

Sample of Audit Report

Non-Profit School

ABC School for Students with Disabilities

Report of Audit

for the Fiscal Year Ended

June 30, 20XX

ABC School for Students with Disabilities
Table of Contents

Page Number

Independent Auditor's Report	NP – 3 & 4
Auditor's Report on Internal Control	NP – 5 & 6
Balance Sheet	NP – 7 & 8 (A)
Statement of Support and Revenue, Expenses, Capital Additions and Changes in Fund Balances	NP – 9 & 10 (A)
Statement of Accrued Expenses and Accounts Payable	NP – 11 (A)
Statement of Total Expenditures	NP – 12 (A) (B)
Statement of Expenditures by Line Item	NP – 13 to 31 (A) (B)
Statement of Percentages for Cost Category Assignments	NP – 32 to 47 (A) (B)
Statement of Enrollment	NP – 48 (A)
Statement of Tuition Rate Computation - Part I	NP – 49 (A)
Statement of Tuition Rate Computation - Part II	NP – 50 (A)
Statement of Tuition Rate Computation - Working Capital Fund	NP – 51 (A)
Statement of Extraordinary Services - Expenditures by Line Item	NP – 52 (A)
Statements of Extraordinary Services - Tuition Rate Computation & Working Capital	NP – 53 (A)
Statement of Billing Adjustment	NP – 54 & 55 (A)
Statement of Non-allowable Costs	NP – 56 (A)
Statement of Interest/Dividends Earned on Tuition Funds	NP – 57 (A)
Statement of Food Service	NP – 58 (A)
Statement of Early Intervention Program	NP – 59 (A)
Statement of Budget Versus Actual	NP – 60 (A)
Statement of Additional Compensatory Special Education Related Services for S6207	NP – 61 (A)
Notes to Financial Statements	NP – 62 to 67
Recommendations - Current Year	NP – 68
Recommendations - Current Year Status of Prior Years' Comments and Recommendations	NP – 68
Management's Determination of the Final Tuition Rate Charged	NP – 69

(A) Pages NP-7 through 61 are located in the Non-Profit School - Statements.

(B) An excel version of this form is located in Non-Profit School Template.

This sample report was adopted from the new auditor reporting Statement on Auditor Standards (SAS) No.134, and is available on the [AICPA website](#). Auditors are encouraged to review this link for other sample reports.

{Audit Firm's Letterhead}
Independent Auditors' Report

To the Board of Trustees
ABC School for Students with Disabilities

Opinion

We have audited the accompanying financial statement of the ABC School for Students with Disabilities (a nonprofit organization), in the County of *[County]*, State of New Jersey, which comprise the statement of assets, liabilities and fund balances statutory basis as of June 30, 202X, and the related statements of support and revenue expenses and changes in fund balances statutory basis for the year then ended, and the related notes to the financial statements. In our opinion, the financial statements referred to above present fairly, in all material respects, the statement of assets, liabilities and fund balances - statutory basis of ABC School for Students with Disabilities *[County]*, State of New Jersey as of June 30, 202X, and its support and revenue, expenses and the changes in fund balances for the year then ended in accordance with the financial reporting provisions of the Division of Finance and Business Services, Department of Education, State of New Jersey, described in Note X.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the audit requirements as prescribed by the Department of Education, Division of Finance and Business Services, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We are required to be independent of ABC School for Students for Disabilities and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note X of the financial statements, which describes the basis of accounting. As described in Note X, these financial statements were prepared in conformity with the financial reporting provisions of the Division of Finance and Services, Department of Education, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of N.J.A.C. 6A:23A-18.1 through 18.23. Our opinion is not modified with respect to the matter.

Key Audit Matters

Key audit matters are those matters that were communicated with those charged with governance and, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. (Include a description of each key audit matter here in accordance with AU-C 701, if applicable)

Other Matters

The accompanying supplementary information listed in the foregoing table of contents is presented for the purposes of additional analysis as required by the Division of Finance and Business Services, Department of Education, State of New Jersey and in accordance with the requirements of *N.J.A.C. 6A:23A-18.1 through 18.23* regarding allowable costs, certified actual costs per student and the final tuition rate charged and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Finance and Business Services, Department of Education, State of New Jersey. Management is also responsible for 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. 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 ABC School for Students with Disabilities' ability to continue as a going concern for June 30, 202X.

