,675	\$ 1,076,868	\$ 2,407,012	\$ 2,376,537	\$ 2,858,327	\$ 2,675,746	\$ 4,991,018
Charter School's covered payroll (plan measurement period) as a percentage of it's covered payroll	310%	287%	147%	249%	116%	151%	100%	142%	103%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	45.37%	45.37%	51.55%	51.55%	53.60%	58.32%	51.52%	53.31%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF THE CHARTER SCHOOL CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE FISCAL YEARS  
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution	\$ 60,911	\$ 67,035	\$ 81,651	\$ 137,436	\$ 152,702	\$ 243,086	\$ 282,003	\$ 319,507	\$ 475,335
Contributions in relation to the contractually required contribution	(60,911)	(60,911)	(81,651)	(137,436)	(152,702)	(282,003)	(282,003)	(319,507)	(475,335)
Contribution deficiency/(excess)	\$ -	\$ 6,124	\$ -	\$ -	\$ -	\$ (38,917)	\$ -	\$ -	\$ -
Charter School's covered payroll (plan measurement period)	\$ 498,947	\$ 778,576	\$ 1,397,675	\$ 1,076,868	\$ 2,407,012	\$ 2,376,537	\$ 2,376,537	\$ 3,812,193	\$ 4,991,018
Contributions as a percentage of covered payroll	12.21%	8.61%	5.84%	12.76%	6.34%	10.23%	11.87%	8.38%	9.52%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF THE CHARTER SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHER'S PENSION AND ANNUITY FUND  
LAST NINE FISCAL YEARS  
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net pension liability attributable of the Charter School	0.014575910%	0.014844933%	0.017404800%	0.02202455%	0.02202267%	0.02449780%	0.03138336%	0.04627069%	0.04390099%
State's proportionate share of the net pension liability attributable to the Charter School	\$ 8,695,268	\$ 11,677,966	\$ 11,734,910	\$ 14,011,546	\$ 13,515,521	\$ 16,084,718	\$ 15,084,608	\$ 23,873,090	\$ 22,403,846
Charter School's covered payroll (plan measurement period)	\$ 2,162,651	\$ 2,324,081	\$ 2,152,311	\$ 2,693,272	\$ 4,739,915	\$ 5,851,986	\$ 6,989,585	\$ 6,482,608	\$ 7,903,514
Charter School's proportionate share of the net pension liability as a percentage of it's covered employee payroll	402.07%	502.48%	545.22%	520.24%	285.14%	274.86%	215.82%	368.26%	283.47%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

**SECTION M - SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR  
POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Central Jersey College Prep Charter School**  
**Required Supplementary Information Schedules**  
**Schedule of Changes in the Charter School's Net OPEB Liability and Related Ratios**  
**Last Five Six Years**  
**(Unaudited)**

	Measurement Date Ending					
	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
OPEB Liability at Beginning of Measurement Period	\$ 3,345,436	\$ 2,682,621	\$ 2,787,045	\$ 7,258,299	\$ 6,804,105	\$ 5,674,297
Service cost	556,872	570,845	599,889	1,709,591	1,838,920	1,301,389
Interest on Total OPEB Liability	138,474	124,318	116,417	176,506	150,375	215,996
Effect on Changes of Benefit Terms	-	-	-	(7,242)	-	-
Difference between expected and actual experience	(981,064)	(549,276)	2,551,637	(2,205,237)	(1,452,749)	(908,229)
Effect of Changes of Assumptions	(307,844)	41,555	1,325,842	6,713	(1,522,181)	12,362
Contributions - Employee	2,479	2,536	3,830	4,512	4,778	5,535
Gross Benefits Paid by the State	(71,732)	(85,554)	(126,361)	(139,037)	(148,951)	(168,372)
Net Change in Total OPEB Liability	(662,815)	104,424	4,471,254	(454,194)	(1,129,808)	458,681
OPEB Liability at Beginning of Measurement Period	3,345,436	2,682,621	2,787,045	7,258,299	6,804,105	5,674,297
Expected OPEB Liability at End of Measurement Period	2,682,621	2,787,045	7,258,299	6,804,105	5,674,297	6,132,978
Total OPEB Liability at End of Measurement Period	2,682,621	2,787,045	7,258,299	6,804,105	5,674,297	6,132,978

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

**Notes to Schedule:**

*Differences Between Expected and Actual Experiences:* The \$980,424,863 decrease in the liability from June 30, 2022 to June 30, 2023 is due to the combined effect of the following:

Update in census information	\$ (303,903,385)
Premium and Claims Experience	(676,521,478)
Total	<u>\$ (980,424,863)</u>

*Changes in Assumptions:*

The \$105,539,463 decrease in the liability from June 30, 2022 to June 30, 2023 is due to the combined effect of the following:

Trend Update	\$ 1,002,445,292
Discount Rate Change	\$ (896,905,829)
Total Changes in Assumption	<u>\$ 105,539,463</u>

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION III**

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**FOR FISCAL YEAR ENDED JUNE 30, 2024**

**A. Benefit Changes**

There were none.

**B. Changes in Assumptions**

The discount rate remained at 7.00% as of June 30, 2022 and as of June 30, 2023 in accordance with Paragraph 44 of GASB Statement No. 67.



**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**TEACHER'S PENSION AND ANNUITY FUND**  
**FOR FISCAL YEAR ENDED JUNE 30, 2024**

**A. Benefit Changes**

There were none.

**B. Changes in Assumptions**

The discount rate changed from 5.60% as of June 30, 2022 to 7.00% as of June 30, 2023 in accordance with Paragraph 44 of GASB Statement No. 67.

