



State of New Jersey

DEPARTMENT OF EDUCATION

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Acting Commissioner

June 24, 2014

TO: Chief School Administrators
Charter School Lead Persons
School Business Administrators/Board Secretaries
Public School Accountants

FROM: Yut'se O. Thomas, Director Office of School Finance

SUBJECT: *The School District and Charter School Audit Program for Fiscal Year 2013-14*
The School District and Charter School State Aid/Grant Compliance Supplement for Fiscal Year 2013-14

The School District and Charter School Audit Program for Fiscal Year 2013-14, The School District and Charter School State Aid/Grant Compliance Supplement for Fiscal Year 2013-14, and The Administrative Questionnaire for School Districts and Charter Schools will be posted on the Department of Education website at: <http://www.nj.gov/education/finance/fp/audit/1314/> on June 30, 2014.

The *Audit Program* is arranged by sections and subject matter. Each section and subject is applicable to independent audits of school districts and charter schools unless otherwise indicated within the document text. School district auditors are advised that all sections and subjects of the *School District and Charter School State Aid/Grant Compliance Supplement for 2013-14* are applicable to independent audits of school districts unless it is clearly indicated that the section applies only to charter school audits. Charter school auditors are advised that only those sections and subjects of the *School District and Charter School State Aid/Grant Compliance Supplement for 2013-14* identified as applicable to charter schools are applicable to independent audits of charter schools.

For those who prefer to receive a printed copy of the audit documents, our office will distribute a limited number of copies upon request emailed to doecafr@doe.state.nj.us.

School district independent auditors are advised that also posted at the above link are the *2013-14 School District Budget Guidelines* for your use in conducting the annual independent audit of school districts. The schedules and instructions for preparing school-based budget CAFR schedules are posted at <http://www.nj.gov/education/finance/fp/cafr/>.

Significant Changes to *The School District and Charter School Audit Program*

All changes/updates to *The School District and Charter School Audit Program* have been summarized in the Introduction section and highlighted throughout the document for easy reference.

School District and Charter School Administrative Expenditures Questionnaire

The School District and Charter School Questionnaire on Administrative Expenditures must be completed by every school district and charter school and made available for the annual audit. The Questionnaire is included in Section III – Chapter 6 of the Audit Program. The Questionnaire is also available on the Department’s website at: <http://www.nj.gov/education/finance/fp/audit/1314/>.

Auditors should review this questionnaire in conjunction with their test of transactions and include a finding and recommendation if the school district or charter school presents a questionnaire that is substantially incomplete or inaccurate.

School District and Charter School Schedule(s) Detailing Administrative Positions

The School District and Charter School Audit Program also requires school districts and charter schools to have available for audit a schedule detailing those staff positions requiring a school administrative, principal, or school business administrator certificate as part of the “*Checklist for Preparation for an Annual Independent Audit*”, which is included in Section III – 6 of the document.

Other Information

➤ Statistical data and other information used in preparing the Comprehensive Annual Financial Report (CAFR) and performing the school district or charter school audit will be posted at <http://www.nj.gov/education/finance/fp/audit/1314/> when available and will include:

- * Annual Average Labor Force Estimates by Municipality
- * Per Capita Personal Income for New Jersey
- * October 2013 District Report of Transported Resident Students (DRTRS) Summary Report
- * Subcounty Population Estimates
- * On-Behalf TPAF Payments for 2013-14

Questions regarding the school district or charter school independent audit materials, school district or charter school CAFR preparation, or general audit related inquiries should be e-mailed to doecafr@doe.state.nj.us. Audit related questions should be e-mailed to Fiscal Policy at audsum@doe.state.nj.us.

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c: Members, State Board of Education
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