

# Presentation to the Board of Education of Livingston Public Schools 2024 Audit Results

January 14, 2025

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VALUE®**

# Introduction

- Reports are final
  - Filed with State prior to state deadline
- 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, especially at end of FY
  - Conversion to new financial software program

# 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

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# 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 2024 audit:
  - Independent Auditor's Report on the District's financial statements
    - *Unmodified opinion*

## Financial Statement highlights

- *Fund balance in excess of 2% is CY - \$859,795*
- *Capital reserve funds=\$9,778,014 (consistent with prior year)*
- *Maintenance reserve=\$500,000 (established in June 2024)*
- *Emergency reserve= \$1,000,000*

# Audit Results

- Results of the 2024 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-TPAF SS*
  - Auditor's Management Report
    - *2 findings in 2024 audit that require corrective action*
      - *2024-001 – Review of open purchase orders at year end*
      - *2024-002 – Student activity fund timely deposits*