***OTHER SUPPLEMENTARY INFORMATION***

**SECTION E – SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

*Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.*

Central Jersey College Prep Charter School  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2024

	NCLB Title I	NCLB Title III	I.D.E.A. Part B	I.D.E.A. Preschool	NCLB Title II Part A	NCLB Title IV	S.D.A. Capital Facilities Grant	ARP ESSER	NJ High Impact Tutoring	Student /Athletics Fund	ARP ESSER Accelerated Learning	ARP ESSER Evidence Based Learning	ARP ESSER Comprehensive	ARP ESSER Mental Health	Grand Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE SOURCES:															
Local	186,647	4,067	261,704	4,730	26,429	16,292	143,091	-	27,572	140,706	89,482	34,037	34,321	12,937	1,134,122
Federal	186,647	4,067	261,704	4,730	26,429	16,292	143,091	-	27,572	-	89,482	34,037	34,321	12,937	1,445,491
Total Revenues															
EXPENDITURES:															
Instruction:															
Salaries of Teaching	-	-	-	-	-	3,075	-	-	-	-	14,863	-	15,235	-	33,673
Salaries of Instruction	60,000	-	-	-	-	-	-	226,166	-	-	-	16,142	-	-	240,147
Other Purchased Prof/Tech Services	13,172	-	-	-	-	10,000	-	-	-	-	-	-	-	-	40,000
Other Purchased Services	-	-	-	-	-	-	-	-	-	59,375	-	-	-	-	23,172
General Supplies	113,475	4,067	4,500	2,000	-	-	-	-	19,882	-	41,769	16,660	16,317	-	58,375
Other Objects	-	-	1,680	-	-	-	-	4,191	-	161,767	-	-	-	-	222,861
Total Instruction	186,647	4,067	5,500	2,000	-	13,575	-	232,356	19,882	220,142	56,632	32,802	31,552	-	805,155
Support Services:															
Personal Services - Employee Benefits	-	-	122,000	-	-	-	-	164,254	5,011	-	-	-	-	-	291,265
Purchased Technical Services	-	-	78,980	-	-	273	-	16,674	2,679	-	1,137	1,235	1,165	-	101,243
Other Purchased Prof/Tech Services	-	-	53,124	2,730	-	-	-	-	-	-	-	-	-	-	2,730
Supplies and Materials	-	-	-	-	2,500	2,444	143,091	46,777	-	-	-	-	-	9,175	111,576
Miscellaneous Expenditures	-	-	3,000	-	13,929	-	-	-	-	-	31,713	-	1,604	-	140,079
Total Support Services	-	-	256,204	2,730	10,000	-	-	3,415	-	-	-	-	-	3,782	13,415
Facilities Acquisition and Construction Services:															
Non-Instructional Equipment	-	-	-	-	26,429	2,717	143,091	231,120	7,660	-	32,650	1,235	2,789	12,937	719,772
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	186,647	4,067	261,704	4,730	26,429	16,292	143,091	463,476	27,572	220,142	89,482	34,037	34,321	12,937	1,524,927
Total Outflows	186,647	4,067	261,704	4,730	26,429	16,292	143,091	463,476	27,572	220,142	89,482	34,037	34,321	12,937	1,524,927
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (79,436)	\$ -	\$ -	\$ -	\$ -	\$ (79,436)

**SECTION G – PROPRIETARY FUNDS  
DETAIL STATEMENTS**

*Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Charter School's board is that the costs of providing goods or services be financed through user charges.*

*Food Services Fund – This fund provides for the operation of food services for the Charter School.*

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5, AND B-6.**

***SECTION H – FIDUCIARY FUND  
DETAIL STATEMENTS  
(NOT APPLICABLE)***

**STATISTICAL SECTION (UNAUDITED)**

***Central Jersey College Prep Charter School has been in operation for ten (10) years. GASB requires that ten years of statistical data be presented. Statistical data for ten (10) years is available and is presented.***

**Contents**

**Financial Trends**

These schedules contain trend information to help the reader understand how the charter school's financial performance and well-being have changed over time.

**Revenue Capacity (Not Applicable to Charter School)**

These schedules contain information to help the reader assess the Charter School's most significant local revenue source, the property tax.

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the charter school's current levels of outstanding debt and the charter school's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the charter school's financial activities take place.

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the charter school's financial report relates to the services the charter school provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive financial reports (ACFR) for the relevant year.



***FINANCIAL TRENDS***

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Net Position by Component  
*(Accrual Basis of Accounting)*  
(Unaudited)  
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental Activities</b>										
Net Investment in Capital Assets										
Restricted	\$ 7,786,311	\$ 9,405,844	\$ 11,025,377	\$ 829,941	\$ 829,941	\$ 772,236	\$ 583,644	\$ 206,745	\$ 225,540	\$ 244,335
Unrestricted (Deficit)	(188,410)	-	-	-	-	-	49,688	-	487	6,516
Total Governmental Activities Net Position (Deficit)	<u>\$ 2,715,027</u>	<u>\$ 3,063,470</u>	<u>\$ (1,119,226)</u>	<u>\$ 3,497,322</u>	<u>\$ 926,797</u>	<u>\$ 121,327</u>	<u>\$ (526,391)</u>	<u>\$ (425,869)</u>	<u>\$ (700,334)</u>	<u>\$ (321,158)</u>
	\$ 10,332,928	\$ 12,469,314	\$ 9,906,151	\$ 4,327,263	\$ 1,756,738	\$ 893,563	\$ 106,941	\$ (219,124)	\$ (474,307)	\$ (70,307)
<b>Business-Type Activities</b>										
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ 337	\$ 3,052	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	172,810	455,201	455,070	94,314	112,113	89,507	12,472	11,889	5,676	24,128
Total Business-Type Activities Net Position	<u>\$ 172,810</u>	<u>\$ 455,201</u>	<u>\$ 455,070</u>	<u>\$ 94,651</u>	<u>\$ 115,165</u>	<u>\$ 89,507</u>	<u>\$ 12,472</u>	<u>\$ 11,889</u>	<u>\$ 5,676</u>	<u>\$ 24,128</u>
<b>Charter School-wide</b>										
Net Investment in Capital Assets										
Restricted	\$ 7,786,311	\$ 9,405,844	\$ 11,025,377	\$ 830,278	\$ 832,993	\$ 772,236	\$ 583,644	\$ 206,745	\$ 225,540	\$ 244,335
Unrestricted	(188,410)	-	(664,156)	3,591,636	1,038,910	210,834	49,688	-	487	6,516
Total Charter School Net Position	<u>\$ 2,887,837</u>	<u>\$ 3,518,671</u>	<u>\$ 10,361,221</u>	<u>\$ 4,421,914</u>	<u>\$ 1,871,903</u>	<u>\$ 983,070</u>	<u>\$ (513,919)</u>	<u>\$ (413,980)</u>	<u>\$ (694,658)</u>	<u>\$ (297,030)</u>
	\$ 10,505,738	\$ 12,924,515	\$ 10,361,221	\$ 4,421,914	\$ 1,871,903	\$ 983,070	\$ 119,413	\$ (207,235)	\$ (468,631)	\$ (46,179)