Auditor's Responsibility 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 our opinion on these financial statements 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 with generally accepted 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing our audit with GAAS, we:

- Exercise professional judgement 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 included 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 the entity'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 the auditor's judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

New accounting updates from the Financial Accounting Standards Board set forth in FASB 2016-14 require changes to the presentation and disclosures of the not-for-profit's financial statements. These include an improved measurement of the classification of net assets, a clearer presentation of operational performance without regard to how the not-for-profit finances its operations through debt or investing activities, and the improvement of a financial statement user's ability to assess the not-for-profit's liquidity position, making the financial statements more understandable and usable by its primary stakeholders. This audit reflects these updated accounting standards.

Restriction on Use

Our report is intended solely for the information and use of ABC School for Students with Disabilities and the New Jersey State Department of Education for the purpose of determining the certified actual cost per student and the final tuition rate charged to public school districts for students with disabilities and is not intended to be and should not be used by anyone other than these specified parties.

Other Reporting Required by the Department of Education, State of New Jersey

In accordance with the Department of Education, State of New Jersey, we have also issued our report dated /insert date of report/ on our consideration of ABC School for Students with Disabilities' internal control over financial reporting and on our tests of its compliance with certain provisions of N.J.A.C. 6A:23A-18.1 through 18.23. 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with the Department of Education, State of New Jersey in considering ABC School for Students with Disabilities' internal control over financial reporting and compliance.

Auditor's signature
 Auditor's city and state
 Date of the Auditor's Report
 Licensed Public School Accountant No. _____
 Firm's Name

Note to Auditor – A current copy of the Public School Accountant's license shall be made part of this audit.

The sample report was adopted and modified from (4-3), is available on the [AICPA website](#). Auditors are encouraged to review this link for other sample reports.

{Audit Firm's Letterhead}
Auditor's Report on Internal Controls

To the Board of Trustees of
ABC School for Students with Disabilities

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey, the financial statements of ABC School for Students with Disabilities in the County of [County], State of New Jersey, which comprise the statement of assets, liabilities and fund balances – statutory basis as of June 30, 202X, and the related statements of support and revenue, expenses, and changes in fund balances – statutory basis for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated [Date of Auditors Report].

Internal Control Over Financial Reporting

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

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 a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether ABC School for Students with Disabilities' 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 matters that are required to be reported under the audit requirements prescribed by the Division of 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with the audit requirements prescribed by the Division of Finance and Business Services, Department of Education, State of New Jersey in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Auditor's signature
Auditor's city and state
Date of the Auditor's Report
Licensed Public School Accountant
No. _____
Firm's Name _____

Note to Auditor: Please be advised, matters involving the internal control structure and its operation communicated to management in a separate letter must also be included in the comments and recommendations sections of the report.

ABC School for Students with Disabilities

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 20XX

Note 1

Land	\$ 55,000
Building	320,000
Equipment and Furniture	100,000
Leasehold Furniture	100,000
	<hr/>
	\$575,000
Accumulated	215,000
	<hr/>
	<u>\$360,000</u>

Note 2

A summary of items contrary to N.J.A.C. 6A:23A-18.1 et seq. **(If none, indicate such.)**

- a. Quarterly financial statements were not prepared and filed with the governing body.
- b. The mandated New Jersey State Department of Education contracts were not in effect, but a tuition contract was executed.
- c. Uncertified staff held positions that required New Jersey school certification.
- d. The school incurred costs for a keyman life insurance policy.
- e. The school incurred costs for repairs to a personal vehicle.
- f. The school incurred costs for contributions in excess of the \$750 limitation.
- g. The school incurred costs for public relations above 0.5% of the total allowable costs.
- h. The school incurred costs for pupil transportation to/from the school.
- i. The school incurred costs in a related party transaction in excess of the cost of ownership plus a 2.5% return.
- j. The school incurred costs for the personal use of a school-owned vehicle.
- k. The school incurred costs for the personal use of school-leased vehicle.
- l. The director was paid a salary in excess of the maximum salary for the position.

Note 3

Private schools for students with disabilities in New Jersey shall prepare financial statements in accordance with to N.J.A.C. 6A:23A-18.1 through 18.23. The purpose of the financial statements is to verify the Certified Actual Cost Per Student and the Final Tuition Rate Charged for each private school for students with disabilities. The Final Tuition Rate Charged shall be used to generate tuition adjustments, if any, between the private schools and New Jersey public school sending districts.

In accordance with FASB 2016-14, the statements reflect the results of operations and should not be used for any purpose other than the determination of a tuition rate. The expenses used to verify the certified actual cost per pupil and the actual tuition rate charged are based on allowable expenses determined by the Department of Education.

