

- Trace professional contracts, such as legal and audit, to the detailed ledgers to determine proper account classifications.
- Review district prepared schedule detailing all staff requiring school administrative, business administrative and principal certification in conjunction with the district prepared questionnaire on administrative classifications as a tool in planning the audit and verifying coding accuracy of administrative salaries. Include a finding and recommendation when district prepared schedule and/or questionnaire is substantially incomplete or inaccurate.

10. Compliance Requirement

P.L. 2005, c.132 (the 2006 Appropriations Act) provided that the Commissioner of Education may reduce State aid payments to any district by any amounts found to be in violation of restrictions placed on travel expenditures in accordance with regulations adopted by the commissioner. *N.J.A.C. 6A:23B-1.2(a)*, Travel and Related Expense Reimbursement, was adopted in October 2005 and requires that each district board of education adopt a formal policy and procedures pertaining to travel and expense reimbursement for its employees and board members by December 31, 2005. Guidance regarding travel policies was issued by the department in November 2005 and is available on the website: <http://www.nj.gov/njded/finance/fp/af/travel.pdf>. Abbott school districts are required to comply with *N.J.A.C. 6A:10A-8.3*, which was adopted September 22, 2005 and Department policy.

Suggested Audit Procedures

- Determine that the board has adopted a travel and expense reimbursement policy and procedures in accordance with the regulations by December 31, 2005.
- Test that the district has complied with the travel and expense policy.