**Source: Annual Comprehensive Financial Report**

## CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL

Changes in Net Position  
(Accrual Basis of Accounting)  
(Unaudited)  
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Expenses</b>										
Governmental Activities:										
Instruction	\$ 11,599,728	\$ 9,062,950	\$ 9,920,669	\$ 8,816,575	\$ 7,453,620	\$ 5,761,242	\$ 4,542,236	\$ 3,814,734	\$ 3,544,643	\$ 2,719,283
Administration	10,328,537	4,812,371	1,854,176	3,409,893	2,310,946	1,793,079	1,784,746	908,900	722,939	579,386
Support Services	5,131,338	3,993,699	3,630,412	4,796,386	4,735,077	3,482,867	2,691,227	2,091,218	2,022,891	1,678,080
Capital Outlay	182,888	-	-	-	44,361	317,363	293,026	10,123	139,604	138,994
Interest on Long-Term Debt	456,013	523,477	597,627	-	-	-	-	-	-	-
Unallocated Depreciation	1,619,533	247,068	137,904	95,722	76,720	63,277	2,350	18,795	18,795	18,795
Total Governmental Activities Expenses	29,318,037	18,639,565	16,150,788	17,118,576	14,620,744	11,417,848	9,313,585	6,849,072	6,449,072	5,134,538
Business-Type Activities:										
Food Service	1,187,746	793,216	298,367	279,607	258,026	178,948	175,327	176,409	194,976	201,691
Total Business-Type Activities Expenses	1,187,746	793,216	298,367	279,607	258,026	178,948	175,327	176,409	194,976	201,691
Total Charter School Expenses	\$ 30,505,783	\$ 19,432,781	\$ 16,449,155	\$ 17,398,183	\$ 14,878,770	\$ 11,596,796	\$ 9,488,912	\$ 7,020,179	\$ 6,644,048	\$ 5,336,229
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services	\$ -	\$ -	\$ 67,932	\$ 27,913	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Grants and Contributions	463,596	389,460	365,233	271,414	236,744	197,126	124,977	135,640	112,680	80,548
Total Governmental Activities Program Revenues	463,596	389,460	433,165	299,327	236,744	197,126	124,977	135,640	112,680	80,548
Business-Type Activities:										
Charges for Services	359,886	395,541	71,050	32,296	195,935	190,722	127,930	144,865	111,720	89,100
Operating Grants and Contributions	545,295	446,220	1,060,418	226,920	124,237	109,182	74,527	74,387	84,881	85,014
Total Business-Type Activities Program Revenues	905,181	841,761	1,131,468	259,216	320,172	299,904	202,457	219,252	196,601	174,114
	\$ 1,368,777	\$ 1,231,221	\$ 1,564,633	\$ 558,543	\$ 556,916	\$ 497,030	\$ 327,434	\$ 354,892	\$ 309,281	\$ 254,662
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (28,854,441)	\$ (18,250,105)	\$ (15,717,623)	\$ (16,819,249)	\$ (14,384,000)	\$ (11,220,722)	\$ (9,188,608)	\$ (6,708,130)	\$ (6,336,392)	\$ (5,063,990)
Business-Type Activities	(282,565)	48,545	833,101	(20,391)	62,146	120,956	27,130	42,843	1,625	(27,577)
Total Charter School-wide Net Expense	\$ (29,137,006)	\$ (18,201,560)	\$ (14,884,522)	\$ (16,839,640)	\$ (14,321,854)	\$ (11,099,766)	\$ (9,161,478)	\$ (6,665,287)	\$ (6,334,767)	\$ (5,081,567)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
General Purposes	\$ 15,501,921	\$ 15,170,243	\$ 14,324,294	\$ 13,104,900	\$ 11,012,584	\$ 8,492,440	\$ 5,713,942	\$ 4,581,287	\$ 3,712,643	\$ 2,657,105
Federal and State Aid Not Restricted	10,765,848	6,624,346	5,711,987	6,278,858	4,453,990	3,689,815	3,877,370	2,300,574	2,413,535	2,133,691
Investment Earnings	378,009	46,881	-	39,055	21,072	11,984	499	-	-	-
Miscellaneous Income	271,067	329,232	1,599,274	49,141	79,856	4,435	2,492	158	39,625	26,136
Total Governmental Activities	26,916,845	22,170,702	21,635,565	19,471,954	15,567,502	12,198,674	9,594,303	6,862,019	6,165,803	4,816,932
Business-Type Activities:										
Miscellaneous Income	173	-	707	-	5,572	280	3	-	-	-
Total Business-Type Activities	173	-	707	-	5,572	280	3	-	-	-
Total Charter School-wide	\$ 26,917,018	\$ 22,170,702	\$ 21,636,262	\$ 19,471,954	\$ 15,573,074	\$ 12,198,954	\$ 9,594,306	\$ 6,862,019	\$ 6,165,803	\$ 4,816,932
<b>Change in Net Position</b>										
Governmental Activities	\$ (1,337,596)	\$ 3,920,597	\$ 5,917,932	\$ 2,652,705	\$ 1,183,502	\$ 977,952	\$ 405,695	\$ 153,889	\$ (170,589)	\$ (237,058)
Business-Type Activities	(282,391)	48,545	833,808	(20,391)	67,718	121,236	27,133	42,843	1,625	(27,577)
Total Charter School	\$ (2,219,987)	\$ 3,969,142	\$ 6,751,740	\$ 2,632,314	\$ 1,251,220	\$ 1,099,188	\$ 432,828	\$ 196,732	\$ (168,964)	\$ (264,635)

Source: Annual Comprehensive Financial Report

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Fund Balances - Governmental Funds

*(Modified Accrual Basis of Accounting)*

(Unaudited)

Last Ten Fiscal Years

Fiscal Year Ending June 30.