The Department of Education requires a balance sheet; a statement of support and revenue, expenses, capital additions and changes in fund balances; a statement of total expenditures by account series, a statement of expenditures by line item, a statement of the average daily enrollment; statements of tuition rate computation, a statement of billing adjustments; a statement of non-allowable costs; a statement of food service-income and expenses, a statement of net interest earned/paid; and a statement of accruals and accounts payable.

Note 4

The ABC School for Students with Disabilities leases a school building in a related party transaction from the School Building Owners, Inc. The ABC School for Students with Disabilities and School Building Owners, Inc. are nonprofit corporations and share the same board of directors. The building was leased from School Building Owners, Inc. for \$24,775 and the entire amount was reflected as an allowable cost in the financial records.

For purposes of the certified actual cost per pupil calculation and the actual tuition rate charged, the lease expense is limited to the actual cost of ownership of \$11,000 plus a return of \$275 which is based on 2.5 percent of the actual cost of ownership. The \$13,500 difference between the \$24,775 lease and the \$11,275 included in the certified actual cost per pupil calculation is considered a non-allowable cost. The actual cost of ownership to School Building Owners, Inc. was \$11,000, which was based on financial information supplied by School Building Owners, Inc.

Note 5

The ABC School for Students with Disabilities is an approved New Jersey State Department of Education private school for students with disabilities. The school is approved to serve pupils classified as emotionally disturbed, neurologically impaired, multiply disabled and educable mentally retarded.

Note 6

The Board of Directors authorized the transfer of \$2,750 from the unrestricted funds to the state Early Intervention Program to cover the excess of program expenses over program revenue. The Board also authorized the transfer of \$750 of interest earned on the Early Intervention Program to accounts payable. This money is due to the New Jersey State Department of Education. The transfer of \$29,500 from the public school restricted fund was in order to cover deficits in the public school restricted plant fund balance.

Note 7

The loan payable consists of a 180 day note payable to XYZ Savings and Loan Association due December 15, 20XX with interest at 1/2% over prime per annum. The loan was taken for cash flow purposes.

	\$50,000
Less: Current Portion	50,000
Loans Long Term	\$ --0--

Note 8

The mortgage payable consist of a 10%, 30 year fixed rate secured by a mortgage on land and buildings of the school. The note is payable to XYZ Savings and Loan Association in monthly installments of \$3,393 and matures on June 1, 20XX.

	\$360,000
Less: Current Portion	30,000
Mortgage Payable - Long Term	<u>\$330,000</u>

Note 9

The ABC School has established a non-contributory defined contribution retirement plan effective July 1, 1990. For tax purposes, the plan is considered a qualified plan. An employee becomes eligible for the plan after completing a year of service of at least 1,000 hours and has attained the age of 21. Contributions under the plan are made at the rate of 5% of each employee's compensation.

The school's retirement plan is in conformance with the Employee Retirement Income Security Act of 1974 and its successor legislation. In addition, the school's retirement plan meets the standards in N.J.A.C. 6A:23A-18.6(a)31 as an allowable cost for a retirement plan and meets the standards of N.J.A.C. 6A:23A-18.6(a)23 as an allowable cost as a fringe benefit. The school made contributions to the plan of \$51,531.

Note 10

For the June 30, 20XX school year the ABC School incurred costs of \$2,040 by the parent organization. The accounting and bookkeeping operations are handled at the parent organization and include the salaries and fringe benefits of an accountant and bookkeeper who provide services for both the private school and the parent organization. The charge to the private school was based on the number of employees in the private school to the total number of employees in the parent organization and private school.

Each of the following illustrations (11(a) through 11 (e)) may not be applicable to the audit. Please select the appropriate footnote disclosure(s) for the PSSD under audit:

Note 11(a) - Child Nutrition Program – Direct Certification

The Statement of Food Service reflects the net expenditures included in the calculation of the certified actual cost per student. ABC School met the nutritional requirements of the Child Nutrition Program as administered by the New Jersey Department of Agriculture pursuant to N.J.A.C. 6A:23A-18.23(a)1.

Management has not reported revenue from sales to students for reduced or paid meals, as **all** of the students enrolled in ABC School are placed by the state and as such are considered a family of one and/or met the income eligibility requirements for free meals as established by Child Nutrition Program. As such, **every** student was direct certified on the SNEARS program as TANF/FDPIR/SNAP. Accordingly, for the year ended June 30, 20XX, XX students received a total of XX free meals.

