

Auditor Reports

The reports required in connection with an audit performed under the Single Audit Act of 1984, P.L. 98-502 as amended by the Single Audit Act Amendments of 1996, P.L. 104-156 and required by NJOMB Circular Letter 04-04 are listed below. The references are to the AICPA Audit Guide titled *Government Auditing Standards and Circular A-133 Audits* - issued May 2005, updated July 10, 2006. **Auditors are encouraged to check the AICPA website “Governmental Auditing Quality Center” at <http://gagc.aicpa.org/> for the most recent sample reports and for revisions to the Guide issued after the issuance of this *Audit Program*.**

Independent Auditor’s Reports

References

Unqualified Opinions on Basic Financial Statements Accompanied by Required Supplementary Information and Supplementary Information – Governmental Entity	Part I, Appendix A Chapter 4, Section .50, Example 4-1
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Single Audit Reports

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> (No Material Weaknesses [No Reportable Conditions Identified], No Reportable Instances of <i>Noncompliance or Other Matters</i>)	Part I, Appendix A Chapter 4, Section .50, Example 4-3
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Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and NJOMB Circular Letter 04-04 (<i>Unqualified Opinion on Compliance and No Material Weaknesses [No Reportable Conditions Identified]</i>)	Part II, Appendix A Chapter 12, Section .54, Example 12-1
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Schedule of Findings and Questioned Costs	Part II, Appendix A Chapter 12, Section .54, Example 12-5
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Any recommendations referenced in the above opinions must be repeated in the "Recommendations" section of the Auditor’s Management Report for the Board’s consideration of all recommendations pursuant to *N.J.S.A. 18A:23-3, 4 and 5*.

The sample audit reports included in this chapter are based on the assumption that no qualifications of opinion are required. The reports include language as to reportable instances of non-compliance and separate communications to management of immaterial instances of non-compliance and certain matters involving internal control audit findings that should be deleted from the reports if no such findings apply. Auditors should reference the *Government Auditing Standards and Circular A-133 Audits - AICPA Audit Guide, May 2006, updated July 10, 2006*, for the appropriate language to be included if reportable conditions or material weaknesses are identified.

The applicable Single Audit reports required under the circumstances of the audit are to be included in the single audit section of the CAFR along with the Schedules of Expenditures of Federal Awards and State Financial Assistance, Notes to the Schedules of Expenditures of Awards, Schedule of Findings and Questioned Costs, and Summary Schedule of Prior Audit Findings.

SAMPLE ONLY

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The following sample report was available on the AICPA website at <http://gaqc.aicpa.org/> at the time this *Audit Program* was issued. Auditors are encouraged to check the for the most recent sample reports and for revisions to the Guide issued after the issuance of this *Audit Program*.

Source: Government Auditing Standards and Circular A-133 Audits - AICPA Audit and Accounting Guide Example 4-1

**UNQUALIFIED OPINIONS ON BASIC FINANCIAL
STATEMENTS ACCOMPANIED BY REQUIRED SUPPLEMENTARY
INFORMATION AND SUPPLEMENTARY SCHEDULE OF FEDERAL AWARDS AND
OTHER SUPPLEMENTARY INFORMATION- GOVERNMENTAL ENTITY**

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
_____ School District
County of _____
_____, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the _____ School District, in the County of _____, State of New Jersey, as of and for the fiscal year ended June 30, 20__, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the _____ Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the _____ Board of Education, in the County of _____, State of New Jersey, as of June 30, 20__, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 20__ on our consideration of the _____ Board of Education's internal control over financial reporting and on 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 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 should be considered in assessing the results of our audit.

The Management Discussion and Analysis and Budgetary Comparison Information on pages [XX] through [XX] and [XX] through [XX] are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the _____ Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Licensed Public School Accountant
No. _____
Firm Name

Date _____

SAMPLE ONLY

The following sample report was available on the AICPA website at <http://gaqc.aicpa.org/> at the time this *Audit Program* was issued. Auditors are encouraged to check the site for the most recent sample reports and for revisions to the AICPA Guide issued after the issuance of this *Audit Program*. Source - Government Auditing Standards and Circular A-133 Audits - AICPA Audit and Accounting Guide Example 4-3

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*

(No Material Weaknesses [No Reportable Conditions identified], No Reportable Instances of Noncompliance or Other Matters)

The Honorable President and
Members of the Board of Education
_____ School District
County of _____
_____, New Jersey

We have audited the financial statements of the Board of Education of the _____ School District, in the County of _____, State of New Jersey, as of and for the fiscal year ended June 30, 20__, and have issued our report thereon dated _____, 20__. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the _____ Board of Education's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the _____ Board of Education's financial statements are free of 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