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Restricted	\$ -	\$ (256,755)	\$ 52,936	\$ 83,105	\$ 2,800	\$ -	\$ 49,688	\$ -	\$ 487	\$ 6,516
Unassigned	12,825,974	13,501,069	10,387,049	6,063,198	3,243,947	2,120,950	1,281,902	1,302,794	1,129,623	1,275,389
<b>Total General Fund</b>	<b>\$ 12,825,974</b>	<b>\$ 13,244,314</b>	<b>\$ 10,439,985</b>	<b>\$ 6,146,303</b>	<b>\$ 3,246,747</b>	<b>\$ 2,120,950</b>	<b>\$ 1,331,590</b>	<b>\$ 1,302,794</b>	<b>\$ 1,130,110</b>	<b>\$ 1,281,905</b>
All Other Governmental Funds										
Special Revenue Fund	\$ 59,257	\$ 76,261	\$ (15,537)	\$ -	\$ (1)	\$ -	\$ -	\$ 1	\$ -	\$ -
<b>Total All Other Governmental Funds</b>	<b>\$ 59,257</b>	<b>\$ 76,261</b>	<b>\$ (15,537)</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>

**Source: Annual Comprehensive Financial Report**

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
 Changes in Fund Balances - Governmental Funds  
*(Modified Accrual Basis of Accounting)*  
 (Unaudited)  
 Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Revenues:</b>										
Local Sources:										
Local Tax Levy	\$ 15,501,921	\$ 15,170,243	\$ 14,324,294	\$ 13,104,900	\$ 11,012,584	\$ 8,492,440	\$ 5,713,942	\$ 4,561,287	\$ 3,712,643	\$ 2,857,105
Interest In Investments	382,476	46,907	-	39,055	11,984	499				
Miscellaneous	266,600	329,206	1,667,206	77,054	79,856	4,435	2,492	158	39,625	26,136
State Sources	10,095,322	7,681,168	7,052,682	4,753,705	3,590,710	3,042,316	3,073,831	2,196,908	2,169,098	1,941,079
Federal Sources	1,134,122	1,402,077	1,073,489	702,517	511,557	270,163	163,448	239,306	357,117	273,160
Total Revenues	27,380,441	24,629,601	24,117,671	18,677,231	15,206,591	11,809,853	8,953,713	6,997,659	6,278,483	4,897,480
<b>Expenditures:</b>										
Instruction	11,658,328	9,234,847	7,878,576	6,598,911	5,757,499	4,324,177	3,354,131	2,938,763	2,762,578	2,184,859
Administration	9,428,969	6,759,764	6,550,466	4,759,968	3,910,402	2,962,689	2,483,459	2,033,006	1,729,285	1,310,078
Support Services	6,786,453	5,524,526	4,952,615	4,253,984	4,227,854	3,102,983	2,364,442	1,843,083	1,798,610	1,481,812
Capital Outlay	-	-	11,415,594	250,021	194,227	642,129	723,385	10,123	139,804	138,994
Total Expenditures	27,873,750	21,519,137	30,797,251	15,862,884	14,089,982	11,031,978	8,925,417	6,824,975	6,430,277	5,115,743
Excess (Deficiency) of Revenues Over (Under) Expenditures	(493,309)	3,110,464	(6,679,580)	2,814,347	1,116,709	777,875	28,296	172,684	(151,794)	(218,263)
<b>Other Financing Sources (Uses):</b>										
Transfers In	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	\$ (493,309)	\$ 3,110,464	\$ (6,679,580)	\$ 2,814,347	\$ 1,116,709	\$ 777,875	\$ 28,296	\$ 172,684	\$ (151,794)	\$ (218,263)

**Source: Annual Comprehensive Financial Report**

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

General Fund - Other Local Revenue by Source

*(Modified Accrual Basis of Accounting)*

(Unaudited)

*Last Ten Fiscal Years*

Fiscal Year Ending June 30,	Donations	Prior Year Refunds	Miscellaneous Revenue	Annual Total
2024	\$ -	\$ 88,556	\$ 37,338	\$ 125,894
2023		-	65,537	65,537
2022		4,641	1,594,633	1,599,274
2021	1,519	22,497	25,125	49,141
2020	13,886	3,814	62,156	79,856
2019	7,012	-	(2,577)	4,435
2018	1,120	-	1,372	2,492
2017	-	-	158	158
2016	-	-	39,625	39,625
2015	-	-	26,136	26,136

**Source: Charter School records**

***OPERATING INFORMATION***

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
 Full-Time Equivalent Charter School Employees by Function  
 (Unaudited)  
*Last Ten Fiscal Years*

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Instruction	169	106	107	108	101	83	50	41	38	37
Administrative	7	6	5	5	5	5	4	4	3	3
Support Services	42	38	37	40	37	30	18	17	11	11
Total	218	150	149	153	143	118	72	62	52	51

**Source: Charter School Personnel Records**



# **CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Operating Statistics  
(Unaudited)

*Last Ten Fiscal Years*

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/ Teacher Ratio	Average Daily		Average Daily Attendance (ADA) <sup>c</sup>	Percent Change in Average Daily Enrollment	Student Attendance Percentage
							Enrollment (ADE) <sup>c</sup>	Enrollment (ADE) <sup>c</sup>			
2024	1329	\$ 27,690,862	\$ 20,836	28.93%	180	10:1	1329	1329	1329	3.25%	100.00%
2023	1287	21,476,709	16,687	10.81%	106	10:1	1286	1283	1283	2.97%	99.78%
2022	1249	19,381,657	15,518	25.42%	107	10:1	1248	1243	1243	2.52%	99.64%
2021	1214	15,452,859	12,729	5.70%	108	10:1	1216	1185	1185	16.65%	97.39%
2020	1042	14,619,140	17,656	38.85%	101	10:1	1014	990	990	19.51%	97.68%
2019	828	10,528,843	17,092	20.65%	83	10:1	816	786	786	24.75%	96.32%
2018	616	8,726,411	18,067	7.35%	50	18:1	614	597	597	22.64%	97.23%
2017	483	8,128,576	19,400	17.36%	41	18:1	475	438	438	11.58%	92.21%
2016	419	6,926,363	22,415	37.39%	38	18:1	420	410	410	26.43%	97.62%
2015	309	5,041,391	16,693	16.14%	37	N/A	309	304	304	2.27%	98.38%

**Sources: Charter School records**

**Note:** Enrollment based on annual final Charter School count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certified staff.
- c Average daily enrollment and average daily attendance are obtained from School Register Summary (SRS).

