

Presentation to the Board of Education of Livingston Public Schools 2023 Audit Results

March 4, 2024

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Introduction

- Reports are final
 - Filed with State
- Recognition of the staff of the District for providing assistance throughout the audit.
 - Audit procedures take quite a bit of time
 - They do a very good job handling the financial side of things
 - A little more difficult than in the past due to staff turnover and leaves

Government-Wide Audit

- Important to note that it is a government-wide financial audit, including:
 - General and School Administration
 - Instruction
 - Student Services
 - Transportation
 - Support Operations
 - Enterprise Operations
 - Capital Improvements
 - Debt Service

Auditor's Objectives

- The objective of the audit is to express an **opinion** as to whether the financial statements of the District are **fairly presented**, in all material respects, in conformity with **U.S. Generally Accepted Accounting Principles**.
- Reporting on **internal controls** related to the financial statements and **compliance** with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with **Government Auditing Standards**.

Auditor's Objectives

- Reporting on **internal controls** related to **major federal and state programs** and an **opinion on compliance** with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Federal Uniform Guidance and NJ OMB Circular 15-08.

- The audit is conducted in accordance with:
 - Auditing standards generally accepted in the United States of America
 - The standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States
 - Federal Uniform Guidance
 - NJ OMB Circular 15-08

Overview of ACFR

- Annual Comprehensive Financial Report is divided into four sections:
 - Introductory Section
 - Financial Section
 - Statistical Section
 - Single Audit Section

Audit Results

- Results of the 2023 audit:
 - Independent Auditor's Report on the District's financial statements
 - *Unmodified opinion*

Financial Statement highlights

- *Fund balance in excess of 2% lower than in prior year-\$1.8 million vs \$2.9 million*
- *Capital reserve funds=\$9,987,624*
- *Emergency reserve= \$1,000,000*

Audit Results

- Results of the 2023 audit (continued)
 - 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 or significant deficiencies*
 - Report on Compliance for Each Major Federal and State Program and Report on Internal Control Over Compliance
 - *Unmodified opinion on compliance*
 - *Federal grants-IDEA and ACSERS*
 - *State grants-General State Aid*
 - Auditor's Management Report
 - *No findings in 2023 audit that require corrective action*
 - *Other suggestion to management regarding certain reconciliations and closing procedures*