

**SCHOOL DISTRICT OF
BERKELEY TOWNSHIP**

**BERKELEY TOWNSHIP BOARD OF EDUCATION
Bayville, New Jersey
County of Ocean**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

BERKELEY TOWNSHIP BOARD OF EDUCATION

BAYVILLE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Prepared by

**Berkeley Township Board of Education
Business Administrator's Office**

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INTRODUCTORY SECTION

BERKELEY TOWNSHIP SCHOOL DISTRICT

53 CENTRAL PARKWAY
BAYVILLE, NEW JERSEY 08721-2414

Laura Venter, CPA, RSBA
Business Administrator/Board Secretary

(732) 269-2321 Ext. 15
FAX: (732) 269-4487
E-mail address: lventer@btboe.org

September 3, 2010

Honorable President and
Members of the Board of Education
Berkeley Township School District
County of Ocean, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report ("CAFR") of the Berkeley Township School District for the fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education of the Township of Berkeley. To the best of our knowledge and belief, the data as presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes the transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations," and New Jersey OMB's circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aids." Information related to this single audit, including the auditor's reports on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Berkeley Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB 34. All funds and account groups of the District are included in this report. The Berkeley Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PS through 6. These include regular programs, as well as Special Education for handicapped youngsters. The District completed the 2009-2010 fiscal year with an average daily enrollment of 2,015 students. The following details the changes in the student average daily enrollment of the District over the last ten years.

AVERAGE DAILY ENROLLMENT

Fiscal Year	Average Daily Student Enrollment	Percent Change
2000 – 2001	1,875.0	3.70%
2001 – 2002	1,931.2	3.00%
2002 – 2003	1,923.5	(.40%)
2003 – 2004	1,874.3	(2.56%)
2004 – 2005	1,905.6	1.66%
2005 – 2006	1,908.5	.15%
2006 – 2007	1,907.6	(.04%)
2007 – 2008	1,948.0	2.12%
2008 – 2009	1,974.0	1.33%
2009 – 2010	2,015.0	2.08%

2) ECONOMIC CONDITION AND OUTLOOK: The Berkeley Township, New Jersey area is bordered by the municipalities of Beachwood, Lacey Township, Manchester Township, Ocean Gate, Seaside Park, Toms River and South Toms River. The Township encompasses 41.9 square miles. The Township is part of Ocean County and is served by major transportation routes, including Route 9, the Garden State Parkway and a number of county roads.

The population of the Township of Berkeley is approximately 42,500 per the most recent census report. Of this number, approximately 52% are senior citizens who reside in the retirement communities locally known as Holiday City and Silver Ridge Park. Said communities were established in the western section of the Township in the late 1960's and early 1970's.

The Township has not experienced any unusual increase in its tax base with the exception of a Super Shop Rite located in the Berkeley Plaza on Route 9. Several additional strip malls located on Route 9 were completed in the last ten years.

Food chains, gas stations, auto-repair shops, fast food restaurants, convenience stores and miscellaneous service vendors comprise the bulk of the strip malls.

Since 1980 local school budgets have been rejected by the voters in the vast majority of the annual school elections. The District was again disappointed when the 2009 – 2010 budget was also defeated.

In recognition of the impact residential developments had on the school system, a Special Election was held on March 12, 2002. Township voters approved the issuance of \$24,430,100 in bonds to fund the local share of a \$33,491,000 building project. The project included additions and renovations to the three existing schools and construction of a new elementary school for grades 5 and 6. The remaining \$9,510,900 was funded by a grant from the New Jersey Economic Development Authority. The Bond sale closed on August 1, 2002. Construction was completed in 2005.

2.A) SCHOOL DISTRICT PROFILE: The Berkeley Township Board of Education currently operates three Pre K – Grade 4 elementary schools and one Grade 5 – 6 school. The oldest school, Bayville Elementary School, was constructed in 1926, the H. & M. Potter School was built in 1973. A 10-room addition to the Clara B. Worth School, which opened in 1962 – 63, was constructed in 1983. Classroom additions to the Bayville School, Clara B. Worth School and H. & M. Potter School opened in September 2004. The central office and the child study team with their respective support staff are housed in separate annex buildings. There is also a bus garage complex for in-house vehicle maintenance. The School District is governed by a 9-member Board of Education and administered by a Superintendent of Schools, a Business Administrator/Board Secretary, a Director of Elementary Education, a Director of Special Education Services, four School Principals, and two Assistant Principals.

The District operates a complete breakfast/lunch program in each school and an in-house transportation department that provides services for approximately 1,930 students daily.

3) **MAJOR EDUCATIONAL INITIATIVES:** During 2004 – 2005 school year, the District went through a major re-districting. The successful opening and staffing of the district's first middle school (Grades 5 and 6) took place in January, 2005.

Additions to the three elementary schools were completed in Spring 2005. Ten half-day Kindergarten classes were replaced by 14 all day Kindergarten classes in 2004 – 2005.

4) **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2010.

6) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by GASB. The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund and debt service fund revenues for the fiscal year ended June 30, 2010 and the amount and percentage of increases in relation to prior year revenues.

<u>Revenues</u>	<u>2009 – 2010 Actual</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2009</u>
Local Sources	\$26,549,153	84.30%	\$485,880
State Source	4,018,217	12.76%	(539,147)
Federal Source	924,450	2.94%	201,292
Total Revenues	<u>\$31,491,820</u>	<u>100.00%</u>	<u>\$148,025</u>

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2010 and the amount and percentage of increases and decreases in relation to prior year expenditures.

<u>Expenditures</u>	<u>2009 – 2010 Actual</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2009</u>
Operating	\$28,249,530	88.22%	\$836,860
Capital Outlay	906,836	2.84%	294,916
Special Revenue	948,712	2.96%	177,266
Debt Service	1,914,874	5.98%	9,201
Total Expenditures	<u>\$32,019,952</u>	<u>100.00%</u>	<u>\$1,318,243</u>

8) DEBT ADMINISTRATION: At June 30, 2010 the District's outstanding debt includes \$188,764 Capital Leases payable, \$20,146,996 Bonds (net) outstanding, and \$557,499 of compensated absences payable.

9) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements." The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. See J-20 in the statistical section.

11) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman & Frenia, P.C., was selected by the Berkeley Township Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U. S. Office of Management and Budget Circular A-133, "Audits of State, Local Government, non-profit organizations, and State Treasury Circular Letter 04-04 OMB," "Single Audit Policy for Receipts of Federal Grants, State Grants and State Aid Payments." The auditors

report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12) ACKNOWLEDGMENTS:

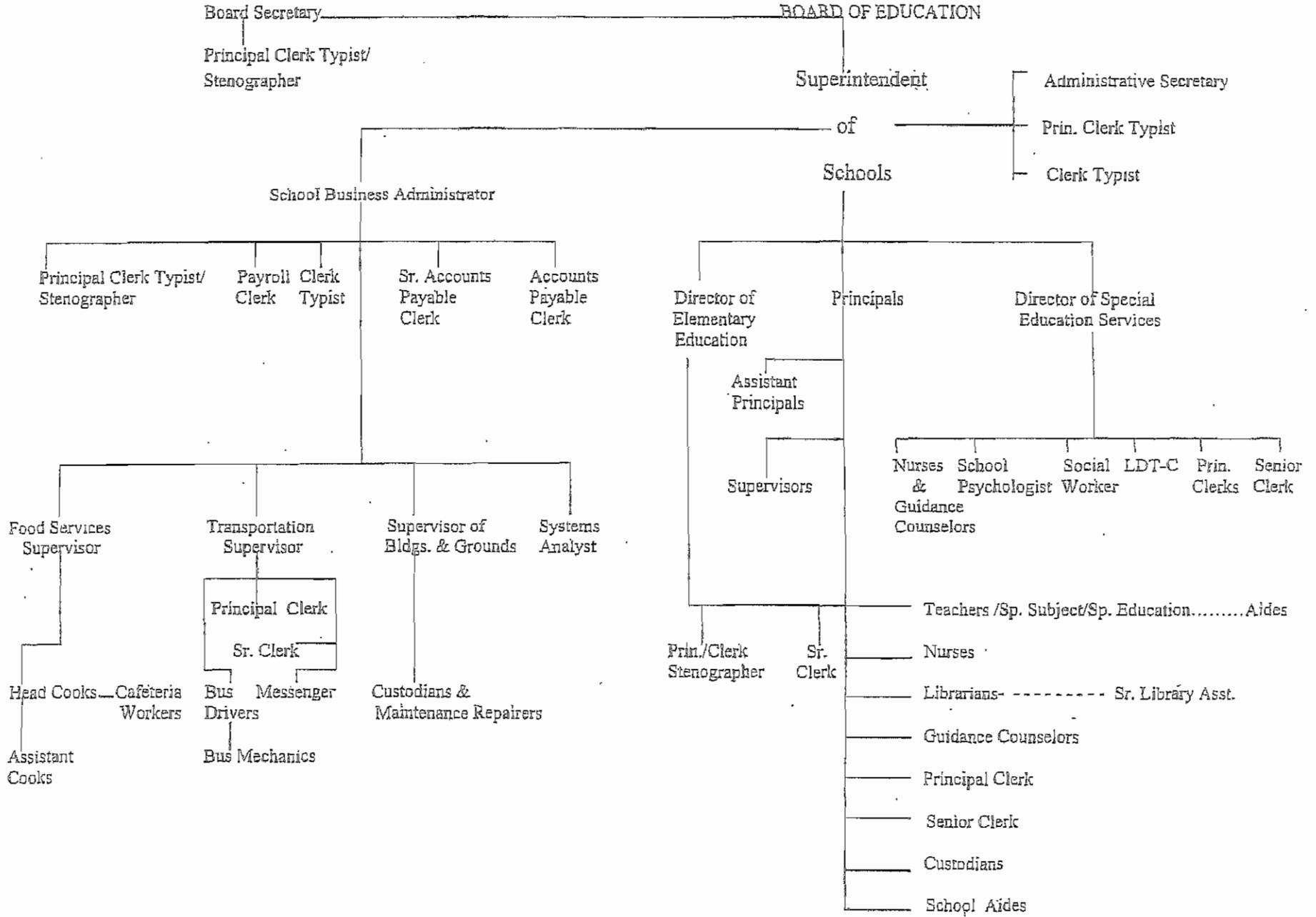
We would like to express our appreciation to the Business Office staff and Superintendent's staff and to those municipal, county and state personnel who contributed their time and respective expertise in providing statistical information for the compilation of this report and as can be found within this report. We further express our appreciation to the School District's auditing firm which provided guidance and advice during the preparation of this report.

Prepared by and Respectfully Submitted:



Laura Venter, CPA, RSBA
Business Administrator/Board Secretary

BERKELEY TOWNSHIP BOARD OF EDUCATION



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BERKELEY TOWNSHIP SCHOOL DISTRICT
53 CENTRAL PARKWAY
BAYVILLE, NEW JERSEY 08721-2496

ROSTER OF OFFICIALS
JUNE 30, 2010

MEMBERS OF THE BOARD OF EDUCATION **TERM EXPIRES**

Mr. James J. Byrnes, President	2012
Mr. John Bacchione, Vice President	2012
Ms. Sophia Gingrich	2013
Mr. Thomas Grosse	2012
Mr. Thomas Guarascio	2011
Mrs. Marlana Mastriano	2011
Mr. Steve Pellecchia	2013
Ms. Dawn Parks	2013
Mr. Patrick Riley	2011

OTHER OFFICIALS

Ms. Arleen Lippincott, Interim Superintendent of Schools
Ms. Laura Venter, CPA, RSBA, Business Administrator/Board Secretary
Mr. Stephen J. Brennan, CPA, MBA, CIA, Treasurer of School Monies

BERKELEY TOWNSHIP SCHOOL DISTRICT
53 CENTRAL PARKWAY
BAYVILLE, NEW JERSEY 08721-2496

CONSULTANTS AND ADVISORS

ATTORNEY

John Sahradnik
Berry, Sahradnik, Kotzas, & Benson
212 Hooper Avenue
Toms River, New Jersey 08754

AUDIT FIRM

Frank B. Holman, III, CPA, PSA
Holman & Frenia, P.C.
10 Allen Street, Suite 2B
Toms River, New Jersey 08753

OFFICIAL DEPOSITORY

TD Bank/Shore, N.A.
430 Atlantic City Boulevard
Bayville, New Jersey 08721

FINANCIAL SECTION



Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Berkeley Township
County of Ocean
Bayville, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Berkeley Township School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Berkeley Township School District, County of Ocean, State of New Jersey, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 3, 2010, on our consideration of the Berkeley Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis information and budgetary comparison information as listed in the table of contents is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We

MEDFORD OFFICE

618 Stokes Road • Medford, New Jersey 08055
Tel: 609.953.0612 • Fax: 609.953.8443

www.holmanfrenia.com

TOMS RIVER OFFICE

10 Allen Street, Suite 2B • Toms River, NJ 08753
Tel: 732.797.1333 • Fax: 732.797.1022

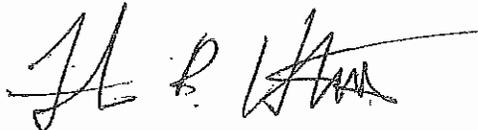
have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Berkeley Township Board of Education's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and long-term debt schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully Submitted,

HOLMAN & FRENIA, P. C.