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

School Building Information  
(Unaudited)

*Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Charter School Building</b>										
<u>Elementary</u>										
Name of School (Year)										
Square Feet	124,967	118,512	118,512	82,750	60,000	60,000	55,000	45,000	45,000	45,000
Capacity (students)	1404	1320	1320	1320	816	650	480	432	336	336
Enrollment	1329	1249	1214	1042	828	616	478	419	309	302
Number of Schools at June 30, 2024										
Elementary = 1	470	517	544	552	516	411	263	N/A	N/A	N/A
Middle School = 1	459	418	442	448	340	224	167	N/A	N/A	N/A
High School = 1	428	352	263	214	186	193	186	N/A	N/A	N/A

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Insurance Schedule  
June 30, 2024

<b><u>COVERAGE</u></b>	<b><u>LIMITS</u></b>	<b><u>DEDUCTIBLES</u></b>
<b>NJSIG</b>		
<u>Commercial Package</u>		
Property Blanket Building & Contents	\$500,000,000	1,000
Occurrence Limit	\$11,000,000	None
Automobile Limit	\$11,000,000	None
Employee Benefit Liability	\$11,000,000	1,000
Environmental Impairment/Pollution Liability - Zurich	\$1,000,000 occ.	25,000
Pool Aggregate	\$11,000,000	
<u>Workers' Compensation</u>		
Statutory Benefits	Included	
Employer's Liability	\$2,000,000	
Supplemental Indemnity Coverage	Included	7 Day Waiting Period
<u>School Leaders Errors &amp; Omissions</u>		
Coverage A Limit Each Loss	\$11,000,000	10,000
Coverage B Limit Each Loss	\$100,000	10,000
Coverage C Limit Each Loss	\$300,000	10,000
<u>Crime Coverage</u>		
Blanket Public Employee Dishonesty	\$250,000	1,000
Computer Fraud	\$250,000	1,000
Forgery	\$250,000	1,000
Theft/Disappearance/Destruction		
Inside	\$25,000	500
Outside	\$25,000	500
<u>Public Official Bonds</u>		
Treasurer	\$200,000	1,000
Board Secretary	\$180,000	1,000

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
 New Jersey Performance Framework Financial Ratios  
 Audited Performance Indicators  
 Last Three Fiscal Years  
 (unaudited)

	2022 Audit	2023 Audit	2024 Audit	Source
Cash	9,317,513	13,362,351	12,736,683	Audit: Exhibit A-1
Current Assets (include cash)	11,226,097	15,101,921	14,213,518	Audit: Exhibit A-1
Current Liabilities	545,379	1,268,180	1,155,477	Audit: Exhibit A-1
Total Expenses	18,295,013	21,025,557	30,505,783	Audit: Exhibit A-2
Change in Net Position	4,926,680	2,376,366	(2,219,988)	Audit: Exhibit A-2
Final Average Daily Enrollment (exclude PK)*	1,216.00	1,286.00	1,329.00	DOE Final Enrollment Report
March 30 Budgeted Enrollment (exclude PK)	1,214	1,287	1,329	March 30 Charter School Budget
<i>Complete section only if auditee has mortgage/note/bond payable:</i>				
Depreciation Expense	-	-	-	Auditor/Workpapers
Interest Expense	-	-	-	Auditor/Workpapers
Principal Payments	-	-	-	Auditor/Workpapers
Interest Payments	-	-	-	Auditor/Workpapers

Performance Indicators		2022	2023	2024	3 YR CUM	Calculation****	Target****
<b>Near Term Indicators</b>							
1a.	Current Ratio (working capital ratio)	20.58	11.91	12.30		Current Assets/Current Liabilities	> 1.1 or between 1.0-1.1 with positive trend
1b.	Unrestricted days cash on hand	186	232	152		Cash/(Total Expenses/365)	60 days or 30-60 days with positive trend
1c.	Enrollment Variance	100%	100%	100%	100%	Average Daily Enrollment/Budgeted Enrollment	>95% or >95% for 3 yr cum
1d.**	Default on loans or delinquent in debt payments	NO	NO	NO		Auditor	not in default
<b>Sustainability Indicators</b>							
2a***	3 Year Cumulative Cash Flow	2,675,678	4,044,838	(625,668)	6,094,848	Net change in cash flow from prior years	3 yr cum positive with most recent year positive
2b	Debt Service Coverage Ratio	N/A	N/A	N/A		N/A or (Change in Net Position + depreciation + interest expense) / (principal + interest payments)	>1.10

\* For renaissance schools: use Oct 15 count if no final count; use head count if ADE not available  
 \*\* Is school in default of loan covenant(s) and/or is delinquent with debt service payments? Yes or No  
 \*\*\* 2024 =2024 Cash -2023 Cash; 2023 =2023 Cash -2022 Cash; 2022 =2022 Cash -2021 Cash  
 \*\*\*\* Refer to NJ Performance Framework

Meets Standard

Does Not Meet Standard

Falls Far Below Standard

***SINGLE AUDIT SECTION***

**BARRE & COMPANY LLC**  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
"GOVERNMENT AUDITING STANDARDS"**

Honorable President and  
Members of the Board of Trustees  
Central Jersey College Prep Charter School  
County of Somerset  
Somerset, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund information of Central Jersey College Prep Charter School (Charter School), in the County of Somerset, State of New Jersey, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, as listed in the table of contents, and have issued our report thereon dated December 25, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

## Report on Internal Control over Financial Reporting (Continued)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weakness may exist that have not been identified.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Charter School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matter that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and the Office of School Finance, Department of Education, State of New Jersey and Federal and State awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BARRE & COMPANY LLC  
Certified Public Accountants  
Public School Accountants



Richard M. Barre  
Public School Accountant  
PSA Number CS-01181

December 25, 2024

**BARRE & COMPANY LLC**  
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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE  
AND NEW JERSEY CIRCULAR 15-08 OMB**

Honorable President and  
Members of the Board of Trustees  
Central Jersey College Prep Charter School  
County of Somerset  
Somerset, New Jersey

***Report on Compliance for Each Major State and Federal Program***

***Opinion on Each Major State and Federal Program***

We have audited the Central Jersey College Prep Charter School’s compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* the New Jersey Circular 15-08- OMB State Aid/Grant Compliance Supplement that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2024. The Central Jersey College Prep Charter School’s major state programs are identified in the Summary of Auditor’s Results Section of the accompanying schedule of findings and questioned costs.

