



STATE OF NEW JERSEY

DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Date: November 16, 2022
To: Local Educational Agency Leads
Route To: School Business Administrators
From: Scott Henry, Acting Assistant Commissioner
Division of Finance and Business Services

2021-2022 Annual Comprehensive Financial Report (ACFR) Submission Due Date

P.L. 2021, c.256 requires the fiscal year ending June 30, 2022, Annual Comprehensive Financial Report (ACFR) to be filed with the NJDOE no later than December 5, 2022. Because this due date is statutory, the Commissioner of Education may not extend the deadline. However, we understand the amount of time and effort necessary to review that GASB 75 data and finalize the 2021-2022 independent audit reports. The GASB 75 financial statement is an important component of district audit reports that is contingent on the provision of data from Treasury.

It was brought to our attention that to date, the necessary GASB 75 numbers and disclosures have not been released by the Department of the Treasury's Division of Pensions and Benefits and an anticipated release date is unavailable. Local educational agencies (LEAs) should be aware that noncompliance with the financial reporting and disclosure requirements of GASB Statement No. 75 is a serious matter and will result in the issuance of a modified audit opinion on the school's financial statements.

Because the GASB 75 data is not available and the NJDOE cannot move the statutory deadline, be advised that submission of an ACFR after the statutory deadline, but before **Monday, February 6, 2023**, will not result in any adverse findings by the NJDOE. Specifically, applicable to school districts, the NJDOE will not:

1. Penalize any school district score for purposes of the New Jersey Quality Single Accountability Continuum (NJQSAC).
2. Consider a school district to have violated N.J.S.A. 18A:7A-55 a. (8) late audit submission as a factor in the appointment of a State monitor.

This additional flexibility should allow for all LEAs and independent auditors to successfully complete their work, inclusive of the reporting standards of GASB Statement No. 75. The NJDOE encourages schools and auditors to work collaboratively toward this goal to ensure a timely and complete audit submission.

Please be aware that Audit Summary data is preloaded into the 2023-2024 school district budget software, is used in establishing certified tuition rates for January release, and in the Taxpayer's Guide to Education Spending and other federal reporting. LEAs and independent auditors are also notified that [Audsum](#) is to be certified by **Thursday, January 5, 2023**. To encourage successful compliance with GASB Statement No. 75, the NJDOE will block the Audit Summary Questionnaire screen from data entry until Treasury releases the GASB Statement No. 75 reports. This screen collects information related to a completed audit, including whether the auditor's report includes any modifications.

LEAs may direct questions and inquiries to Audsum@doe.nj.gov or doe.acfr@doe.nj.gov.

c: Members, State Board of Education
NJDOE Staff
Statewide Parent Advocacy Network

NJ LEE Group
Garden State Coalition of Schools