Frank B. Holman, III
Public School Accountant
Certified Public Accountant
No. 783

Toms River, New Jersey
September 3, 2010

REQUIRED SUPPLEMENTARY INFORMATION – PART I

Management's Discussion and Analysis

BERKELEY TOWNSHIP SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

UNAUDITED

The Management's Discussion and Analysis (MD&A) of the Berkeley Township Board of Education provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2010. It should be read in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal, which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

The MD&A is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *“Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments”* issued in June 1999 that is now being required by the New Jersey State Department of Education. Comparative information between the current fiscal year (2009–2010) and the prior fiscal year (2008–2009) is required and is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2009–2010 fiscal year include the following:

Total net assets increased \$644,750 for the year ended June 30, 2010 and increased \$1,488,468 for the year ended June 30, 2009. The net increases/(decreases) were composed of the following elements:

	2009-2010	2008-2009
Revenues	\$ 30,543,478	\$30,715,066
Expenditures	<u>(29,898,728)</u>	<u>(29,266,598)</u>
Total	<u>\$ 644,750</u>	<u>\$ 1,448,468</u>

Expenditures increased compared to the year before by \$632,130 primarily due to the increases in employee salaries. A State Aid decrease of \$707,145 offset by increases in tax levy and miscellaneous revenue totaling \$358,740 created the major decrease in revenues.

Total Governmental fund assets increased/(decreased) by \$(731,430) and \$195,801 for the years ended June 30, 2010 and 2009 respectively.

	2009-2010 Increase/ (Decrease)	2008-2009 Increase/ (Decrease)
Cash & Cash Equivalents	\$ (993,691)	\$ 57,279
Receivables	271,877	293,951
Capital Assets	<u>(9,616)</u>	<u>(155,429)</u>
Total	<u>\$ (731,430)</u>	<u>\$ 195,801</u>

Cash and cash equivalents decreased due to a decrease in the budgeted State Aid revenues. Capital assets decrease was mainly due to annual depreciation expense.

Total Government Fund liabilities increased/(decreased) by (\$1,366,747) and (\$1,757,421), respectively, for the years ended June 30, 2010 and 2009, due to the following items:

	2009-2010	2008-2009
	Increase/ (Decrease)	Increase/ (Decrease)
Accrued Interest	\$ (163,689)	\$ (15,844)
Accounts Payable	29,042	(339,752)
Deferred Revenue	(33,018)	(83,616)
Other Liabilities	8,724	-----
Non-current Liabilities	<u>(1,207,806)</u>	<u>(1,318,209)</u>
Total	<u>\$(1,366,747)</u>	<u>\$(1,757,421)</u>

Non-current liabilities decreased in 2009 – 2010 mainly due to bond principal payments.

USING THE ANNUAL REPORT

The School Board’s annual report consists of a series of financial statements that show information for the School Board as a whole, its funds and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board’s finances. The School Board’s fund financial statements start with Schedule C-1, “Budgetary Comparison Schedule.” For the School Board’s governmental activities, these statements tell how the School Board financed its services in the short-term as well as what remains for future spending. Fund statements also may give the reader some insights into the School Board’s overall financial health.

Fund financial statements also report the School Board’s operations in more detail than the government-wide financial statements by providing information about the School Board’s most significant funds, such as the School Board’s General Fund, Special Revenue Fund and Capital Project Fund. The remaining statement, Statement of Fiduciary Net Assets presents financial information about activities for which the School Board acts solely as an agent for the benefit of employees and students.

The School Board’s auditor has provided assurance in his Independent Auditor’s Report, located immediately preceding this Management’s Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor’s Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

The School Board prepared the Introductory Section and the Statistical Section without association by the independent auditors. Accordingly, the School Board assumes full responsibility for the accuracy of these sections.

THE SCHOOL BOARD’S FUNDS

The School Board uses funds to control and manage money for particular purposes. The Fund’s basic financial statements allows the School Board to demonstrate its stewardship over and accountability for resources received from the Township of Berkeley, State of New Jersey and other entities. These

statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the school Board's overall financial health.

As the School Board completed the fiscal years ending June 30, 2010 and 2009, it reported combined fund balances of \$3,810,646 and \$4,528,484 respectively, which is a current year decrease of \$717,838. The reconciliation of the Statement of Revenue Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Schedule B-2) presents the reader with a detailed explanation of the decrease in fund balance for the fiscal year.

The School Board's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in the section of the CAFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst case scenarios in mind.

CAPITAL ASSETS

At June 30, 2010 and 2009, the School Board had approximately \$34 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instruction equipment and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirement of assets during the year and depreciation of depreciable assets for the year. The schedule below shows the net book value of capital assets at the end of each year:

Capital Assets at:	June 30, 2010	June 30, 2009
Site & Improvements	\$ 2,367,127	\$ 2,252,977
Building & Building Improvements	40,284,576	39,900,863
Machinery & Equipment	<u>3,617,050</u>	<u>3,018,371</u>
Total Capital Assets	46,268,753	45,172,211
Accumulated Depreciation	<u>(11,991,653)</u>	<u>(10,885,495)</u>
	<u>\$34,277,100</u>	<u>\$34,286,716</u>

During the current fiscal year \$1,184,842 of fixed assets were capitalized as additions and \$88,300 were deletions. Increases in capital assets were offset by depreciation expense for the year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

For the 2009–2010 school year, the School Board was able to sustain its budget through the Township tax levy, state education aid and local revenue sources despite the mid-year decrease in budgeted State Aid revenues of \$707,145. Only 15% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 85% of the total revenue is from the Township tax levy.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

The School Board's financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Laura Venter, CPA, RSBA, School Business Administrator/Board Secretary, at the Berkeley Board of Education's office, 53 Central Parkway, Bayville, New Jersey 08721.

BASIC FINANCIAL STATEMENTS



A. District-Wide Financial Statements

BERKELEY TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$3,148,682	15,561	3,164,243	4,225,662
Receivables - State	213,298	85,375	298,673	310,206
Receivables - Other Governments	455,402		455,402	164,824
Inventory		27,236	27,236	19,620
Due from Other Funds	108,098		108,098	86,518
Capital Assets, Net (Note 5)	34,277,100	112,301	34,389,401	34,357,913
Total Assets	38,202,580	240,473	38,443,053	39,164,743
LIABILITIES				
Accounts Payable	113,458	6,493	119,951	173,252
Accrued Interest Payable	207,467		207,467	371,156
Due to Other Funds		108,098	108,098	86,518
Deferred Revenue	1,376		1,376	34,394
Noncurrent Liabilities (Note 6):				
Due Within One Year	1,146,854		1,146,854	1,138,130
Due Beyond One Year	19,177,907		19,177,907	20,385,713
Total Liabilities	20,647,062	114,591	20,761,653	22,189,163
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	15,078,336	112,301	15,190,637	13,528,042
Restricted For:				
Debt Service	(207,465)		(207,465)	(371,154)
Capital Projects	22,194		22,194	211,900
Other Purposes	3,196,263		3,196,263	3,489,005
Unrestricted	(533,810)	13,581	(520,229)	117,787
Total Net Assets	\$17,555,518	125,882	17,681,400	16,975,580

The accompanying Notes to Financial Statements are an integral part of this statement.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2010	JUNE 30, 2009
Governmental Activities:							
Instruction:							
Regular Instruction	\$7,406,861			(7,406,861)		(7,406,861)	(6,930,715)
Special School Instruction	3,541,021		746,052	(2,794,969)		(2,794,969)	(2,751,885)
Other Special Instruction	1,003,431			(1,003,431)		(1,003,431)	(1,066,476)
Other Instruction	60,988			(60,988)		(60,988)	(147,696)
Support Services & Undistributed Costs:							
Tuition	643,203			(643,203)		(643,203)	(647,093)
Student & Instruction Related Services	2,844,048		202,660	(2,641,388)		(2,641,388)	(2,089,939)
General Administrative Services	561,711			(561,711)		(561,711)	(744,240)
School Administrative Services	1,080,519			(1,080,519)		(1,080,519)	(1,111,250)
Central Services	353,551			(353,551)		(353,551)	(344,733)
Administrative Information Technology	155,865			(155,865)		(155,865)	(137,572)
Plant Operations & Maintenance	3,249,017			(3,249,017)		(3,249,017)	(3,182,642)
Pupil Transportation	1,567,145			(1,567,145)		(1,567,145)	(1,674,803)
Unallocated Benefits	6,724,875			(6,724,875)		(6,724,875)	(6,120,153)
Unallocated Amortization of Bond Costs	(11,602)			11,602		11,602	
Unallocated Change in Compensated Absenc	(136,473)			136,473		136,473	(298,566)
Unallocated Depreciation Expense & Prior Year Fixed Asset Adjustments	1,106,158			(1,106,158)		(1,106,158)	(1,118,672)
Interest Expense	706,185			(706,185)		(706,185)	(894,829)

**BERKELEY TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2010	JUNE 30, 2009
Total Governmental Activities	30,856,503		948,712	(29,907,791)		(29,907,791)	(29,261,264)
Business-Type Activities:							
Food Service	673,557	372,824	309,796		9,063	9,063	34,666
Total Business-Type Activities	673,557	372,824	309,796		9,063	9,063	34,666
Total Primary Government	\$31,530,060	372,824	1,258,508	(29,907,791)	9,063	(29,898,728)	(29,226,598)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				24,432,893		24,432,893	23,733,551
Taxes Levied for Debt Service				1,914,874		1,914,874	1,905,673
Federal & State Aid Not Restricted				3,993,955		3,993,955	4,576,501
Loss on Disposal of Asset					(2,170)	(2,170)	
Contract Budget Guarantee					63,240	63,240	
Miscellaneous Income				159,017		159,017	465,209
Investment Earnings				42,369	370	42,739	86,888
Unallocated Loss on Revaluation of Capital Assets							(52,756)
Total General Revenues, Special Items, Extraordinary Items & Transfers				30,543,108	61,440	30,604,548	30,715,066
Change In Net Assets				635,317	70,503	705,820	1,488,468
Net Assets - Beginning				16,920,201	55,379	16,975,580	15,487,112
Net Assets - Ending				\$17,555,518	125,882	17,681,400	16,975,580

The accompanying Notes to Financial Statements are an integral part of this statement.

B. Fund Financial Statements

Governmental Funds

**BERKELEY TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
					JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$2,037,375			2	2,037,377	2,703,684
Due from Other Funds	108,098				108,098	86,518
Receivables from Other Governments	128,538	455,402	84,760		668,700	418,403
Reserved Cash & Cash Equivalents:						
Capital Reserve	664,239				664,239	657,414
Maintenance Reserve	663,208				663,208	656,393
Emergency Reserve	257,857				257,857	255,208
Total Assets	\$3,859,315	455,402	84,760	2	4,399,479	4,777,620
LIABILITIES & FUND BALANCES						
Liabilities:						
Cash Deficit		411,433	62,566		473,999	130,326
Accounts Payable	\$70,865	42,593			113,458	84,416
Deferred Revenue		1,376			1,376	34,394
Total Liabilities	70,865	455,402	62,566		588,833	249,136
Fund Balances:						
Reserved for:						
Encumbrances	1,034,947		22,194		1,057,141	1,406,584
Capital Reserve Account	664,239				664,239	657,414
Maintenance Reserve Account	663,208				663,208	656,393
Emergency Reserve Account	257,857				257,857	250,000
Excess Surplus	259,819				259,819	316,193
Excess Surplus Designated for Subsequent Year's Expenditures	316,193				316,193	414,321
Unreserved:						
Unreserved Designated for Subsequent Year's Expenditures	304,057			2	304,059	505,679
Undesignated	288,130				288,130	321,900
Total Fund Balances	3,788,450		22,194	2	3,810,646	4,528,484
Total Liabilities & Fund Balances	\$3,859,315	455,402	84,760	2		

Amounts reported for *governmental activities* in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$46,236,524 and the accumulated depreciation is \$11,991,653.	34,277,100	34,286,716
Accrual of bond and lease interest are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(207,467)	(371,156)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Illustrative Note 6)	(20,324,761)	(21,523,843)
Net assets of Governmental Activities	\$17,555,518	16,920,201

The accompanying Notes to Financial Statements are an integral part of this statement.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
					JUNE 30, 2010	JUNE 30, 2009
Revenues:						
Local Tax Levy	\$24,432,893			1,914,874	26,347,767	25,639,224
Interest on Investments	42,369				42,369	81,016
Tuition						4,964
Miscellaneous	123,606	35,411			159,017	465,209
Total Local Sources	24,598,868	35,411		1,914,874	26,549,153	26,190,413
State Sources	4,018,217				4,018,217	4,642,124
Federal Sources	11,149	913,301			924,450	723,158
Total Revenues	28,628,234	948,712		1,914,874	31,491,820	31,555,695
Expenditures:						
Current:						
Regular Instruction	7,406,861				7,406,861	6,930,715
Special Education Instruction	2,794,969	746,052			3,541,021	3,428,691
Other Special Instruction	1,003,431				1,003,431	1,066,476
Other Instructional Programs	60,988				60,988	147,696
Support Services & Undistributed						
Costs:						
Tuition	643,203				643,203	647,093
Student & Instruction Related Services	2,647,395	202,660			2,850,055	2,323,361
General Administrative	561,711				561,711	744,240
School Administrative Services	1,080,519				1,080,519	1,111,250
Central Services	353,551				353,551	344,733
Administrative Information Technology	155,865				155,865	137,572
Plant Operations & Maintenance	3,249,017				3,249,017	3,507,333
Pupil Transportation	1,567,145				1,567,145	1,674,803
Unallocated Benefits	4,982,445				4,982,445	4,416,922
Nonbudgeted Expenditures	1,742,430				1,742,430	1,703,231
Debt Service:						
Principal				1,045,000	1,045,000	995,000
Interest				869,874	869,874	910,673
Capital Outlay	906,836		189,706		1,096,542	691,308
Total Expenditures	29,156,366	948,712	189,706	1,914,874	32,209,658	30,781,097
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(528,132)		(189,706)		(717,838)	774,598
Fund Balance - July 1	4,316,582		211,900	2	4,528,484	3,753,886
Fund Balance - June 30	\$3,788,450		22,194	2	3,810,646	4,528,484

The accompanying Notes to Financial Statements are an integral part of this statement.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
GOVERNMENTAL FUNDS
JUNE 30, 2010**

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$717,838)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:

Depreciation Expense	(\$1,106,158)	
Capital Outlays & Capital Lease Additions	1,096,542	(9,616)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 18,385,100

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Loss on Refunding	1,004,748	
Cost of Issuance	136,400	
Original Issue Premiums	(1,721,248)	
Issuance of Capital Leases	(90,399)	
Issuance of Refunding Bonds	(16,760,000)	(17,430,499)

Loss on the early extinguishments of debt, cost of issuance on refunding, and original issue premiums are recorded when incurred in the governmental funds but are deferred and recognized in the statement of activities over the life of the refunding:

Amortization of Loss on Refunding	(20,095)	
Amortization of Cost of Issuance	(2,728)	
Amortization of Original Issue Premiums	34,425	11,602

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 96,406

Accrual of interest of capital leases and bonds is not an expenditure in the governmental funds, but the adjustment is charged to expense and is reported in the statement of activities.