Note 11(b) - Child Nutrition Program

The Statement of Food Service reflects the net expenditures included in the calculation of the certified actual cost per student. ABC School met the nutritional requirements of the Child Nutrition Program as administered by the New Jersey Department of Agriculture pursuant to N.J.A.C. 6A:23A-18.23(a)1.

The Statement of Food Service reflects revenue from sales of meals as ABC School charged for students' paid and reduced price meals in accordance with the income eligibility criteria established by the Child Nutrition Program as administered by the New Jersey Department of Agriculture pursuant to N.J.A.C. 6A:23A-18.23(a)1. The actual number of students participating in the Child Nutrition Program varied as a result of fluctuating enrollment. Accordingly, as of June 30, 20XX, XX students received a total of XX free meals, XX students received a total of XX reduced rate meals, and XX students received a total of XX paid rate meals.

Note 11(c) - Child Nutrition Program –parent/guardian/sending district provide meals

The Statement of Food Service does not reflect expenditures associated with providing meals to students because students bring lunch to school provided by the parents/guardian/sending district.

Note 11(d) - Child Nutrition Program –Community Eligibility Provision

The Statement of Food Service reflects the net expenditures included in the calculation of the certified actual cost per student. ABC School met the nutritional requirements of the Child Nutrition Program as administered by the New Jersey Department of Agriculture pursuant to N.J.A.C. 6A:23A-18.23(a)1.

Management has not reported revenue from sales to students for reduced or paid meals, as ABC School participates in the Community Eligibility Provision which allow eligible approved private schools for students

with disabilities to offer breakfast and lunch free of charge to all on-roll students through the Child Nutrition Program as administered by the Department of Agriculture. Accordingly, every student was provided a meal for the year ended June 30, 20XX, XX students received a total of XX free meals.

Note 11(e) - Child Nutrition Program –nonparticipation

The Statement of Food Service does not reflect expenditures associated with providing meals to students because ABC School has elected to fund the cost of providing meals to students through an unrestricted fund. As such, there are no costs included in the calculation of the certified actual cost per student. Accordingly, ABC School did not meet the provisions of N.J.A.C. 6A:23A-18.23(a)1.

Note 12 – Payroll Protection Program Disclosure for Non-Profit Schools

The School applied for and received a Payroll Protection Program loan in the amount of \$XXX, XXX with XX% of the loan amount expressly used for the payment of employees' payroll according to SBA and lender requirements. For the school year ended June 30, 2025, \$XXX, XXX was used for payroll purposes, as disclosed below:

Total PPP loan amount received:	\$XXX, XXX
Amount used towards APSSD	
Amount used towards other (non-APSSD) programs	
Qualified Expenditures to be Forgiven:	\$XXX, XXX

In accordance with FASB ASC 405-20-40-1, the proceeds from the loan are to remain recorded as a liability until either:

- 1) the loan is, in part or wholly, forgiven and the debtor has been “legally released” or
- 2) the debtor pays off the loan to the creditor.

Once the loan is, in part or wholly, forgiven and legal release is received, a nongovernmental entity would release the liability by the amount forgiven and record a gain on extinguishment.

In accordance with State guidance, the application for loan forgiveness and resultant determination have been submitted to the Department of Education in tandem with the audited financial statement submission.

Choose one of the following:

- ABC School's management applied (or intends to seek) for forgiveness of exactly \$XXX, XXX in accordance to SBA guidance on (insert date). The amount of \$X, XXX of principal and interest related to the PPP loan is included as allowable costs.
- The School does not intend to seek forgiveness of the PPP loan and will repay the loan plus accrued interest according to SBA requirements and the lender's terms utilizing unrestricted funds.
- The School has applied for forgiveness of the PPP loan on (insert date) and was denied; therefore, the School will repay the loan plus accrued interest according to SBA requirements and the lender's terms utilizing unrestricted funds.

Note 13 – Leases

The School has an operating and a finance lease for a building and equipment, respectively. The non-cancellable operating and finance leases have remaining lease terms of 3 years and 2 years, respectively. The building lease includes two 5-year options to extend the lease an additional 5 years for \$4,200 for the first 5-year option period

and \$5,400 for the second 5-year option period. The School anticipates that these options will be exercised. Therefore, pursuant to FASB -ASC 842, the Right-Of-Use assets and lease liabilities include the option payments. As of June 30, 2025, assets recorded under finance leases amounted to \$10,000, and \$2,000 of accumulated depreciation.