In our opinion, the Central Jersey College Prep Charter School, in the County of Somerset, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state [and Federal] programs for the fiscal year ended June 30, 2024.

***Basis for Opinion on Each Major State and Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.



### **Basis for Opinion on Each Major State and Federal Program (Continued)**

Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Central Jersey College Prep Charter School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state and Federal program. Our audit does not provide a legal determination of Central Jersey College Prep Charter School's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Central Jersey College Prep Charter School's State and Federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Central Jersey College Prep Charter School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Central Jersey College Prep Charter School's compliance with the requirements of each major State and Federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the audit requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the Office of School Finance, Department of Education, State of New Jersey; and New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

### **Auditor's Responsibilities for the Audit of Compliance (Continued)**

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Central Jersey College Prep Charter School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Central Jersey College Prep Charter School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with *Uniform Guidance* and the New Jersey Circular 15-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid but not for the purpose of expressing an opinion on the effectiveness of Central Jersey College Prep Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state and Federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified. Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

**Report on Internal Control Over Compliance (Continued)**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance and New Jersey Circular OMB 15-08. Accordingly, this report is not suitable for any other purpose



BARRE & COMPANY LLC  
Certified Public Accountants  
Public School Accountants



Richard M. Barre  
Public School Accountant  
PSA Number CS-01181

December 25, 2024

CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL  
Schedules of Financial Statements  
For the Fiscal Year Ended June 30, 2024

Federal Grantor/Pass-through Grantor Program Title	Federal Assistance Listing Number	Additiona Award Identifier	Federa FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2023	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Through To Subrecipients	Pass	Adjustments	Repayment Of Prior Years' Balances	Accounts Receivable	Balance at June 30, 2024	Due to Grantor
<b>U.S. Department of Education</b>																	
<b>Passed-through State Department of Education</b>																	
Special Revenue Fund																	
Title I Part A	84.010A	N/A	S0010A240030	NCLB - 6018 - 24	\$ 186,647	7/1/23	6/30/24	\$ -	\$ 186,647	\$ (186,647)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Title I Part A Carryover	84.010A	N/A		NCLB - 6018 - 23	-	9/1/22	8/31/23	140,480	-	(140,480)	-	-	-	-	-	-	-
Title III	84.365A	84.365A	S385A240030	NCLB - 6018 - 23	4,067	7/1/23	6/30/24	-	4,067	(4,067)	-	-	-	-	-	-	-
Title I Part A	84.367A	84.367A	S387A240028	NCLB - 6018 - 24	26,429	7/1/23	6/30/24	9,346	26,429	(9,346)	-	-	-	-	-	-	-
Title I Part A Carryover	84.367A	84.367A	S387A230028	NCLB - 6018 - 23	-	7/1/22	6/30/23	(5,150)	5,150	(5,150)	-	-	-	-	-	-	-
Title IV Safe & Drug Free	84.186	84.424A	S424A240031	NCLB - 6018 - 24	16,292	9/1/23	8/31/24	144,676	-	(144,676)	-	-	-	-	-	-	-
Total ESEA									238,595	(238,595)	-	-	-	-	-	-	-
<b>Individuals with Disabilities Clause</b>																	
<b>Special Education Cluster (IDEA)</b>																	
IDEA - Part B Basic	84.027A	84.027A	H027A240031	IDEA - 6018 - 24	261,704	7/1/23	6/30/24	-	159,806	(261,704)	-	-	-	(164,025)	(101,898)	-	-
IDEA - Part B Basic Carryover	84.027A	84.027A		IDEA - 6018 - 23	-	9/1/22	8/31/23	102,111	-	(102,111)	-	-	-	-	(61,914)	-	-
IDEA - Preschool	84.173	N/A	H027A240031	IDEA - 6018 - 24	4,730	9/1/23	8/31/24	(3,539)	2,000	(4,730)	-	-	-	-	(2,730)	-	-
IDEA - Preschool Carryover	84.173	N/A		IDEA - 6018 - 23	-	9/1/22	8/31/23	(4,813)	3,539	(4,813)	-	-	-	-	-	-	-
ARP - IDEA - Part B Basic	84.027X			IDEA - 6018 - 24	-	7/1/23	6/30/24	93,759	4,813	(93,759)	-	-	-	(164,025)	(166,542)	-	-
ARP - IDEA - Preschool	84.173X			IDEA - 6018 - 24	-	7/1/23	6/30/24	-	170,158	(170,158)	-	-	-	-	-	-	-
Total Special Education (IDEA) Cluster																	
<b>Other Special Revenue Funds</b>																	
Public Charter Schools (CSP Grant)	84.282	N/A		N/A	-	9/1/23	8/31/24	(66,824)	65,824	-	-	-	-	-	-	-	-
COVID-19: CARES Emergency Relief	84.425	COVID-19: 84.425D	S425D230027	N/A	-	3/1/20	9/30/22	-	-	-	-	-	-	-	-	-	-
CRRSA ESSER II	84.425	COVID-19: 84.425D	S425D230027	N/A	-	3/1/20	9/30/23	(77,553)	77,553	-	-	-	-	-	-	-	-
CRRSA Learning Acceleration Grant	84.425	COVID-19: 84.425D	S425D230027	N/A	-	3/1/20	9/30/23	(26,351)	26,351	-	-	-	-	-	-	-	-
ARP ESSER	84.425	COVID-19: 84.425D	S425D230027	N/A	483,476	3/1/20	9/30/23	(328,467)	791,943	(483,476)	-	-	-	-	-	-	-
ARP ESSER - NJTSS Mental Health Support Staffing	84.425	COVID-19: 84.425D	S425D230027	N/A	18,482	3/1/20	9/30/23	(14,400)	18,482	(18,482)	-	-	-	-	-	-	-
ARP ESSER Accelerated Learning Coach	84.425	COVID-19: 84.425D	S425D230027	N/A	89,482	3/1/20	9/30/24	(144,000)	80,265	(89,482)	-	-	-	-	(23,617)	-	-
ARP ESSER Evidence Based Comprehensive Beyond the School Day	84.425	COVID-19: 84.425D	S425D230027	N/A	34,321	3/1/20	9/30/24	-	34,321	(34,321)	-	-	-	-	-	-	-
ARP ESSER Evidence Based Summer Learning and Enrichment	84.425	COVID-19: 84.425D	S425D230027	N/A	34,037	3/1/20	9/30/24	(4,173)	38,210	(34,037)	-	-	-	-	-	-	-
CRRSA Mental Health Grant	84.425	COVID-19: 84.425D	S425D230027	N/A	-	3/1/20	9/30/23	(15,072)	15,072	-	-	-	-	-	-	-	-
Total Other Special Revenue Fund								(542,823)	1,153,559	(634,253)	-	-	-	-	(23,617)	-	-
Total Special Revenue Fund								(304,488)	1,562,302	(1,263,948)	-	-	-	(164,025)	(180,159)	-	-
<b>U.S. Department of Agriculture</b>																	
<b>Passed-through State Department of Agriculture</b>																	
Enterprise Fund																	
Child Nutrition Cluster																	
COVID-19 School Breakfast Program	10.553	COVID-19	241NJ304N1099	N/A	97,993	7/1/23	6/30/24	-	75,412	(97,993)	-	-	-	-	(22,581)	-	-
COVID-19 National School Lunch Program	10.553	COVID-19	231NJ304N1099	N/A	6,959	7/1/23	6/30/24	(12,321)	12,321	-	-	-	-	-	-	-	-
COVID-19 National School Lunch Program	10.555	COVID-19	241NJ304N1099	N/A	420,271	7/1/23	6/30/24	(65,191)	334,178	(420,271)	-	-	-	-	(86,093)	-	-
COVID-19 National School Lunch Program	10.555	COVID-19	231NJ304N1099	N/A	14,151	7/1/23	6/30/24	(65,191)	65,191	-	-	-	-	-	-	-	-
Special Milk Program for Children	10.556	N/A	241NJ304N1099	N/A	44,419	7/1/23	6/30/24	-	44,419	(44,419)	-	-	-	-	-	-	-
Special Milk Program for Children	10.556	N/A	231NJ304N1099	N/A	-	7/1/22	6/30/23	(77,512)	531,521	(562,683)	-	-	-	-	(108,674)	-	-
Total Child Nutrition Cluster																	
Total Enterprise Fund								(77,512)	531,521	(562,683)	-	-	-	-	(108,674)	-	-
Sub-Total Federal Financial Award								(392,000)	2,095,823	(1,846,631)	-	-	-	(164,025)	(288,835)	-	-