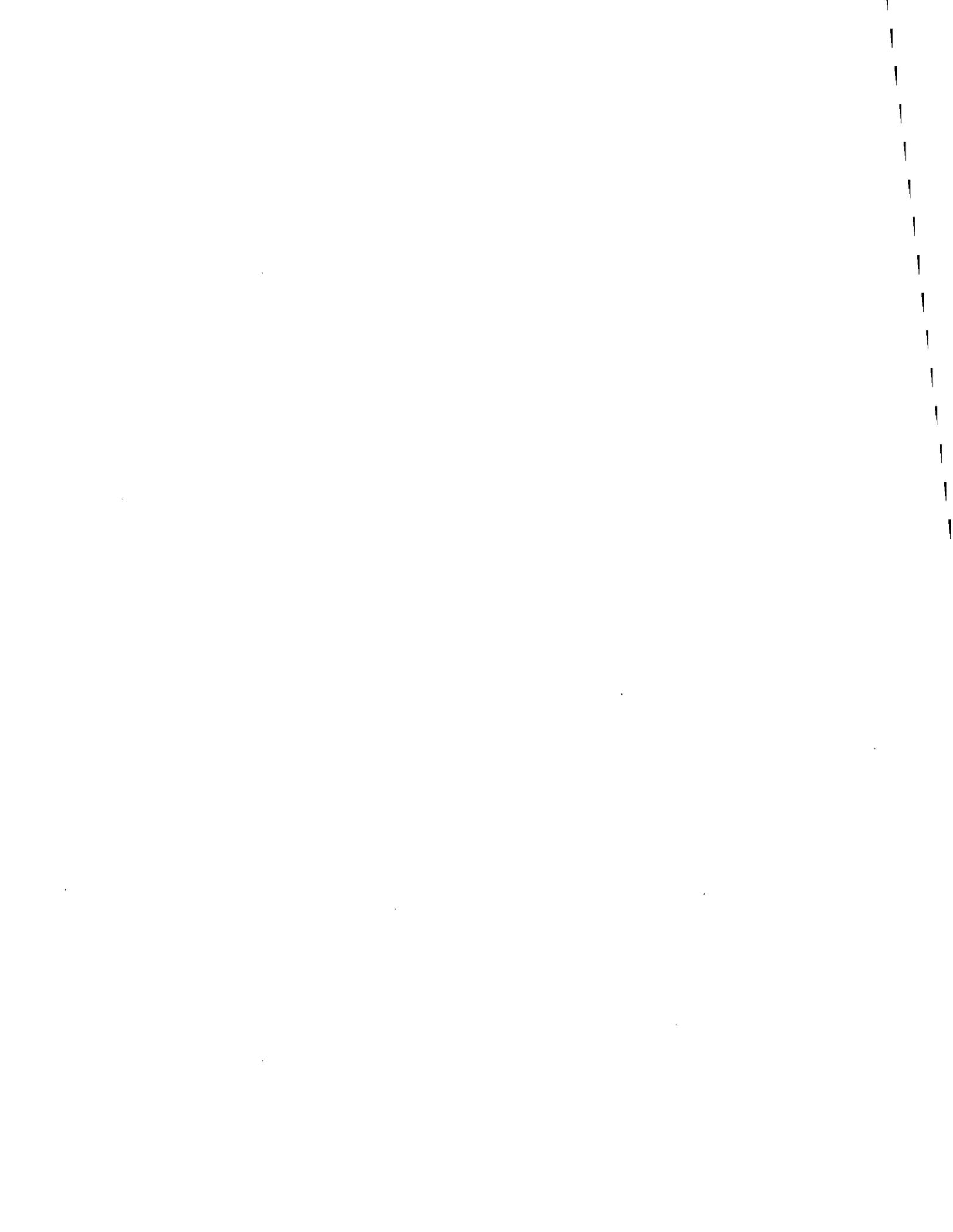
Prior Year	371,156	
Current Year	(207,467)	163,689

Repayment of compensated absences is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

Prior Year	693,972	
Current Year	(557,499)	136,473

Change in Net Assets of Governmental Activities \$635,317

The accompanying Notes to Financial Statements are an integral part of this statement.



Proprietary Funds

**BERKELEY TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2010
 (With Comparative Totals for June 30, 2009)**

ASSETS	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u> FOOD SERVICE	TOTALS (MEMORANDUM ONLY) JUNE 30, JUNE 30, 2010 2009	
Current Assets:			
Cash & Cash Equivalents	\$15,561	15,561	83,289
Account Receivable	85,375	85,375	56,627
Inventories	27,236	27,236	19,620
Total Current Assets	128,172	128,172	159,536
Noncurrent Assets:			
Furniture, Machinery & Equipment	265,240	265,240	233,700
Less: Accumulated Depreciation	(152,939)	(152,939)	(162,503)
Total Noncurrent Assets	112,301	112,301	71,197
Total Assets	240,473	240,473	230,733
 LIABILITIES			
Accounts Payable	6,493	6,493	88,836
Interfunds Payable	108,098	108,098	86,518
Total Liabilities	114,591	114,591	175,354
 NET ASSETS			
Invested in Capital Assets Net of Related Debt	112,301	112,301	71,197
Unrestricted	13,581	13,581	(15,818)
Total Net Assets	125,882	125,882	55,379

The accompanying Notes to Financial Statements are an integral part of this statement.

BERKELEY TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u>	TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE & ADULT EDUCATION	JUNE 30, 2010	JUNE 30, 2009
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$246,515	246,515	260,143
Daily Sales - Nonreimbursable Programs	126,309	126,309	126,959
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	372,824	372,824	387,102
Operating Expenses:			
Cost of Sales	448,943	448,943	411,932
Salaries & Benefits	206,082	206,082	207,977
Miscellaneous	3,016	3,016	2,363
General Supplies	4,550	4,550	
Depreciation	10,966	10,966	9,180
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	673,557	673,557	631,452
Operating Income/(loss)	<hr/>	<hr/>	<hr/>
	(300,733)	(300,733)	(244,350)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	11,832	11,832	11,790
State School Breakfast Program	4,130	4,130	4,306
Federal Sources:			
National School Lunch Program	214,819	214,819	200,486
National School Breakfast Program	41,528	41,528	42,598
U.S.D.A. Commodities	37,487	37,487	21,351
Interest & Investment Revenue	370	370	908
	<hr/>	<hr/>	<hr/>
Total Nonoperating Revenues/(Expenses)	310,166	310,166	281,439
Other Financing Sources:			
Loss on Disposal of Asset	(2,170)	(2,170)	
Contract Budget Guarantee	63,240	63,240	
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources	61,070	61,070	
Change in Net Assets	70,503	70,503	35,574
Total Net Assets - Beginning	<hr/>	<hr/>	<hr/>
	55,379	55,379	19,805
Total Net Assets - Ending	<hr/>	<hr/>	<hr/>
	\$125,882	125,882	55,379

The accompanying Notes to Financial Statements are an integral part of this statement.

BERKELEY TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

	BUSINESS-TYPE ACTIVITIES -	TOTALS	
	ENTERPRISE FUNDS FOOD SERVICE & ADULT EDUCATION	(MEMORANDUM ONLY) JUNE 30, 2010	JUNE 30, 2009
Cash Flows From Operating Activities:			
Receipts from Customers	\$318,996	318,996	374,529
Payments to Employees & Benefits	(206,082)	(206,082)	(207,977)
Payments to Suppliers	(487,401)	(487,401)	(342,523)
Net Cash Provided/(Used) by Operating Activities	(374,487)	(374,487)	(175,971)
Cash Flows From Noncapital Financing Activities:			
Cash Received From Budget Guarantee	63,240	63,240	
State Sources	17,595	17,595	16,096
Federal Sources	279,794	279,794	243,084
Net Cash Provided/(Used) by Noncapital Financing Activities	360,629	360,629	259,180
Cash Flows From Financing Activities:			
Proceeds from Sale of Asset	(2,170)	(2,170)	
Purchases of Fixed Assets	(52,070)	(52,070)	1,488
Net Cash Provided/(Used) by Financing Activities	(54,240)	(54,240)	1,488
Cash Flows From Investing Activities:			
Interest & Dividends	370	370	1,488
Net Cash Provided/(Used) by Investing Activities	370	370	1,488
Net Increase/(Decrease) in Cash & Cash Equivalents			
Balances - Beginning of Year	(67,728)	(67,728)	84,117
Balances - End of Year	83,289	83,289	(828)
	\$15,561	15,561	83,289

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	(\$300,733)	(300,733)	(245,865)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
U.S.D.A. Commodities	37,487	37,487	21,351
Depreciation & Net Amortization	10,966	10,966	9,180
(Increase) Decrease in Inventories	(7,616)	(7,616)	(9,420)
(Increase)/Decrease in Accounts Receivable	(53,828)	(53,828)	(12,573)
Increase (Decrease) in Accounts Payable	(60,763)	(60,763)	66,880
Increase (Decrease) Accrued Salaries Benefits			(5,524)
Total Adjustments	(73,754)	(73,754)	69,894
Net Cash Provided/(Used) by Operating Activities	(\$374,487)	(374,487)	(175,971)

The accompanying Notes to Financial Statements are an integral part of this statement.

Fiduciary Fund

BERKELEY TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)

ASSETS	PRIVATE PURPOSE		TOTALS (MEMORANDUM ONLY)	
	UNEMPLOYMENT COMPENSATION TRUST	AGENCY PAYROLL FUND	JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$95,470	13,926	109,396	166,106
Total Assets	95,470	13,926	109,396	166,106
LIABILITIES				
Payroll Deductions & Withholdings		13,926	13,926	60,401
Total Liabilities		13,926	13,926	60,401
NET ASSETS				
Held in Trust for Unemployment Claims & Other Purposes	95,470		95,470	105,705
Total Net Assets	\$95,470		95,470	105,705

The accompanying Notes to Financial Statements are an integral part of this statement.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET ASSETS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	PRIVATE PURPOSE UNEMPLOYMENT COMPENSATION TRUST	TOTALS (MEMORANDUM ONLY) JUNE 30, JUNE 30, 2010 2009	
ADDITIONS			
Contributions:			
Plan Members	\$45,212	45,212	39,424
Total Contributions	45,212	45,212	39,424
Investment Earnings:			
Interest	727	727	1,237
Net Investment Earnings	727	727	1,237
Total Additions	45,939	45,939	40,661
DEDUCTIONS			
Unemployment Claims	56,174	56,174	22,003
Total Deductions	56,174	56,174	22,003
Change in Net Assets	(10,235)	(10,235)	18,658
Net Assets - Beginning of the Year	105,705	105,705	87,047
Net Assets - End of the Year	\$95,470	95,470	105,705

The accompanying Notes to Financial Statements are an integral part of this statement.

**BERKELEY TOWNSHIP
BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Berkeley Township Board of Education have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999 the GASB issued Statement 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. This statement established new financial reporting requirements for state and local governmental entities throughout the United States. They require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

The District implemented these standards beginning with fiscal year-ending June 30, 2003. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. Therefore, the District has implemented the following GASB Statements in the current fiscal year: Statement 33 – *Accounting and Financial Reporting for Nonexchange Transactions*; Statement 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*; Statement 37 - *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus* and Statement 38 – *Certain Financial Statement Note Disclosures*; Statement 40 – *Deposit and Investment Risk Disclosures* and Statement 44 – *Economic Condition Reporting – The Statistical Section*.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the results of operations of the District and the various funds and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2010 and for the year then ended with comparative totals as of and for the year ended June 30, 2009 (Memorandum Only).

