Bridgeton Board of Education

July 1, 2000 to June 30, 2002

Richard L. Fair
State Auditor
The Honorable James E. McGreevey
Governor of New Jersey

The Honorable John O. Bennett
President of the Senate

The Honorable Richard J. Codey
President of the Senate

The Honorable Albio Sires
Speaker of the General Assembly

Mr. Albert Porroni
Executive Director
Office of Legislative Services

Enclosed is our report on the audit of the Bridgeton Board of Education for the period July 1, 2000 to June 30, 2002. If you would like a personal briefing, please call me at (609) 292-3700.

September 6, 2002
Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope</td>
<td>1</td>
</tr>
<tr>
<td>Objectives</td>
<td>1</td>
</tr>
<tr>
<td>Methodology</td>
<td>1</td>
</tr>
<tr>
<td>Conclusions</td>
<td>2</td>
</tr>
</tbody>
</table>
Bridgeton Board of Education

Scope

We have completed an audit of the Bridgeton Board of Education (BBOE) for the period July 1, 2000 to June 30, 2002. Our audit was limited to operating expenditures. The BBOE employs approximately 900 employees. Annual operating expenditures for fiscal years 2001 and 2002 were $52 million and $56.5 million, respectively. The prime responsibility of the Bridgeton Board of Education is to provide a quality education to approximately 4,200 pre-kindergarten to twelfth grade students.

Objectives

The objectives of our audit were to determine whether financial transactions were related to the school district’s programs, were reasonable, and were properly recorded in their accounting system. We also tested for resolution of significant conditions reported in our prior report.

This audit was conducted pursuant to the State Auditor’s responsibilities as set forth in Article VII, Section 1, Paragraph 6 of the State Constitution and Title 52 of the New Jersey Statutes.

Methodology

Our audit was conducted in accordance with Government Auditing Standards, issued by the Comptroller of the United States.

In preparation for our testing, we studied legislation, administrative code, policies of the board and the Department of Education Comparative Spending Guide. Provisions that we considered significant were documented and compliance with those requirements was verified by interview, observation, and through our review of financial transactions. We also read the budget, reviewed financial trends, and interviewed board personnel to obtain an understanding of the district’s programs and the internal controls. In addition, we reviewed audit reports issued by the board’s independent accounting firm.
A nonstatistical sampling approach was used. Our samples of financial transactions were designed to provide conclusions about the validity of transactions as well as internal control and compliance attributes. Transactions were judgmentally selected.

To ascertain the status of findings included in our prior report, we identified corrective action, if any, taken by the district and walked through the system to determine if the corrective action was effective.

**Conclusions**

We found that the financial transactions included in our testing were related to the school district’s programs, were reasonable, and were recorded properly in their accounting system. The district has also resolved the significant issues noted in our prior report.