

SENATE, No. 3043

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED OCTOBER 19, 2020

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

Senator SAMUEL D. THOMPSON

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Delays by five months deadline for completion and filing of school district's annual audit for 2019-2020 school year.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/29/2020)

1 **AN ACT** concerning the annual audit of the 2019-2020 school
2 district fiscal year.

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

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7 1. Notwithstanding the provisions of N.J.S.18A:23-1,
8 N.J.S.18A:23-3, or any other section of law to the contrary, a school
9 district's annual audit of the 2019-2020 school fiscal year
10 conducted pursuant to N.J.S.18A:23-1 shall be completed not later
11 than April 30, 2021 and submitted to the Commissioner of
12 Education not later than May 5, 2021.

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14 2. This act shall take effect immediately.

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STATEMENT

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19 This bill extends the deadline for the completion of the annual
20 audit of a school district's accounts and financial transactions.

21 Under current law, the board of education of every school district
22 is required to have an annual audit of the district's accounts and
23 financial transactions completed not later than five months,
24 November 30, after the June 30 end of the school year. A report of
25 the annual audit is filed by the accountant with the board of
26 education, and within five days thereafter, December 5, with the
27 Commissioner of Education.

28 This bill extends the deadline for the completion of the annual
29 audit of the 2019-2020 school fiscal year until April 30, 2021 and
30 its submission to the commissioner until May 5, 2021. This
31 extension of five months is necessary as a result of the
32 approximately five month period that schools were required to be
33 closed as a result of the coronavirus disease 2019 (COVID-19).
34 School districts have limited the number of persons who may enter
35 school buildings due to COVID-19, which creates a difficulty since
36 the annual audit is conducted on-site at the district. Additionally,
37 the accounting firms that conduct school district audits also conduct
38 audits of the financial records of municipalities. The Division of
39 Local Government Services in the Department of Community
40 Affairs has moved the date for the filing of calendar year 2019
41 municipal audits from June 30, 2020 to September 30, 2020 as a
42 result of COVID-19. This change in schedule has further impacted
43 the ability of these accountants to complete the audits of school
44 districts in accordance with the current statutory requirements.