A. Reporting Entity:

The Berkeley Township Board of Education is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels PK through 6. These include regular, as well as special education for handicapped youngsters. The Berkeley Township Board of Education has an approximate enrollment at June 30, 2010 of 2,016 students.

The primary criterion for including activities within the District’s reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name)
- ◆ the District holds the corporate powers of the organization
- ◆ the District appoints a voting majority of the organization’s board
- ◆ the District is able to impose its will on the organization

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

B. District-Wide and Fund Financial Statements

The district-wide financial statements (the statement of net assets and the statement of activities) report information of all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

Note 1. Summary of Significant Accounting Policies (continued):

Governmental Fund Financial Statements – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. Fund Accounting:

The accounts of the Berkeley Township Board of Education are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of the Berkeley Township Board of Education and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey Department of Education Berkeley Township Board of Education includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (GAAP) as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund.

All Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and unreserved retained

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line-method. The estimated useful lives are as follows:

Food Service Fund:	
Equipment	15 Years

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The District currently maintains Payroll funds as Agency Funds.

E. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

In its accounting and financial reporting, the Berkeley Township Board of Education follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The Berkeley Township Board of Education's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

F. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on Exhibit C-1, includes all amendments to the adopted budget, if any.

The following presents a reconciliation of the special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types:

**Notes to Required Supplementary Information.
Budgetary Comparison Schedule**

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary) “revenues” from the budgetary comparison schedules	\$28,689,873	\$960,173
Difference – Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		(11,461)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	223,950	
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	<u>(285,589)</u>	<u> </u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$28,628,234</u>	<u>\$948,712</u>
Uses/Outflows of Resources		
Actual amounts (budgetary basis) “total outflows” from the budgetary comparison schedule	\$29,156,366	\$960,173

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

	General Fund	Special Revenue Fund
Differences – budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes	_____	_____(11,461)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$29,156,366</u>	<u>\$948,712</u>

G. Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the Berkeley Township Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year-end.

H. Cash, Cash Equivalents and Investments:

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

Note 1. Summary of Significant Accounting Policies (continued):

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

I. Tuition Receivable/Payable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year. The cumulative adjustments through June 30, 2010, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2006-2007 have been established and the District has billed/paid the school boards that have adjustments.

J. Inventories & Prepaid Expenses

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed.

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditure during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2010.

K. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Berkeley Township Board of Education and that are due within one year.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

L. Fixed Assets:

General fixed assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Fixed assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed were valued by an independent appraisal company. General fixed assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Machinery and Equipment	5 – 20 Years
Building & Other Improvements	10 – 50 Years

M. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

N. Deferred Revenue

Deferred revenue in the general and special revenue fund represents cash, which has been received but not yet earned.

O. Long-term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 1. Summary of Significant Accounting Policies (continued):

P. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

In accordance with State of New Jersey statutes, the fund balance to be utilized in the subsequent year budget is not legally restricted and therefore has been classified as fund balance designated for subsequent year's expenditures and is not reserved.

Note 2. Cash and Cash Equivalents and Investments

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2010, and reported at fair value are as follows:

Type	Carrying Value
Deposits:	
Demand Deposits	<u>\$3,273,635</u>
Total Deposits	<u>\$3,273,635</u>

Reconciliation of Statements of Net Assets:

Governmental Activities	\$3,148,682
Business-Type Activities	15,561
Fiduciary Funds	<u>109,392</u>
Total Cash and Cash Equivalents	<u>\$3,273,635</u>

Custodial Credit Risk – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$3,947,718 at June 30, 2010. Of the bank balance \$250,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$3,697,718 was secured by a collateral pool held by the bank, but not in the District's name, as required by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 2. Cash and Cash Equivalents and Investments (continued):

Investment Interest Rate Risk – The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Maturities of investment held at June 30, 2010, are provided in the schedule on the previous page.

Investment Credit Risk – The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor;
- Bonds or other obligations of the District or bonds or other obligations of the local unit or units within which the District is located;
- Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District;
- Local Governments investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or;
- Agreements for the repurchase of fully collateralized securities with certain limitations.

Concentration of Investment Credit Risk – The District places no limit on the amount it may invest in any one issuer.

Note 3. Governmental Unit Deposit Protection Act (GUDPA)

The District has deposited cash in 2010 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 3. Governmental Unit Deposit Protection Act (GUDPA) (continued):

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of this certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 4. Capital Reserve Account

A capital reserve account was established by the Berkeley Township Board of Education by inclusion of \$1,000 on June 30, 1994 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2009 to June 30, 2010 fiscal year is as follows:

Beginning Balance, July 1, 2009	\$657,414
Interest Earnings	<u>6,825</u>
Ending Balance, June 30, 2010	<u>\$664,239</u>

The June 30, 2010 LRFP balance of local support costs of uncompleted capital projects at June 30, 2010 is \$33,367,800.

Note 5. Fixed Assets

American Appraisal Associates conducted an inventory of the fixed assets of the District, for year ended June 30, 2010.

The following schedule is a summarization of the general fixed assets for the fiscal year ended June 30, 2010:

	June 30, 2009	Additions	Deletions	June 30, 2010
Site & Improvements	\$ 2,252,977	\$ 114,150		\$ 2,367,127
Building & Building Improvements	39,900,863	383,713		40,284,576
Machinery & Equipment	<u>3,018,371</u>	<u>686,979</u>	<u>\$(88,300)</u>	<u>3,617,050</u>
Subtotal	45,172,211	1,184,842	(88,300)	46,268,753
Accumulated Depreciation	<u>(10,885,495)</u>	<u>(1,106,158)</u>		<u>(11,991,653)</u>
Total	<u>\$34,286,716</u>	<u>\$ 46,455</u>	<u>\$(88,300)</u>	<u>\$34,277,100</u>

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 5. Fixed Assets (continued):

The following is a summary of proprietary fund type fixed assets at June 30, 2010:

	June 30, 2009	Additions	Deletions	June 30, 2010
Machinery & Equipment	\$233,700	\$54,240	\$(22,700)	\$265,240
Less: Accumulated Depreciation	(162,503)	(10,966)	20,530	(152,939)
Net Fixed Assets	<u>\$ 71,197</u>	<u>\$43,274</u>	<u>\$ (2,170)</u>	<u>\$112,301</u>

Note 6. Long-Term Debt

During the fiscal year ended June 30, 2010 the following changes occurred in liabilities reported in the long-term debt:

Governmental Activities:	Balance 6/30/09	Retired/ Adjustments	Balance 6/30/10	Due Within One Year
Compensated Absences Payable	\$ 693,972	(\$136,473)	\$ 557,499	
Bonds Payable	20,635,100	(1,625,100)	19,578,498	\$1,095,000
Obligation Under Capital Leases	194,771	(6,007)	188,764	51,854
Cost of Issuance		(133,672)	(133,672)	
Loss on Refunding		(984,653)	(984,653)	
Bond Premium		1,686,823	1,686,823	
Total	<u>\$21,523,843</u>	<u>\$(1,199,082)</u>	<u>\$20,324,761</u>	<u>\$1,146,854</u>

A. Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with state law. All bonds are retired in serial installments within the statutory period of usefulness.

2002 Bonds

Description

On August 1, 2002, Berkeley Township Board of Education issued bonds in the amount of \$41,190,100 for the purpose of providing funds to finance a portion of a capital project and pay certain expenses incidental to the issuance and delivery of the bonds.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 6. Long-Term Debt (continued):

Principal and interest due on the bonds outstanding is as follows:

2010 Bonds
Description

The Board of Education issued Revenue Refunding Bonds, Series 2010, dated April 8, 2010 in the amount of \$16,760,000. The proceeds of this bond issue were used to advance refund certain callable maturities of the Board of Education's outstanding Series 2002 Bonds dated August 1, 2002. The Series 2002 Bonds were redeemed on April 8, 2010 at a redemption price of 100% of the principal amount thereof. The bonds included premiums of \$1,721,248 and expenses of \$136,400 resulting in a long term loss on the refunding \$1,004,748. The results of the refunding created an economic gain on the transaction with a net present value savings on interest expense of \$754,972.

Principal and interest due on the total bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2011	\$ 1,095,000	\$ 761,720	\$ 1,856,720
2012	1,155,000	730,475	1,885,475
2013	1,195,000	695,425	1,890,425
2014	1,240,000	658,675	1,898,675
2015	1,300,000	609,438	1,909,438
2016-2020	7,505,000	1,908,138	9,413,138
2021-2023	<u>5,520,000</u>	<u>724,013</u>	<u>6,244,013</u>
Total	<u>\$19,010,000</u>	<u>\$6,087,884</u>	<u>\$25,097,884</u>

B. Obligations Under Capital Leases

The District is leasing capital items and equipment under capital leases. All capital leases are for terms of varying years. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2010:

Year-ending June 30,	Amount
2011	\$ 67,757
2012	67,757
2013	58,619
2014	29,165
2015	<u>18,025</u>
Total Minimum Lease Payments	241,323
Less: Amount Representing Interest	<u>(52,559)</u>
Present Value of Lease Payments	<u>\$188,764</u>

BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

Note 7. Pension Plans

Plan Descriptions - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established in January 1955, under the provisions of *N.J.S.A.18A:66* to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related noncontributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established in January 1955 under the provisions of *N.J.S.A.43:15A* to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A.43:15A* and *43.3B* and *N.J.S.A.18A:66* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 7. Pension Plans (continued):

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey’s portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee’s rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District’s normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

Contribution Requirements – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$309,111	100%	\$ -0-
6/30/09	288,205	100%	-0-
6/30/08	199,604	100%	-0-

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 7. Pension Plans (continued):

Three-Year Trend Information for TPAF (Paid on behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$ 831,338	100%	\$ -0-
6/30/09	793,706	100%	-0-
6/30/08	1,813,435	100%	-0-

During the year ended June 30, 2010 the State of New Jersey contributed \$831,338 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A. 18A:66-66* the State of New Jersey reimbursed the District \$911,092 for the year ended June 30, 2010 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 8. Post-Retirement Benefits

P.L. 1937, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2009, there were 84,590 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$116.9 million toward Chapter 126 benefits for 13,320 eligible retired members in Fiscal Year 2009.

Note 9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 9. Risk Management (continued):

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment Compensation Insurance – The District has elected to fund their New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s expendable trust fund for the current and previous two years:

Fiscal Year	Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2009-2010	\$45,212	\$ 727	\$56,174	\$95,470
2008-2009	39,424	1,237	22,003	105,705
2007-2008	49,451	1,084	30,986	87,047

Note 10. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2010 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

The District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Board, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 11. Economic Dependency

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the District’s programs and activities.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 12. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2010:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$108,098	
Enterprise Fund	_____	<u>\$108,098</u>
Total	<u>\$108,098</u>	<u>\$108,098</u>

Note 13. Fund Balance Appropriated

General Fund – Of the \$3,788,450 General Fund fund balance at June 30, 2010, \$1,034,947 is reserved for encumbrances; \$664,239 is capital reserve; \$663,208 is reserved for maintenance reserve; \$257,857 is reserved for emergency reserve; \$259,819 is reserved for excess surplus; \$316,193 is reserved for excess surplus designated for subsequent year’s expenditures; \$304,057 is unreserved but designated for subsequent year’s expenditures; and \$288,130 is unreserved and undesignated.

Debt Service Fund – Of the Debt Service Fund fund balance at June 30, 2010 of \$2, which is unreserved and undesignated.

Note 14. Deferred Compensation

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment	AXA Equitable
Valic	MetLife

Note 15. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), “Accounting for Compensated

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010**

Note 15. Compensated Absences (continued):

Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2010 is \$557,499.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2010 no liability existed for compensated absences in the proprietary fund types.

Note 16. Calculation of Excess Surplus

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District has excess fund balance of \$259,819 at June 30, 2010.