The components of lease expense for the school for the year ended June 30, 2025 were as follows:

Operating lease cost	\$ 1,000
Finance lease cost	-
Amortization of right-of-use assets	\$ 200
Interest on lease liabilities	\$ 211
Total finance lease cost	\$ 1,411

Other information related to leases for the year ended June 30, 2025 is as follows:

Supplemental Cash Flows Information

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows for operating leases	\$ 1,000
Operating cash flows for finance leases	\$ 1,000

Right-of-use assets obtained in exchange for lease obligations:

Operating leases	\$ 1,000
Finance leases	\$ 1,000

Weighted Average Remaining Lease Term

Operating leases	7 years
Finance leases	12 years

Weighted Average Discount Rate

Operating leases	2.75%
Finance leases	3.65%

Future minimum lease payments under non-cancellable leases including lease options as of June 30, 2025, are as follows:

Year Ending June 30,	Operating Leases	Finance Leases
2025	\$1,000	\$1,000
2026	\$1,000	\$1,000
2027	\$1,000	\$1,000
Thereafter:	\$8,000	-
Total future minimum lease payments:	\$11,000	\$3,000
Less imputed interest:	(\$2,500)	(\$550)
Total:	\$9,500	\$2,450

Total Lease Amounts Reported as of June 30,2025:

Year Ending June 30,	Operating Leases	Finance Leases
Current liabilities	\$2,000	\$2,000
Long-term liabilities	\$7,000	\$ 450
Total	\$9,500	\$2,450

As of June 30, 2025, the School has an additional operating lease that has not yet commenced in the amount of \$5,000. This operating lease will commence during the year ended June 30, 2026, with lease term of 5 years.

Note 14 – Additional or Compensatory Special Education and Related Services (ACSERS)
Program related to P.L. 2021, c.109 (S6207) for APSSDs

The Statement of ACSERS related to S6207 reflects revenue and expenditures utilized to educate students who attain the age of 21 pursuant to P.L. 2021, c.109 (S6207) for ABC School. For the year ended June 30, 2025, ABC School received \$XX,XXX for tuition revenue and included expenditures in the amount of \$XX,XXX in the Certified Actual Cost Per Student related to P.L. 2021, c.109 (S6207).

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ABC School for Students with Disabilities
Recommendations
Current Year

It is recommended that:

1. The quarterly financial statements be prepared according to the format prescribed by the Department of Education and filed with the governing body.
2. The mandated Department of Education tuition contract be executed for all students whose tuition is paid by a New Jersey public school.
3. The school complies with N.J.A.C. 6A:23A-18.6(a)1 through 73 regarding incurring non-allowable costs.

Current Year Status of Prior Years'
Comments and Recommendations

A review was performed on all prior year's recommendations and corrective action was taken with the exception of the following which is included in this year's recommendations and has been a recommendation since the 20XX-20XX school year:

1. The mandated Department of Education tuition contract be executed for all students whose tuition is paid by a New Jersey public school.

**Management's Determination of
the Actual Tuition Rate Charged
for the Fiscal Year Ended June 30, 20XX**

Prior to this audit being finalized, representatives of the ABC School for Students with Disabilities, Inc. and the accounting firm of Smith and Doe met to discuss the results of the auditor's determination of the Certified Actual Cost Per Student in order for the board of directors to determine the Final Tuition Rate Charged. In accordance with N.J.A.C. 6A:23A-18.1 et. seq., the Final Tuition Rate Charged shall be an amount equal to or less than the Certified Actual Cost Per Student regardless of the original tentative tuition rates charged to local school districts.

The school originally charged a Tentative Tuition Rate – Per Diem Rate of \$269.50 and a Tentative Tuition Rate – Total School Year Rate of \$56,595. Based on the Certified Actual Cost Per Student - Per Diem Rate of \$260.00 and Certified Actual Cost Per Student – Total School Year Rate of \$54,600 determined by the auditor in accordance with N.J.A.C. 6A:23A-18.1 et seq., the management of ABC School for Students with Disabilities has determined that the Final Tuition Rate Charged - Per Diem Rate of \$260.00 and Final Tuition Rate Charged – Total School Year Rate of \$54,600 will be charged for the 20XX – 20XX school year. This letter will serve as documentation that management met and discussed the Certified Actual Cost Per Student with the auditor and the determination of the Final Tuition Rate Charged was a board of directors' decision.

Signature of School Representative

Signature of Accounting Firm
Representative