
TITLE: **AUDITOR**

QUALIFICATIONS:

1. Public School Accountant License
2. Minimum experience in public accounting as determined by the board
3. Knowledge of laws governing the fiscal affairs of school districts
4. Current residency in New Jersey, approved residency waiver or candidate agrees to obtain residency within one year of employment (only if a regular employee of the district)

REPORTS TO: Board of Education

JOB GOAL: To ensure integrity in the transaction of the school district's financial affairs.

PERFORMANCE RESPONSIBILITIES:

- A. Annually examines financial documents, records and accounts not later than four months after the end of the school fiscal year. Determines the propriety of transactions, whether all transactions have been properly recorded, and statements drawn for accounts reflect an accurate picture of the financial operations and financial status of the district.
- B. Contents of the Audit
 1. The annual audit is to be conducted pursuant to the Audit Program-Financial Accounting for New Jersey School Districts to include the books, accounts and monies and a verification of all cash and bank balances of the Board of Education, and any officer or employee of any organization conducted under the auspices of the District. The audit should include the review of the following areas:
 - a. General Fund;
 - b. Special Revenue Funds;
 - c. Capital Projects Funds;
 - d. Enterprise Funds and Internal Service Funds;
 - e. Private Purpose Trust and Agency Funds;
 - f. Student Activity Funds.
 2. In addition to the above, the audit must include the procedures listed below:
 - a. Review of budget line items transfers for compliance with N.J.S.A. 18A:22-8.1 and N.J.A.C. 6:20-2A.11 to determine whether amounts transferred were used for the approved purposes;
 - b. Review of appropriations from fund balances for compliance with N.J.S.A. 18A:22-8.1 to determine whether fund balances were used for approved purposes;
 - c. Review of expenditures to determine whether they have been appropriately classified consistent with the Uniform Minimum Chart of Accounts (Handbook 2R2) for New Jersey School Districts pursuant to N.J.S.A. 18A:4-14;
 - d. Review of budgeted expenditure/appropriation accounts for compliance with N.J.A.C. 6A:23A-4.3-4.4
 - e. Review of equipment expenditures charged within general fund, capital outlay for compliance with N.J.A.C. 6A:23A-10.2;
 - f. Review of expenditures charged within general fund, capital outlay and capital projects fund to determine appropriateness of such expenditures and compliance with capital ordinances. A determination of whether general fund, capital outlay expenditures were made in accordance with the purposes described on the associate supporting budget documentation presented on the DOE diskette and approved by the executive county superintendent must be included;

- g. Review of expenditures charged to the Special Revenue (Fund 20);
- h. Review of accounts payable and encumbrances for both the preceding and current year to determine compliance with GAAP. A determination of whether accounts payable and encumbrances were liquidated timely and the amount; percentage of canceled or aged (over 90 days) payables and encumbrances must be included.
- A. A review of all consultants' compensation for compliance with the IRS regulations and a determination of consultant or employee status based on IRS guidelines.
- B. Evaluates the system of internal audits.
- C. Works closely and cooperatively with the board's financial officer and the treasurer of school moneys.
- D. Prepares and submits to the board a report of each annual audit and recommendations for improvement of fiscal accounting procedures.
- E. Files two copies of the annual audit and synopsis with recommendations in the NJDOE Office of the Commissioner. The final audit report shall be prepared as required by directions specified in the Audit Program, as revised, and completed and submitted no later than the date, as noted in the Audit Program. The district shall submit to the State Department of Education the Audit Summary Worksheet diskette, transmittal letter, and supplemental data for tuition cost per pupil.
- F. Fraud, Suspicion of Fraud or Unauditable Conditions
 - 1. Upon the suspicion of or recognition of fraud, major accounting system deficiencies or major misstatements of accounts, the auditor shall immediately contact the School Business Administrator and the Director of the Office of Compliance, New Jersey Department of Education.
 - 2. Firms will be required to produce a written report of the fraud or suspicion of fraud to the Business Administrator and the Director of the Office of Compliance, New Jersey Department of Education.
 - 3. If the contractor determines at any time during an engagement that the records are unauditable or a disclaimer of opinion is necessary, the contractor is required to notify the Business Administrator and the Director of the Office of Compliance, New Jersey Department of Education immediately.
 - 4. Within five (5) days of such verbal notification, a follow-up letter is required, which details the reason why the agency is unauditable or why a disclaimer of opinion is necessary.
 - 5. The contractor should not proceed to perform any further work until advised by the School Business Administrator and the Director of the Office of Compliance, New Jersey Department of Education.
- A. Exit Conference
 - 1. Upon completion of the audit, and prior to submission of the final report, or at any time so designated by the School Business Administrator or as deemed necessary by the contractor, the contractor will meet with the School Business Administrator or his designated liaison to discuss audit findings.
- A. Performs related duties as may be required by the board.

TERMS OF

EMPLOYMENT: Appointed annually to serve at the pleasure of the board.
Salary to be determined by the board.

annual

evaluation: Performance of this job will be evaluated annually in accordance with NJ State law and the provisions of the board's policy on evaluations.

Approved by:

Date:

Revised:

Legal References:

<u>N.J.S.A.</u> 18A:4-14	Uniform system of bookkeeping for all school districts
<u>N.J.S.A.</u> 18A:23 1	Audit when and how made
<u>N.J.S.A.</u> 18A:23 2	Scope of the audit
<u>N.J.S.A.</u> 18A:23 3	Filing of recommendations; publication
<u>N.J.S.A.</u> 18A:23 7	Report signed by auditor
<u>N.J.S.A.</u> 18A:23 8	Audit made by licensed public school accountant

N.J.S.A. 18A:23-9
N.J.A.C. 6A:23A-16
N.J.A.C. 6A:23A-16.24

Declaration of accountant
Double entry bookkeeping and GAAP accounting in local schools districts
Principals and directives for accounting and reporting