REQUIRED SUPPLEMENTARY INFORMATION

C. Budgetary Comparison Schedules

**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:											
Local Sources:											
Local Tax Levy	10-1210	\$24,432,893		24,432,893	24,432,893		23,733,551		23,733,551	23,733,551	
Interest	10-1500				26,079	26,079				81,016	81,016
Interest Earned on Emergency Reserve	10-1XXX	2,500		2,500	2,650	150					
Interest Earned on Maintenance Reserve	10-1XXX	3,000		3,000	6,815	3,815					
Interest Earned on Capital Reserve	10-1XXX	3,000		3,000	6,825	3,825	100		100		(100)
Tuition										4,964	4,964
Miscellaneous	10-1990	45,745		45,745	123,606	77,861	44,585		44,585	289,781	245,196
Total Local Sources		24,487,138		24,487,138	24,598,868	111,730	23,778,236		23,778,236	24,109,312	331,076
State Sources:											
Categorical Transportation Aid	10-3121	803,821		803,821	522,484	(281,337)	606,176		606,176	606,176	
Categorical Special Education Aid	10-3132	1,018,878		1,018,878	994,321	(24,557)	981,640		981,640	981,640	
Categorical Security Aid	10-3177	246,521		246,521	160,239	(86,282)	232,460		232,460	232,460	
Adjustment Aid	10-3178	899,911		899,911	584,942	(314,969)	1,148,855	(34,774)	1,114,081	991,402	(122,679)
Extraordinary Aid	10-3131	50,000		50,000	65,715	15,715	66,964	34,774	101,738	101,738	
Nonpublic Transportation	10-3190				9,725	9,725				16,878	16,878
Nonbudgeted:											
On-Behalf TPAF Pension Contribution					831,338	831,338				793,706	793,706
Reimbursed TPAF Social Security					911,092	911,092				909,525	909,525
Total State Sources		3,019,131		3,019,131	4,079,856	1,060,725	3,036,095		3,036,095	4,633,525	1,597,430
Federal Sources:											
Medicaid Reimbursement	10-4200	28,929		28,929	11,149	(17,780)					
Total Federal Sources:		28,929		28,929	11,149	(17,780)					
Total Revenues		27,535,198		27,535,198	28,689,873	1,154,675	26,814,331		26,814,331	28,742,837	1,928,506
Expenditures:											
Current Expense:											
Instruction - Regular Programs:											
Salaries of Teachers:											
Preschool	11-105-100-101	95,704	50,261	145,965	145,960	5	44,795	47,007	91,802	91,802	
Kindergarten	11-110-100-101	971,237	9,540	980,777	979,141	1,636	857,809	17,153	874,962	874,962	
Grades 1 - 5	11-120-100-101	4,466,911	33,590	4,500,501	4,476,104	24,397	4,311,271	14,209	4,325,480	4,310,414	15,066
Grades 6 - 8	11-130-100-101	1,056,643	15,582	1,072,225	1,072,225		993,475	(129,947)	863,528	863,528	

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Regular Programs - Home Instruction:										
Salaries of Teachers 11-150-100-101	12,500	(1,866)	10,634	10,634		12,500	(3,319)	9,181	9,047	134
Regular Programs - Undistributed Instruction:										
Purchased Professional - Educational Services 11-190-100-320		3,900	3,900	3,841	59	9,200		9,200	6,188	3,012
Purchased Professional - Technical Services 11-190-100-340	6,500	2,039	8,539	8,539						
Other Purchased Services 11-190-100-500	16,900	(2,000)	14,900	3,182	11,718	106,341	(66,006)	40,335	18,649	21,686
General Supplies 11-190-100-610	591,698	26,530	618,228	541,231	76,997	556,851	100,637	657,488	618,068	39,420
Textbooks 11-190-100-640	163,188	(15,805)	147,383	125,766	21,617	205,441	(63,144)	142,297	135,754	6,543
Other Objects 11-190-100-890	54,130	178	54,308	40,238	14,070	3,000	1,190	4,190	2,303	1,887
Total Regular Programs - Instruction	7,435,411	121,949	7,557,360	7,406,861	150,499	7,100,683	(82,220)	7,018,463	6,930,715	87,748
Special Education:										
Learning and/or Language Disabilities:										
Salaries of Teachers 11-204-100-101	587,596	8,234	595,830	595,294	536	721,326	(49,660)	671,666	670,345	1,321
Other Salaries for Instruction 11-204-100-106	303,089	(635)	302,454	302,454		239,848	58,310	298,158	298,158	
General Supplies 11-204-100-610	9,866		9,866	6,669	3,197	9,866	1,064	10,930	10,930	
Textbooks 11-204-100-640	2,500		2,500	2,500		2,250	(1,393)	857	857	
Total Learning and/or Language Disabilities	903,051	7,599	910,650	906,917	3,733	973,290	8,321	981,611	980,290	1,321
Multiple Disabilities:										
Salaries of Teachers 11-212-100-101	113,130	(66,171)	46,959	46,959		103,872	3,261	107,133	107,133	
Other Salaries for Instruction 11-212-100-106	52,125	1,060	53,185	53,185		58,800	(472)	58,328	51,441	6,887
General Supplies 11-212-100-610	5,375	(348)	5,027	266	4,761	7,375	(3,034)	4,341	4,341	
Textbooks 11-212-100-640	1,060		1,060	1,060		1,060	(406)	654	654	
Total Multiple Disabilities	171,690	(65,459)	106,231	101,470	4,761	171,107	(651)	170,456	163,569	6,887

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
Resource Room/Resource Center:											
Salaries of Teachers	11-213-100-101	1,119,720	65,918	1,185,638	1,185,096	542	797,107	131,117	928,224	928,224	
Other Salaries for Instruction	11-213-100-106	24,603	39,859	64,462	64,462		33,110		33,110	24,341	8,769
General Supplies	11-213-100-610	7,205	(590)	6,615	2,970	3,645	7,805	(515)	7,290	7,290	
Textbooks	11-213-100-640	800		800	800		1,722	(1,064)	658	658	
Total Resource Room		1,152,328	105,187	1,257,515	1,253,328	4,187	839,744	129,538	969,282	960,513	8,769
Autism:											
Salaries of Teachers	11-214-100-101	152,606	18,453	171,059	171,059		217,638	(52,681)	164,957	163,415	1,542
Other Salaries for Instruction	11-214-100-106	186,838	(27,541)	159,297	159,266	31	196,547	37,942	234,489	234,489	
Purchased Professional- Services	11-214-100-320	23,186		23,186	19,905	3,281	12,421		12,421		12,421
General Supplies	11-214-100-610	4,027		4,027	1,613	2,414	4,027		4,027	4,019	8
Total Autism		366,657	(9,088)	357,569	351,843	5,726	430,633	(14,739)	415,894	401,923	13,971
Preschool Disabilities - Part Time:											
Salaries of Teachers	11-215-100-101	98,077	(48,239)	49,838	49,838		94,260	(43,908)	50,352	50,351	1
Other Salaries for Instruction	11-215-100-106	142,126	(5,536)	136,590	131,571	5,019	188,930	22,909	211,839	211,839	
General Supplies	11-215-100-610	1,096		1,096	2	1,094	1,479	(744)	735	735	
Total Preschool Disabilities - Part-Time		241,299	(53,775)	187,524	181,411	6,113	284,669	(21,743)	262,926	262,925	1
Total Special Education		2,835,025	(15,536)	2,819,489	2,794,969	24,520	2,699,443	100,726	2,800,169	2,769,220	30,949
Basic Skills/Remedial:											
Salaries of Teachers	11-230-100-101	980,358	(25,940)	954,418	947,898	6,520	965,709	91,775	1,057,484	1,022,822	34,662
General Supplies	11-230-100-610	1,600		1,600	292	1,308	1,600		1,600		1,600
Total Basic Skills/Remedial		981,958	(25,940)	956,018	948,190	7,828	967,309	91,775	1,059,084	1,022,822	36,262
Bilingual Education - Instruction:											
Salaries	11-240-100-101	46,835	9,426	56,261	55,241	1,020	67,719	(20,807)	46,912	43,654	3,258
Supplies and Materials	11-240-100-610	300		300		300	300		300		300
Total Bilingual Education - Instruction		47,135	9,426	56,561	55,241	1,320	68,019	(20,807)	47,212	43,654	3,558

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	
School Sponsored Cocurricular Activities:												
	Salaries	11-401-100-100	8,952		8,952	7,515	1,437	4,932		4,932	4,932	
Total School Sponsored Cocurricular Activities			8,952		8,952	7,515	1,437	4,932		4,932	4,932	
Other Instructional Programs - Instruction:												
	Salaries	11-4XX-100-100	29,100	16,141	45,241	45,241		128,231	10,957	139,188	135,136	4,052
	Purchased Services	11-4XX-100-500	8,660	(1,864)	6,796	5,906	890		3,700	3,700	3,192	508
	Supplies and Materials	11-4XX-100-600	3,900	675	4,575	2,326	2,249	4,673	445	5,118	2,436	2,682
	Other Objects	11-4XX-100-800	2,500		2,500	2,500		2,500		2,500	2,000	500
Total Instructional Programs - Instruction			44,160	14,952	59,112	53,473	5,639	135,404	15,102	150,506	142,764	7,742
Total - Instruction			11,352,641	104,851	11,457,492	11,266,249	191,243	10,975,790	104,576	11,080,366	10,914,107	166,259
Undistributed Expenditures:												
Instruction:												
	Tuition to Other LEA's -State Special	11-000-100-562		32,000	32,000		32,000					
	Tuition to CSSD & Reg. Day Schools	11-000-100-565	204,778	(53,205)	151,573	146,621	4,952	200,577	(104,282)	96,295	96,295	
	Tuition to Private Schools for the Handicapped - State	11-000-100-566	635,160	(93,031)	542,129	439,831	102,298	495,769	12,993	508,762	508,762	
	Tuition - State Facilities	11-000-100-568	30,750	39,001	69,751	56,751	13,000					
	Tuition - Other	11-000-100-569	12,240	(12,240)					42,036	42,036	42,036	
Total Undistributed Expenditures - Instruction			882,928	(87,475)	795,453	643,203	152,250	696,346	(49,253)	647,093	647,093	
Attendance & Social Work Services:												
	Salaries	11-000-211-100		2,300	2,300	2,300		6,000	(3,700)	2,300	2,300	
Total Attendance & Social Work Services				2,300	2,300	2,300		6,000	(3,700)	2,300	2,300	

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Health Services:											
Salaries	11-000-213-100	233,629	2,837	236,466	236,317	149	227,382	(4,254)	223,128	223,128	
Purchased Professional & Technical Services	11-000-213-300	28,000	(4,914)	23,086	9,726	13,360	27,408	(11,528)	15,880	14,806	1,074
Supplies and Materials	11-000-213-600	6,233	1,233	7,466	6,175	1,291	6,618	261	6,879	4,772	2,107
Total Health Services		267,862	(844)	267,018	252,218	14,800	261,408	(15,521)	245,887	242,706	3,181
Other Support Services - Students - Related Services:											
Salaries	11-000-216-100	541,506	2,700	544,206	544,206		331,270	10,157	341,427	341,427	
General Supplies	11-000-216-600	7,741		7,741	7,738	3	7,741	(5,879)	1,862	1,862	
Total Other Support Services - Students - Related Services		549,247	2,700	551,947	551,944	3	339,011	4,278	343,289	343,289	
Other Support Services - Students - Extraordinary:											
Salaries	11-000-217-106	210,886	(15,366)	195,520	195,520		111,348	(27,986)	83,362	83,362	
Purchased Professional Services	11-000-217-320	49,800	13,959	63,759	45,954	17,805	27,500	24,263	51,763	48,804	2,959
Total Other Support Services - Students - Extraordinary		260,686	(1,407)	259,279	241,474	17,805	138,848	(3,723)	135,125	132,166	2,959
Other Support Services - Students - Regular:											
Salaries of Other Professional Staff	11-000-218-104	269,463	6,004	275,467	275,467		249,623	6,964	256,587	256,587	
Supplies & Materials	11-000-218-600	418		418	73	345	418		418	193	225
Total Other Support Services - Students - Regular		269,881	6,004	275,885	275,540	345	250,041	6,964	257,005	256,780	225
Other Support Services - Students - Special Services:											
Salaries of Other Professional Staff	11-000-219-104	646,316	(12,078)	634,238	634,238		547,503	54,308	601,811	601,642	169
Salaries of Secretarial & Clerical Assistants	11-000-219-105	90,321	37	90,358	90,358		84,554	403	84,957	84,658	299
Supplies & Materials	11-000-219-600	12,470	523	12,993	7,570	5,423	12,226	(278)	11,948	11,217	731
Other Objects	11-000-219-800	700	240	940	940		775		775	400	375
Total Other Support Services - Students - Special Services		749,807	(11,278)	738,529	733,106	5,423	645,058	54,433	699,491	697,917	1,574

**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Improvement of Instruction Services/Other											
Support Services - Instruction Staff:											
Salaries of Supervisors of											
Instruction	11-000-221-102	121,500		121,500	121,500		106,248	10,168	116,416	116,416	
Salaries of Secretarial & Clerical											
Assistants	11-000-221-105	42,488	66	42,554	42,554		39,446	1,043	40,489	40,489	
Supplies and Materials	11-000-221-600	1,900		1,900	1,789	111	1,865		1,865	1,067	798
Other Objects	11-000-221-800	800		800	221	579	1,100		1,100	591	509
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53 Total Improvement of Instruction Services/Other		166,688	66	166,754	166,064	690	148,659	11,211	159,870	158,563	1,307
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Educational Media Services/School Library:											
Salaries	11-000-222-100	343,327	27,597	370,924	370,924		320,432	788	321,220	321,219	1
Purchased Professional & Technical Services	11-000-222-300	24,000		24,000	18,666	5,334	2,450		2,450	1,845	605
Supplies and Materials	11-000-222-600	20,000	6,227	26,227	24,910	1,317	40,000	7,003	47,003	45,856	1,147
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Total Educational Media Services/School Library		387,327	33,824	421,151	414,500	6,651	362,882	7,791	370,673	368,920	1,753
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Instructional Staff Training Services:											
Purchased Professional -											
Educational Staff	11-000-223-320	1,200	(39)	1,161	900	261					
Other Purchased Services	11-000-223-500	13,250	677	13,927	9,349	4,578	40,574	(16,732)	23,842	8,688	15,154
Supplies and Materials	11-000-223-600							272	272	57	215
<hr/>											
Total Instructional Staff Training Services		14,450	638	15,088	10,249	4,839	40,574	(16,460)	24,114	8,745	15,369
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Support Services General Administration:											
Salaries	11-000-230-100	205,789	3,196	208,985	118,985	90,000	306,506	8,545	315,051	313,979	1,072
Legal Services	11-000-230-331	70,000		70,000	63,534	6,466	67,000	22,581	89,581	78,244	11,337
Audit Fees	11-000-230-332	26,000	(500)	25,500	23,700	1,800	29,000	4,060	33,060	23,563	9,497
Architectural/Engineering Services	11-000-230-334	11,500	(2,000)	9,500	8,000	1,500					
Other Purchased Professional Services	11-000-230-339	17,500	4,525	22,025	18,782	3,243	46,500	1,500	48,000	21,767	26,233
Communications/Telephone	11-000-230-530	104,900	(5,750)	99,150	96,561	2,589	98,100	(7,000)	91,100	89,089	2,011
Other Purchased Services (400-500 Series)	11-000-230-585	15,250		15,250	4,763	10,487	13,875	(8,000)	5,875	5,824	51

