

ASSEMBLY, No. 5622

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

Assemblywoman AURA K. DUNN

District 25 (Morris and Somerset)

SYNOPSIS

Requires State Auditor to conduct performance audits of certain school districts.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning performance audits of school districts by the
2 State Auditor and supplementing Title 18A of the New Jersey
3 Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. a. The Office of the State Auditor shall conduct
9 performance audits on school districts in the State to determine any
10 cost savings and fraudulent uses of public funds during or related to
11 the COVID-19 public health emergency. The performance audits
12 shall be in addition to the audits required pursuant to subsection d.
13 of section 6 of P.L.1996, c.138 (C.18A:7F-6) and section 4 of
14 P.L.2006, c.15 (C.18A:7A-57). The State Auditor shall conduct the
15 performance audits required pursuant to this section on a random
16 sampling of school districts, the sample size of which shall be at the
17 discretion of the State Auditor. The State Auditor shall ensure that
18 the sampling of school districts includes school districts from each
19 of the northern, central, and southern regions of the State and that
20 the sampling of school districts within each region of the State
21 includes school districts that employed the primary modes of
22 instruction during the COVID-19 public health emergency,
23 including fully remote instruction, hybrid instruction, and fully in-
24 person instruction.

25 The performance audits, at minimum, shall include:

26 (1) an examination of the school district's fiscal operations from
27 March, 2020 through the end of the 2020-2021 school year;

28 (2) a determination of whether the school district exhibited best
29 practices and safeguards with respect to the use of public funds
30 provided to the school district in response to the COVID-19 public
31 health emergency; and

32 (3) a determination of whether the school district implemented
33 meaningful measures to provide cost savings for the school district
34 as a whole, or with respect to specific school buildings located in
35 the school district, in response to the COVID-19 public health
36 emergency.

37 b. The Office of the State Auditor shall submit to the Governor,
38 the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-
39 19.1), the Commissioner of Education, the General Assembly
40 Education Committee, or its successor, and the Senate Education
41 Committee, or its successor, a report summarizing the school
42 district performance audits performed by the office pursuant to
43 subsection a. of this section. The State Auditor shall also transmit
44 the report to the board of education of each school district in the
45 State and post the report on the State Auditor's website.

46
47 2. This act shall take effect immediately.

STATEMENT

This bill requires the Office of the State Auditor to conduct performance audits on school districts in the State to determine any cost savings and fraudulent uses of public funds during or related to the COVID-19 public health emergency. The bill provides that the State Auditor will conduct the performance audits on a random sampling of school districts, the sample size of which will be at the discretion of the State Auditor. The State Auditor will ensure that the sampling of school districts includes school districts from each of the northern, central, and southern regions of the State and that the sampling of school districts within each region of the State includes school districts that employed the various primary modes of instruction during the COVID-19 public health emergency, including entirely virtual instruction, hybrid instruction, and fully in-person instruction.

Under the bill, the performance audits, at minimum, will include:

(1) an examination of the school district's fiscal operations from March, 2020 through the end of the 2020-2021 school year;

(2) a determination of whether the school district exhibited best practices and safeguards with respect to the use of public funds provided to the school district in response to the COVID-19 public health emergency; and

(3) a determination of whether the school district implemented meaningful measures to provide cost savings for the school district as a whole, or with respect to specific school buildings located in the school district, in response to the COVID-19 public health emergency.

Finally, the bill requires Office of the State Auditor to submit to the Governor, the Legislature, the Commissioner of Education, the General Assembly Education Committee, and the Senate Education Committee a report summarizing the school district performance audits performed by the office pursuant to the bill. The State Auditor will also transmit the report to the board of education of each school district in the State and post the report on the State Auditor's website.