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Schedule of Expenditures of State Financial Assistance  
For the Fiscal Year Ended June 30, 2024

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2023		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year's Balance	Balance at June 30, 2024		MEMO
			From	To	Unearned Revenue (Accounts Receivable)	Due to Grantor					(Accounts Receivable)	Unearned Revenue/ Interfund Payable	
<b>State Department of Education</b>													
General Fund:													
State Aid-Public													
Equalization Act	24-495-034-5120-078	\$ 5,459,505	7/1/22	6/30/24	\$ -	\$ -	\$ 4,784,462	\$ (5,459,505)	\$ -	\$ -	\$ (675,043)	\$ -	\$ 5,459,505
Special Education Act	23-495-034-5120-078	2,639,547	6/30/23	6/30/23	(785,694)	-	785,694	-	(463,596)	-	-	-	463,596
Special Education Categorical Act	24-495-034-5120-069	463,596	6/30/24	6/30/24	-	-	463,596	-	(323,418)	-	-	-	323,418
Security Aid	24-495-034-5120-084	323,418	7/1/23	6/30/24	(785,694)	-	6,357,770	-	(6,246,519)	-	(675,043)	-	6,246,519
Total State Aid-Public													
On-Behalf:													
TPAF Post-Retirement Medical Benefits	24-495-034-5094-001	660,640	7/1/23	6/30/24	-	-	660,640	-	(660,640)	-	-	-	660,640
TPAF Pension	24-495-034-5094-002	587,592	7/1/23	6/30/24	-	-	587,592	-	(587,592)	-	-	-	587,592
Long Term Disability Insurance	24-495-034-5094-004	2,543	7/1/23	6/30/24	-	-	2,543	-	(2,543)	-	-	-	2,543
Reimbursed TPAF - Social Security	24-495-034-5094-003	2,427,365	7/1/23	6/30/24	(51,322)	-	2,397,386	-	(2,427,385)	-	(29,979)	-	2,427,365
Reimbursed TPAF - Social Security	23-495-034-5094-003	389,790	7/1/22	6/30/23	-	-	51,322	-	-	-	-	-	-
Total General Fund					(837,016)	-	10,056,653	(9,924,659)	(705,022)	-	-	-	9,924,659
Special Revenue Fund													
SDA Emergent and Capital Maintenance Fund	24-XXX-XXX-XXXX-XXX	-	7/1/23	6/30/24	-	-	143,091	(143,091)	(2,296)	-	-	-	143,091
NJ High Impact Tutoring	24-XXX-XXX-XXXX-XXX	-	7/1/22	6/30/23	-	-	25,276	-	(27,572)	-	(2,296)	-	27,572
Total Special Revenue Fund					-	-	168,367	(170,663)	-	-	-	-	170,663
<b>State Department of Agriculture</b>													
Enterprise Fund:													
School Breakfast Program	24-100-010-3350-021	-	7/1/23	6/30/24	-	-	3,133	-	(3,133)	-	-	-	3,133
School Breakfast Program	23-100-010-3350-021	-	7/1/22	6/30/23	(6,703)	-	6,703	-	-	-	-	-	-
National School Lunch Program (State Share)	24-100-010-3350-023	23,898	7/1/23	6/30/24	-	-	17,946	-	(23,898)	-	(5,952)	-	23,898
National School Lunch Program (State Share)	23-100-010-3350-023	-	7/1/22	6/30/23	-	-	-	-	-	-	-	-	-
Total Enterprise Fund					(6,703)	-	27,782	(27,031)	(5,952)	-	-	-	27,031
Total State Financial Assistance					\$ (843,719)	\$ -	\$ 10,252,892	\$ (10,122,353)	\$ (713,270)	\$ -	\$ -	\$ -	\$ 10,122,353
<b>State Financial Assistance Not Subject to Major Program Determination:</b>													
General Fund:													
TPAF Post-Retirement Medical Benefits	24-495-034-5094-001	660,640	7/1/23	6/30/24	-	-	-	-	660,640	-	-	-	(660,640)
TPAF Pension	24-495-034-5094-002	587,592	7/1/23	6/30/24	-	-	-	-	587,592	-	-	-	(587,592)
Long Term Disability Insurance	24-495-034-5094-004	2,543	7/1/23	6/30/24	-	-	-	-	2,543	-	-	-	(2,543)
Total State Financial Assistance Subject to Major Program Determination for Single Audit								\$ (8,871,578)					