**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Support Services General Administration (continued):											
Other Purchasing Services	11-000-230-590	246,200	(18,762)	227,438	184,964	42,474	123,650	83,789	207,439	184,300	23,139
General Supplies	11-000-230-610	4,700	13,913	18,613	18,595	18	4,700	14,740	19,440	5,076	14,364
BOE In-House Training - Meeting Supplies	11-000-230-630	1,800	6,000	7,800	6,662	1,138	2,800	(2,740)	60	60	
Judgments Against School District	11-000-230-820	10,000		10,000		10,000	10,000	(10,000)			
Miscellaneous Expenditures	11-000-230-890	7,500		7,500	3,605	3,895	18,050	(2,000)	16,050	9,407	6,643
BOE Membership Dues & Fees	11-000-230-895	13,760		13,760	13,560	200	13,250		13,250	12,931	319
Total Support Services General Administration		734,899	622	735,521	561,711	173,810	733,431	105,475	838,906	744,240	94,666
Support Services School Administration:											
Salaries of Principals & Assistant Principals	11-000-240-103	754,971	(1,358)	753,613	753,613		793,422	14,374	807,796	806,223	1,573
Salaries of Secretarial & Clerical Assistants	11-000-240-105	246,939	(2,241)	244,698	244,698		227,676	15,466	243,142	243,142	
Other Salaries	11-000-240-110	4,032	(356)	3,676	3,676		20,500	(17,484)	3,016	2,689	327
Purchased Professional & Technical Services	11-000-240-300	35,690		35,690	33,363	2,327	18,330	8,616	26,946	25,610	1,336
Supplies & Materials	11-000-240-600	35,172	18,492	53,664	44,191	9,473	37,465	899	38,364	32,942	5,422
Other Objects	11-000-240-800	800	710	1,510	978	532	6,800	994	7,794	644	7,150
Total Support Services School Administration		1,077,604	15,247	1,092,851	1,080,519	12,332	1,104,193	22,865	1,127,058	1,111,250	15,808
Central Services:											
Salaries	11-000-251-100	327,278	4,022	331,300	331,300		318,072		318,072	315,856	2,216
Purchased Professional Services	11-000-251-330	6,800	20	6,820	6,820		17,113	(1,200)	15,913	8,768	7,145
Miscellaneous Purchased Services	11-000-251-592	5,200		5,200	2,170	3,030	5,400	450	5,850	5,615	235
Supplies & Materials	11-000-251-600	8,647	2,919	11,566	11,466	100	11,147	1,500	12,647	12,028	619
Miscellaneous Expenditures	11-000-251-890	2,985		2,985	1,795	1,190	1,730	750	2,480	2,466	14
Total Central Services		350,910	6,961	357,871	353,551	4,320	353,462	1,500	354,962	344,733	10,229
Administrative Information Technology:											
Salaries	11-000-252-100	82,843	3,407	86,250	86,250		77,400	4,471	81,871	81,871	
Purchased Technical Services	11-000-252-340	45,270	(750)	44,520	43,230	1,290	33,850	1,603	35,453	35,365	88
Other Purchased Services	11-000-252-500		750	750	451	299					
Supplies and Materials	11-000-252-600	45,500	(11,730)	33,770	25,934	7,836	24,000	(1,290)	22,710	20,336	2,374
Total Administrative Information Technology		173,613	(8,323)	165,290	155,865	9,425	135,250	4,784	140,034	137,572	2,462

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Required Maintenance for School Facilities:											
Salaries	11-000-261-100	277,420	16,011	293,431	293,431		260,957	15,445	276,402	276,402	
Cleaning, Repair & Maintenance Services	11-000-261-420	256,400	686,191	942,591	689,636	252,955	174,000	1,129,594	1,303,594	898,172	405,422
Travel	11-000-261-580		2,100	2,100	1,668	432		1,000	1,000	603	397
General Supplies	11-000-261-610	159,400	(2,925)	156,475	141,677	14,798	143,792	(4,036)	139,756	131,753	8,003
Other Objects	11-000-261-800	9,900	3,900	13,800	11,672	2,128	12,000	(400)	11,600	10,328	1,272
Total Allowable Maintenance For School Facilities		703,120	705,277	1,408,397	1,138,084	270,313	590,749	1,141,603	1,732,352	1,317,258	415,094
Other Operation & Maintenance of Plant Services:											
Salaries	11-000-262-100	846,471	(104,512)	741,959	734,879	7,080	836,593	(31,929)	804,664	786,560	18,104
Cleaning, Repair & Maintenance Services	11-000-262-420	105,500	86,571	192,071	186,668	5,403	133,038	277,975	411,013	318,702	92,311
Other Purchased Property Services	11-000-262-490	60,000	(19,400)	40,600	40,113	487	68,000	(21,718)	46,282	40,903	5,379
Insurance	11-000-262-520	212,000	(56,221)	155,779	155,779		212,000	(52,100)	159,900	159,900	
Travel	11-000-262-580		500	500	272	228		600	600	196	404
General Supplies	11-000-262-610	77,132	14,119	91,251	89,693	1,558	79,384	16,448	95,832	95,711	121
Energy (Natural Gas)	11-000-262-621	312,000	(91,601)	220,399	206,464	13,935	920,000	(97,000)	823,000	788,103	34,897
Energy (Electricity)	11-000-262-622	580,000	(32,000)	548,000	518,439	29,561					
Other Objects	11-000-262-800	500	(500)								
Total Operation & Maintenance of Plant Services		2,193,603	(203,044)	1,990,559	1,932,307	58,252	2,249,015	92,276	2,341,291	2,190,075	151,216
Undistributed Expenditures - Care & Upkeep of Grounds:											
Purchased Professional and Technical Services	11-000-263-300	71,000	8,205	79,205	72,386	6,819					
General Supplies	11-000-263-610	8,500	5,834	14,334	14,058	276					
Total Undistributed Expenditures - Care & Upkeep of Grounds		79,500	14,039	93,539	86,444	7,095					
Security:											
Salaries	11-000-266-100		92,182	92,182	92,182						
Cleaning, Repair, & Maintenance Services	11-000-266-420		1,000	1,000		1,000					
General Supplies	11-000-266-610		120,000	120,000		120,000					
Total Security			213,182	213,182	92,182	121,000					
Student Transportation Services:											
Salaries of Non-Instructional Aides	11-000-270-107	161,182	(25,614)	135,568	130,885	4,683					
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	684,884	4,129	689,013	668,887	20,126	770,816	(20,408)	750,408	750,407	1

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Student Transportation Services (continued):											
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	217,754	(14,705)	203,049	201,393	1,656	150,564	27,098	177,662	177,281	381
Salaries for Pupil Transportation (Other than Between Home & School)	11-000-270-162	17,000	(17,000)				16,900	(4,613)	12,287	12,287	
Other Purchased Professional & Technical Services	11-000-270-390	2,025	27,000	29,025	2,340	26,685	6,085	(4,000)	2,085	1,415	670
Cleaning, Repair & Maintenance Services	11-000-270-420	7,500	5,600	13,100	11,688	1,412	7,500	(3,024)	4,476	3,991	485
Lease Purchase Payments - Buses	11-000-270-443	32,202		32,202	32,201	1	61,360		61,360	61,357	3
Contracted Services - ESC's & CTSA's - (Special Education Students)	11-000-270-518	360,000		360,000	181,697	178,303	258,000	48,554	306,554	304,075	2,479
Contracted Services - Aid in Lieu	11-000-270-503	91,400	(27,000)	64,400	54,366	10,034	89,300	(3,296)	86,004	77,541	8,463
Travel	11-000-270-580		1,000	1,000	500	500					
Miscellaneous Purchased Services - Transportation	11-000-270-593	60,000	7,265	67,265	66,839	426	57,000	2,266	59,266	59,266	
Supplies & Materials	11-000-270-600	13,055	(547)	12,508	11,959	549	284,204	(1,515)	282,689	222,793	59,896
Transportation Supplies	11-000-270-615	249,000	(3,785)	245,215	199,415	45,800					
Miscellaneous Expenditures	11-000-270-800	9,355	(1,300)	8,055	4,975	3,080	9,955	(1,849)	8,106	4,390	3,716
Total Student Transportation Services		1,905,357	(44,957)	1,860,400	1,567,145	293,255	1,711,684	39,213	1,750,897	1,674,803	76,094
Unallocated Benefits Employee Benefits:											
Group Insurance	11-000-291-210		815	815	815						
Social Security Contributions	11-000-291-220	390,840		390,840	377,652	13,188	390,000		390,000	380,236	9,764
Other Retirement Contributions - Regular	11-000-291-241	330,000		330,000	309,111	20,889	460,000	(70,000)	390,000	288,205	101,795
Workman's Compensation	11-000-291-260	315,000		315,000	262,951	52,049	334,951	(50,000)	284,951	284,748	203
Health Benefits	11-000-291-270	3,975,135	(100,486)	3,874,649	3,808,661	65,988	4,661,335	(789,433)	3,871,902	3,230,800	641,102
Tuition Reimbursement	11-000-291-280	25,000	6,399	31,399	28,852	2,547	25,000		25,000	23,371	1,629
Other Employee Benefits	11-000-291-290	315,000	(7,213)	307,787	194,403	113,384	250,000	(40,438)	209,562	209,562	
Total Unallocated Benefits - Employee Benefits		5,350,975	(100,485)	5,250,490	4,982,445	268,045	6,121,286	(949,871)	5,171,415	4,416,922	754,493
Nonbudgeted:											
On-Behalf TPAF Pension Contributions					831,338	(831,338)				793,706	(793,706)
Reimbursed TPAF Social Security					911,092	(911,092)				909,525	(909,525)

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

ACCOUNT NUMBERS	JUNE 30, 2010				POSITIVE/ (NEGATIVE)	JUNE 30, 2009				POSITIVE/ (NEGATIVE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	FINAL TO ACTUAL
Total Undistributed Expenditures	16,118,457	543,047	16,661,504	16,983,281	(321,777)	15,887,897	453,865	16,341,762	16,498,563	(156,801)
Total Expenditures - Current Expense	27,471,098	647,898	28,118,996	28,249,530	(130,534)	26,863,687	558,441	27,422,128	27,412,670	9,458
Capital Outlay:										
Equipment:										
57 Undistributed Expenditures:										
Instruction 12-000-100-730		8,690	8,690	8,690						
Operation & Maintenance of Plant Services 12-000-260-730						50,544	(26,093)	24,451	24,451	
Required Maintenance for School Facilities 12-000-261-730	170,000	153,407	323,407	163,748	159,659					
Custodial Services 12-000-262-730	14,800	(7,606)	7,194	7,194						
Care & Upkeep of Grounds 12-000-263-730	425,000	(143,901)	281,099	114,150	166,949					
Security 12-000-266-730	100,000	(100,000)								
Student Transportation - Non-Instructional Equipment 12-000-270-730	2,100	188,680	190,780	188,680	2,100		587,027	587,027	391,359	195,668
School Buses - Regular 12-000-270-733	202,350	(8,150)	194,200	194,200						
School Buses - Special 12-000-270-734	61,350		61,350	61,350						
Total Equipment	975,600	91,120	1,066,720	738,012	328,708	50,544	560,934	611,478	415,810	195,668
Facilities Acquisition & Construction Services:										
Other Purchased Prof. and Tech. Services 12-000-400-390						100,000	(100,000)			
Construction Services 12-000-400-450		455,666	455,666	168,824	286,842	700,000	(111,900)	588,100	68,970	519,130
Transfer - Capital Projects							211,900	211,900	127,140	84,760
Total Facilities Acquisition & Construction Services		455,666	455,666	168,824	286,842	800,000		800,000	196,110	603,890
Total Capital Outlay	975,600	546,786	1,522,386	906,836	615,550	850,544	560,934	1,411,478	611,920	799,558
Total Expenditures	28,446,698	1,194,684	29,641,382	29,156,366	485,016	27,714,231	1,119,375	28,833,606	28,024,590	809,016

**BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(911,500)	(1,194,684)	(2,106,184)	(466,493)	1,639,691	(899,900)	(1,119,375)	(2,019,275)	718,247	2,737,522
Other Financing Sources/(Uses):										
Interest Earned on Capital Reserve	(3,000)		(3,000)		3,000	(100)		(100)		100
Interest Earned on Maintenance Reserve	(3,000)		(3,000)		3,000					
Interest Earned on Emergency Reserve	(2,500)		(2,500)		2,500					
⁵ Total Other Financing Sources/(Uses)	(8,500)		(8,500)		8,500	(100)		(100)		100
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses	(920,000)	(1,194,684)	(2,114,684)	(466,493)	1,648,191	(900,000)	(1,119,375)	(2,019,375)	718,247	2,737,622
Fund Balances, July 1	4,540,532		4,540,532	4,540,532		3,822,285		3,822,285	3,822,285	
Fund Balances, June 30	<u>\$3,620,532</u>	<u>(1,194,684)</u>	<u>2,425,848</u>	<u>4,074,039</u>	<u>1,648,191</u>	<u>2,922,285</u>	<u>(1,119,375)</u>	<u>1,802,910</u>	<u>4,540,532</u>	<u>2,737,622</u>

RECAPITULATION OF FUND BALANCE

Reserve for Encumbrances	\$1,034,947
Capital Reserve	664,239
Maintenance Reserve	663,208
Emergency Reserve	257,857
Designated for Subsequent Year's Expenditures	304,057
Excess Surplus Designated for Subsequent Year's Expenditures	316,193
Reserve for Excess Surplus	259,819
Unrestricted Fund Balance	<u>573,719</u>
Subtotal	<u>4,074,039</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	<u>(285,589)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$3,788,450</u>

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES										
Local Sources		37,767	37,767	35,411	(2,356)		53,641	53,641	48,288	(5,353)
State Sources										
Federal Sources	\$645,123	727,882	1,373,005	924,762	(448,243)	575,079	217,663	792,742	743,245	(49,497)
Total Revenues	645,123	765,649	1,410,772	960,173	(450,599)	575,079	271,304	846,383	791,533	(54,850)
EXPENDITURES:										
Instruction:										
Salaries of Teachers	150,000	367,967	517,967	284,587	233,380	172,300	57,699	229,999	229,399	600
Purchased Professional Services (300 Series)	25,400	(2,408)	22,992	5,787	17,205	3,100	6,639	9,739	9,739	
Tuition	345,944	13,056	359,000	359,000		300,000	90,463	390,463	377,463	13,000
Miscellaneous		7,450	7,450	5,826	1,624		359	359	359	
General Supplies	7,200	150,176	157,376	102,313	55,063		78,932	78,932	62,598	16,334
Total Instruction	528,544	536,241	1,064,785	757,513	307,272	475,400	234,092	709,492	679,558	29,934
Support Services:										
Salaries of Program Director		95,400	95,400	46,877	48,523					
Personal Services - Employee Benefits	52,000	32,984	84,984	42,512	42,472	58,000	(18,712)	39,288	39,288	
Purchased Professional - Educational Services	5,000	14,991	19,991	9,515	10,476	3,100	28,184	31,284	31,284	
Other Purchased Professional Services	38,579	(18,579)	20,000	8,094	11,906		5,220	5,220	220	5,000
Travel	21,000	14,574	35,574	35,044	530	38,579	(20,251)	18,328	16,329	1,999
Miscellaneous Expenditures		200	200	200						
Supplies & Materials		89,838	89,838	60,418	29,420		42,771	42,771	24,854	17,917
Total Support Services	116,579	229,408	345,987	202,660	143,327	99,679	37,212	136,891	111,975	24,916
Total Expenditures	645,123	765,649	1,410,772	960,173	450,599	575,079	271,304	846,383	791,533	54,850
Total Outflows	645,123	765,649	1,410,772	960,173	450,599	575,079	271,304	846,383	791,533	54,850
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	-	-	-	-	-	-	-	-	-

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**BERKELEY TOWNSHIP BOARD OF EDUCATION
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 NOTE TO RSI
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
 GAAP Revenues and Expenditures**

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$28,689,873	960,173
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	223,950	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(285,589)	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
		21,986
Prior Year		
Current Year		(33,447)
		<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<hr/> <u>\$28,628,234</u>	<hr/> <u>948,712</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$29,156,366	960,173
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
		21,986
Prior Year		
Current Year		(33,447)
		<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<hr/> <u>\$29,156,366</u>	<hr/> <u>948,712</u>

N-1 The general fund budget uses GAAP basis therefore no reconciliation is necessary.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	NO CHILD LEFT BEHIND				RECOVERY ACT		
	TITLE I 2009-10	TITLE IIA 2009-10	TITLE IID 2009-10	TITLE IV 2009-10	TITLE I 2009-10	IDEA-B BASIC 2009-10	IDEA-B PRESCHOOL 2009-10
Revenues:							
Local Sources							
Federal Sources	\$194,854	71,572	2,136	5,067	68,688	165,503	5,515
Total Revenues	<u>\$194,854</u>	<u>71,572</u>	<u>2,136</u>	<u>5,067</u>	<u>68,688</u>	<u>165,503</u>	<u>5,515</u>
Expenditures:							
Instruction:							
Salaries of Teachers	\$153,404	43,400		2,280	43,705	12,467	
Purchased Professional Services (300 Series)	3,000			2,787			
General Supplies	1,550	3,172	1,602		6,488	69,424	
Tuition							
Miscellaneous							
Total Instruction	<u>157,954</u>	<u>46,572</u>	<u>1,602</u>	<u>5,067</u>	<u>50,193</u>	<u>81,891</u>	
Support Services:							
Other Professional Staff Salaries					10,925	35,952	
Purchased Professional Services	4,000						5,515
Other Purchased Professional Services							
Employee Benefits	25,700	8,560				8,252	
Travel	6,000	16,440	534		7,570		
General Supplies	1,000					39,408	
Miscellaneous Expenses	200						
Total Support Services	<u>36,900</u>	<u>25,000</u>	<u>534</u>		<u>18,495</u>	<u>83,612</u>	<u>5,515</u>
Total Expenditures	<u>\$194,854</u>	<u>71,572</u>	<u>2,136</u>	<u>5,067</u>	<u>68,688</u>	<u>165,503</u>	<u>5,515</u>

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	IDEA-B BASIC REGULAR 2009-10	IDEA-B BASIC REGULAR 2008-09	IDEA-B PRESCHOOL REGULAR 2009-10	IDEA-B PRESCHOOL REGULAR 2008-09	CAMP PAW	BARNEGAT BAY ESTUARY	SIGN	2010	2009
Revenues:									
Local Sources					27,241	3,170	5,000	35,411	48,288
Federal Sources	\$380,930	2,318	22,419	5,760				924,762	743,245
Total Revenues	\$380,930	2,318	22,419	5,760	27,241	3,170	5,000	960,173	791,533
Expenditures:									
Instruction:									
Salaries of Teachers					27,219	2,112		284,587	229,399
Purchased Professional Services (300 Series)								5,787	9,739
General Supplies	\$13,237			5,760	22	1,058		102,313	62,598
Tuition	346,000		13,000					359,000	377,463
Miscellaneous	826						5,000	5,826	359
Total Instruction	360,063		13,000	5,760	27,241	3,170	5,000	757,513	679,558
Support Services:									
Other Professional Staff Salaries								46,877	
Purchased Professional Services								9,515	31,284
Other Purchased Professional Services	8,094							8,094	220
Employee Benefits								42,512	39,288
Travel	4,500							35,044	16,329
General Supplies	8,273	2,318	9,419					60,418	24,854
Miscellaneous Expenses								200	
Total Support Services	20,867	2,318	9,419					202,660	111,975
Total Expenditures	\$380,930	2,318	22,419	5,760	27,241	3,170	5,000	960,173	791,533

F. Capital Projects Fund

**BERKELEY TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

PROJECT TITLE/ISSUE	DATE	ORIGINAL APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED
			PRIOR YEARS	CURRENT YEAR	BALANCE JUNE 30, 2010
Clara B. Worth Elementary School - Boiler Replacement - State Project # 0320-030-09-1002	2/26/2009	\$211,900		189,706	22,194
Total		\$211,900	-	189,706	22,194

**BERKELEY TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Expenditures & Other Financing Uses:	
Construction Services	\$189,706
	<hr/>
Total Expenditures	189,706
	<hr/>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(189,706)
Fund Balance - Beginning	211,900
	<hr/>
Fund Balance - Ending	\$22,194
	<hr/> <hr/>

**BERKELEY TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
CLARA B. WORTH ELEMENTARY SCHOOL - REPLACEMENT OF BOILERS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$84,760		84,760	84,760
Bond Proceeds & Transfers	127,140		127,140	127,140
Total Reserve	211,900		211,900	211,900
Expenditures & Other Financing Uses:				
Construction Services		189,706	189,706	211,900
Total Expenditures & Other Financing Uses		189,706	189,706	211,900
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$211,900	(189,706)	22,194	-

ADDITIONAL PROJECT INFORMATION

Project Number	#0320-030-09-1002
Grant Date	2/26/2009
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$334,800
Additional Authorized Cost	N/A
Revised Authorized Cost	\$211,900
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	10/15/09
Revised Target Completion Date	12/01/09

G. Proprietary Funds



Enterprise Funds

**BERKELEY TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET ASSETS
AS OF JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE	2010	2009
Current Assets:			
Cash & Cash Equivalents	\$15,561	15,561	83,289
Accounts Receivable:			
State	1,685	1,685	3,318
Federal	26,553	26,553	50,000
Local	57,137	57,137	3,309
Inventories	27,236	27,236	19,620
Total Current Asscts	<u>128,172</u>	<u>128,172</u>	<u>159,536</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	265,240	265,240	233,700
Less: Accumulated Depreciation	<u>(152,939)</u>	<u>(152,939)</u>	<u>(162,503)</u>
Total Noncurrent Assets	<u>112,301</u>	<u>112,301</u>	<u>71,197</u>
Total Assets	<u>240,473</u>	<u>240,473</u>	<u>230,733</u>
LIABILITIES			
Accounts Payable	6,493	6,493	88,836
Interfund Payable	<u>108,098</u>	<u>108,098</u>	<u>86,518</u>
Total Liabilities	<u>114,591</u>	<u>114,591</u>	<u>175,354</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	112,301	112,301	71,197
Unrestricted	<u>\$13,581</u>	<u>13,581</u>	<u>(15,818)</u>
Total Net Assets	<u>\$125,882</u>	<u>125,882</u>	<u>55,379</u>

**BERKELEY TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
AS OF JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	2010	2009
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$246,515	246,515	260,143
Daily Sales - Nonreimbursable Programs	126,309	126,309	126,959
Total Operating Revenues	372,824	372,824	387,102
Operating Expenses:			
Cost of Sales	448,943	448,943	411,932
Salaries & Benefits	206,082	206,082	207,977
Miscellaneous	3,016	3,016	1,515
General Supplies	4,550	4,550	2,363
Depreciation	10,966	10,966	9,180
Total Operating Expenses	673,557	673,557	632,967
Operating Income/(Loss)	(300,733)	(300,733)	(245,865)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	11,832	11,832	11,790
State School Breakfast Program	4,130	4,130	4,306
Federal Sources:			
National School Lunch Program	214,819	214,819	200,486
National School Breakfast Program	41,528	41,528	42,598
U.S.D.A. Commodities	37,487	37,487	21,351
Interest & Investment Revenue	370	370	908
Total Nonoperating Revenues/(Expenses)	310,166	310,166	281,439
Other Financing Sources:			
Loss on Disposal of Asset	(2,170)	(2,170)	
Contract Budget Guarantee	63,240	63,240	
Total Other Financing Sources	61,070	61,070	
Change in Net Assets	70,503	70,503	35,574
Total Net Assets - Beginning	55,379	55,379	19,805
Total Net Assets - Ending	\$125,882	125,882	55,379

**BERKELEY TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	2010	2009
Cash Flows From Operating Activities:			
Receipts from Customers	\$318,996	318,996	374,529
Payments to Employees & Benefits	(206,082)	(206,082)	(207,977)
Payments to Suppliers	(487,401)	(487,401)	(342,523)
Net Cash Provided/(Used) by Operating Activities	(374,487)	(374,487)	(175,971)
Cash Flows From Noncapital Financing Activities:			
Cash Received From Budget Guarantee	63,240	63,240	
State Sources	17,595	17,595	16,096
Federal Sources	279,794	279,794	243,084
Net Cash Provided/(Used) by Noncapital Financing Activities	360,629	360,629	259,180
Cash Flows From Financing Activities:			
Gain on Sale of Asset	(2,170)	(2,170)	
Purchases of Fixed Assets	(52,070)	(52,070)	
Net Cash Provided/(Used) by Financing Activities	(54,240)	(54,240)	
Cash Flows From Investing Activities:			
Interest & Dividends	370	370	908
Net Cash Provided/(Used) by Investing Activities	370	370	908
Net Increase/(Decrease) in Cash & Cash Equivalents			
Balances - Beginning of Year	(67,728)	(67,728)	84,117
Balances - End of Year	\$15,561	15,561	83,289

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	(\$300,733)	(300,733)	(245,865)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
U.S.D.A. Commodities	37,487	37,487	21,351
Depreciation Expense	10,966	10,966	9,180
(Increase)/Decrease in Inventories	(7,616)	(7,616)	(9,420)
(Increase)/Decrease in Accounts Receivable	(53,828)	(53,828)	(12,573)
Increase/(Decrease) in Accounts Payable	(60,763)	(60,763)	66,880
Increase/(Decrease) in Accrued Salaries Benefits			(5,524)
Total Adjustments	(73,754)	(73,754)	69,894
Net Cash Provided/(Used) by Operating Activities	(\$374,487)	(374,487)	(175,971)

Internal Service Fund

Not Applicable

H. Fiduciary Fund

**BERKELEY TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

ASSETS	PRIVATE PURPOSE UNEMPLOYMENT COMPENSATION TRUST	AGENCY PAYROLL FUND	2010	2009
Cash & Cash Equivalents	\$95,470	13,922	109,392	166,106
Total Assets	95,470	13,922	109,392	166,106
LIABILITIES				
Payroll Deductions & Withholdings		13,922	13,922	60,401
Total Liabilities		13,922	13,922	60,401
NET ASSETS				
Held in Trust for Unemployment Claims & Other Purposes	95,470		95,470	105,705
Total Net Assets	\$95,470		95,470	105,705