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Notes to the Schedules of Expenditures  
Of Federal Awards and State Financial Assistance  
June 30, 2024

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**NOTE 1. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Trustees, Central Jersey College Prep Charter School. The Board of Trustees is defined in Note 1 to the board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the board's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 CFR 200 – *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the New Jersey OMB Circular 15-08, *"Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid"*. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Notes to the Schedules of Expenditures  
Of Federal Awards and State Financial Assistance  
June 30, 2024

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**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is none for the general fund and none for the special revenue fund. See Notes to the Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Charter School's basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ -	\$ 9,924,659	\$ 9,924,659
Special Revenue Fund	1,134,122	170,663	1,304,785
Food Service Fund	562,583	27,031	589,614
Total Awards & Financial Assistance	<u>\$1,696,705</u>	<u>\$ 10,122,353</u>	<u>\$ 11,819,058</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5. FEDERAL AND STATE LOAN OUTSTANDING**

Central Jersey College Prep Charter School has no loan balances outstanding at June 30, 2024.

**NOTE 6. OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the Charter School for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**

Notes to the Schedules of Expenditures  
Of Federal Awards and State Financial Assistance  
June 30, 2024

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**NOTE 7. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the Charter School's basic financial statements and the amount subject to State single audit and major program determination.

**NOTE 8. SCHOOLWIDE PROGRAM FUNDS**

Schoolwide programs are not separate federal programs as defined in 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; amounts used in schoolwide programs are included in the total expenditures of the program contributing the funds in the Schedule of Expenditures of Federal Awards.

**NOTE 9. DE MINIMIS INDIRECT COST RATE**

The School has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 10. MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditors Results section of the Schedule of Findings and Questioned Costs.



**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2024

**Section I – Summary of Auditor’s Report**

**Financial Statements**

Type of auditors’ report issued on financial statements Unmodified

Internal control over financial reporting:

- |   |           |                       |
|---|-----------|-----------------------|
| 1) Material weakness(es) identified?  | _____ Yes | ___X___ No            |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | _____ Yes | ___X___ None Reported |

Noncompliance material to basic financial statements noted?	_____ Yes	___X___ No
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**Federal Awards**

Internal control over major programs:

- |   |           |                       |
|---|-----------|-----------------------|
| 1) Material weakness(es) identified?  | _____ Yes | ___X___ No            |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | _____ Yes | ___X___ None Reported |

Type of auditors’ report issued on compliance for major programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Uniform Guidance?	_____ Yes	___X___ No
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Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.425U	ARP ESSER
84.425U	ARP NJTSS Mental Health Support Staffing
84.425U	ARP Accelerated Learning Coach
84.425U	ARP Evidence Based Comprehensive Beyond The School Day
84.425U	ARP Evidence Based Summer Learning and Enrichment
84.027	IDEA Part B
84.173	IDEA Preschool

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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Auditee qualified as low-risk auditee?	___X___ Yes	_____ No
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**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2024

**State Financial Assistance**

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

Internal control over major programs:

1) Material weakness(es) identified? ☐ Yes ☒ No

2) Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None Reported

Type of auditors' report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable? ☐ Yes ☒ No

Identification of major state programs:

GMIS Number(s)	Name of State Program or Cluster
	<u>Total State Aid – Public</u>
<u>24-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>24-495-034-5120-084</u>	<u>Security Aid</u>
<u>24-495-034-5120-089</u>	<u>Special Education Categorical</u>

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Summary Schedule of Prior Year Audit Findings  
And Questioned Costs as Prepared by Management  
For the Fiscal Year Ended June 30, 2024

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***Section II –Financial Statement Findings***

The section identifies the significant deficiencies, material weaknesses and fraud, non compliance with provisions of laws, regulation, contracts, and grant agreements related to financial statements for which Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey requires.

No Current Year Findings

***Section III – Federal Awards and State Financial Assistance  
Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and material matters of noncompliance, including questioned costs and significant instances of abuse, related to the audit of major federal and state programs, as required by U.S Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR FEDERAL AWARDS**

No Current Year Findings

**CURRENT YEAR STATE FINANCIAL ASSSITANCE**

No Current Year Findings

**CENTRAL JERSEY COLLEGE PREP CHARTER SCHOOL**  
Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by  
Management  
For the Fiscal Year Ended June 30, 2024

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**STATUS OF PRIOR YEAR FINDINGS**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. (511 (a)(b)) and NJOMB's 15-08, as applicable.

**STATUS OF PRIOR YEAR FINDINGS**

No Prior Year Findings