**BERKELEY TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Totals for June 30, 2009)**

ADDITIONS	PRIVATE PURPOSE UNEMPLOYMENT COMPENSATION TRUST	2010	2009
Contributions:			
Plan Member	\$45,212	45,212	39,424
Total Contributions	45,212	45,212	39,424
Investment Earnings:			
Interest	727	727	1,084
Net Investment Earnings	727	727	1,084
Total Additions	45,939	45,939	40,508
DEDUCTIONS			
Unemployment Claims	56,174	56,174	22,003
Total Deductions	56,174	56,174	22,003
Change in Net Assets	(10,235)	(10,235)	18,658
Net Assets - Beginning of the Year	105,705	105,705	87,047
Net Assets - End of the Year	\$95,470	95,470	105,705

**BERKELEY TOWNSHIP BOARD OF EDUCATION
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

ASSETS	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
Cash & Cash Equivalents	\$60,401	19,741,493	19,787,972	13,922
Total Assets	<u>\$60,401</u>	<u>19,741,493</u>	<u>19,787,972</u>	<u>13,922</u>
LIABILITIES				
Payroll Deductions & Withholdings	\$60,401	19,741,493	19,787,972	13,922
Total Liabilities	<u>\$60,401</u>	<u>19,741,493</u>	<u>19,787,972</u>	<u>13,922</u>

I. Long-Term Debt

**BERKELEY TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2010**

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ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING	ISSUED	REFUNDED	RETIRED	AMOUNT OUTSTANDING
			DATE	AMOUNT		JUNE 30, 2009				JUNE 30, 2010
Building, Alterations & Renovations	8/1/2002	\$24,430,100	8/1/2010	\$1,095,000	4.000%	\$20,635,100		17,340,100	1,045,000	2,250,000
			8/1/2011	1,155,000	4.000%					
2002 Refunding Issue	3/25/2010	16,760,000	10/1/2012	1,195,000	2.000%		16,760,000			16,760,000
			10/1/2013	1,240,000	4.000%					
			10/1/2014	1,300,000	3.760%					
			10/1/2015	1,360,000	3.000%					
			10/1/2016	1,415,000	4.000%					
			10/1/2017	1,495,000	5.000%					
			10/1/2018	1,575,000	4.500%					
			10/1/2019	1,660,000	4.500%					
			10/1/2020	1,745,000	4.500%					
			10/1/2021	1,835,000	5.000%					
			10/1/2022	1,940,000	5.000%					
Total						\$20,635,100	16,760,000	17,340,100	1,045,000	19,010,000

**BERKELEY TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2010**

SERIES	INTEREST RATE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2009	ISSUED	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2010
Blue Bird: 2 - 54 Passenger Buses	4.50%	147,722	\$30,814		30,814	
Xerox Copier	7.00%	37,472	1,369		1,369	
6- Xerox Copiers	7.25%	236,956	27,142		27,142	
5 - Xerox Copiers	9.31%	145,795	115,424		26,966	88,458
6- Xerox Copiers	11.00%	74,185		74,185	1,874	72,311
Savin Copier	6.32%	16,214		16,214	1,401	14,813
Savin Copier	7.00%	33,779	20,022		6,840	13,182
		Total	\$194,771	90,399	96,406	188,764

**BERKELEY TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009**

	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:										
Local Sources:										
Local Tax Levy	\$1,914,874		1,914,874	1,914,874				1,905,673	1,905,673	1,905,673
Total Revenues	1,914,874		1,914,874	1,914,874				1,905,673	1,905,673	1,905,673
Expenditures:										
Regular Debt Service:										
Interest	869,874		869,874	869,874				910,674	910,674	910,673
Redemption of Principal	1,045,000		1,045,000	1,045,000				995,000	995,000	995,000
Total Regular Debt Service	1,914,874		1,914,874	1,914,874				1,905,674	1,905,674	1,905,673
Total Expenditures	1,914,874		1,914,874	1,914,874				1,905,674	1,905,674	1,905,673
Excess/(Deficiency) of Revenues Over/(Under) Expenditures								(1)	(1)	1
Fund Balance, July 1	2		2	2				2	2	2
Fund Balance, June 30	\$2	-	2	2	-			1	-	1

STATISTICAL SECTION (Unaudited)

BERKELEY TOWNSHIP BOARD OF EDUCATION
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities:								
Invested in Capital Assets, Net of								
Related Debt	\$15,078,336	13,456,845	12,495,827	12,253,762	11,800,787	10,805,939	(3,857,332)	(19,860,321)
Restricted	3,010,992	3,329,751	3,017,264	1,463,992	1,295,610	2,684,154	18,375,626	32,590,339
Unrestricted	(533,810)	133,605	(45,784)	696,052	(294,542)	(517,184)	(56,639)	1,678,507
Total Governmental Activities								
Net Assets	<u>\$17,555,518</u>	<u>16,920,201</u>	<u>15,467,307</u>	<u>14,413,806</u>	<u>12,801,855</u>	<u>12,972,909</u>	<u>14,461,655</u>	<u>14,408,525</u>
Business-Type Activities:								
Invested in Capital Assets, Net of								
Related Debt	\$112,301	71,197	80,377	87,302				
Unrestricted	13,581	(15,818)	(60,572)	20,202	4,955	40,506	64,445	58,994
Total Business-Type Activities								
Net Assets	<u>\$125,882</u>	<u>55,379</u>	<u>19,805</u>	<u>107,504</u>	<u>4,955</u>	<u>40,506</u>	<u>64,445</u>	<u>58,994</u>
District-Wide:								
Invested in Capital Assets, Net of								
Related Debt	\$15,190,637	13,528,042	12,576,204	12,341,064	11,800,787	10,805,939	(3,857,332)	(19,860,321)
Restricted	3,010,992	3,329,751	3,017,264	1,463,992	1,295,610	2,684,154	18,375,626	32,590,339
Unrestricted	(520,229)	117,787	(106,356)	716,254	(289,587)	(476,678)	7,806	1,737,501
Total District Net Assets								
	<u>\$17,681,400</u>	<u>16,975,580</u>	<u>15,487,112</u>	<u>14,521,310</u>	<u>12,806,810</u>	<u>13,013,415</u>	<u>14,526,100</u>	<u>14,467,519</u>

**BERKELEY TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST EIGHT FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:								
Governmental Activities								
Instruction:								
Regular	\$7,406,861	6,930,715	7,919,773	7,532,797	7,267,436	7,532,391	6,553,027	6,354,232
Special Education	3,541,021	3,428,691	2,630,615	2,634,824	2,351,485	2,300,946	1,892,788	1,710,934
Other Special Education	1,003,431	1,066,476	699,749	799,949	655,633	623,890	504,693	389,934
Other Instruction	60,988	147,696	257,560	178,125	172,446	161,143	157,226	138,358
Support Services:								
Tuition	643,203	647,093	606,887	728,590	580,808	563,880	742,278	357,997
Student & Instruction Related Services	2,844,048	2,201,914	2,143,936	2,106,383	2,023,294	1,974,523	1,710,914	1,897,071
School Administrative Services	1,080,519	1,111,250	1,083,011	546,896	1,046,788	471,902	413,328	428,979
General & Business Administrative Services	1,071,127	1,226,545	858,718	1,401,337	1,309,965	1,199,363	921,595	808,712
Plant Operations & Maintenance	3,249,017	3,182,642	3,755,753	2,444,441	2,048,204	1,766,532	1,310,754	1,191,786
Pupil Transportation	1,567,145	1,674,803	1,738,099	1,289,267	1,346,240	1,252,111	1,126,621	983,255
Unallocated Benefits	6,724,875	6,120,153	4,944,642	6,689,637	5,579,484	5,078,884	4,198,744	3,584,685
Interest on Long-Term Debt	706,185	894,829	931,868	969,121	990,685	1,054,212	1,038,143	952,250
Unallocated Amortization of Bond Costs	(11,602)							
Unallocated Increase/(Decrease) in Compnsated Absenees	(136,473)	298,566		(160,007)	(132,880)	51,829	169,690	
Reduction of Capital Leases, Net							(381,129)	(409,056)
Unallocated Dcpreiation	1,106,158	1,118,672		1,137,280	1,083,603	914,968	475,326	402,883
Total Governmental Activities Expenses	30,856,503	30,050,045	27,570,611	28,298,640	26,323,191	24,946,574	20,833,998	18,792,020
Business-Type Activities:								
Food Service	673,557	632,967	761,649	560,091	515,135	437,112	358,145	419,571
Total Business-Type Activities Expense	673,557	632,967	761,649	560,091	515,135	437,112	358,145	419,571
Total District Expenses	\$31,530,060	30,683,012	28,332,260	28,858,731	26,838,326	25,383,686	21,192,143	19,211,591
Program Revenues:								
Governmental Activities:								
Grants & Contributions	\$948,712	788,781	2,719,058	908,529	912,901	931,777	904,294	980,703
Total Governmental Activities Program Revenues	948,712	788,781	2,719,058	908,529	912,901	931,777	904,294	980,703
Business-Type Activities:								
Charges for Services:								
Grants & Contributions	309,796	280,531	265,558	194,465	301,423	141,488	133,167	131,356
Food Service	372,824	387,102	406,904	380,381	177,034	270,552	229,235	227,299
Total Business Type Activities Program Revenues	682,620	667,633	672,462	574,846	478,457	412,040	362,402	358,655
Total District Program Revenues	\$1,631,332	1,456,414	3,391,520	1,483,375	1,391,358	1,343,817	1,266,696	1,339,358

**BERKELEY TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET ASSETS - (ACCRUAL BASIS OF ACCOUNTING)
LAST EIGHT FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Net (Expense)/Revenue:								
Governmental Activities	(\$29,907,791)	(29,261,264)	(24,851,553)	(27,390,111)	(25,410,290)	(24,014,797)	(19,929,704)	(17,811,317)
Business-Type Activities	9,063	34,666	(89,187)	14,755	(36,678)	(25,072)	4,257	(60,916)
Total District-Wide Net Expense	(\$29,898,728)	(29,226,598)	(24,940,740)	(27,375,356)	(25,446,968)	(24,039,869)	(19,925,447)	(17,872,233)
General Revenues & Other Changes in Net Assets:								
Governmental Activities:								
Property Taxes Levied for General Purposes, Net	\$24,432,893	23,733,551	23,067,288	21,843,362	19,006,349	17,177,256	15,065,121	14,244,480
Taxes Levied for Debt Service	1,914,874	1,905,673	1,894,474	1,886,374	1,876,474	1,088,288	1,044,147	567,305
Unrestricted Grants & Contributions	3,993,955	4,576,501	2,665,462	5,175,958	4,253,953	4,031,259	3,664,334	12,587,648
Restricted State Aid			1,195,474					
Tuition Received			135,557		1,946	43,017	24,285	8,655
Miscellaneous Income	201,386	551,189	75,692	96,368	120,325	186,231	238,947	333,335
Reduction in Compensated Absences								71,899
Revaluation of Capital Assets		(52,756)			(19,811)			
Total Governmental Activities	30,543,108	30,714,158	29,033,947	29,002,062	25,239,236	22,526,051	20,036,834	27,813,322
Business-Type Activities:								
Loss on Disposal of Asset	(2,170)							
Contract Budget Guarantee	63,240							
Investment Earnings	370	908	1,488	492	1,127	1,133	1,194	2,770
Total Business-Type Activities	61,440	908	1,488	492	1,127	1,133	1,194	2,770
Total District-Wide	\$30,604,548	30,715,066	29,035,435	29,002,554	25,240,363	22,527,184	20,038,028	27,816,092
Change in Net Assets:								
Governmental Activities	\$635,317	1,452,894	4,182,394	1,611,951	(171,054)	(1,488,746)	107,130	10,002,005
Business-Type Activities	70,503	35,574	(87,699)	15,247	(35,551)	(23,939)	5,451	(58,146)
Total District	\$705,820	1,488,468	4,094,695	1,627,198	(206,605)	(1,512,685)	112,581	9,943,859

Source: District CAFR, Schedule A-2

This schedule does not contain 10 years of information, shown for only years since adoption of GASB 34.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30, 2010							
	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:								
Reserved	\$3,196,263	3,489,005	3,284,597	1,552,648	1,036,147	1,757,092	2,548,551	631,439
Unreserved	592,187	827,577	407,234	1,065,221	354,161	316,531	439,099	2,219,717
Total General Fund	\$3,788,450	4,316,582	3,691,831	2,617,869	1,390,308	2,073,623	2,987,650	2,851,156
All Other Governmental Funds:								
Reserved	\$22,194	211,900	79,388	315,948	404,423		14,127,023	15,443,753
Unreserved, Reported in:								
Special Revenue Fund			(17,335)	(12,596)	(12,596)	(12,598)	(12,598)	(12,965)
Capital Projects Fund					157,370	1,208,051	2,251,265	16,843,397
Debt Service Fund	2	2	2	2	2	1	1,286	48,713
Total All Other Governmental Funds	\$22,196	211,902	62,055	303,354	549,199	1,195,454	16,366,976	32,322,898

Source: District CAFR, Schedule B-1

This schedule does not contain 10 years of information, shown for only years since adoption of GASB 34.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST EIGHT FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2010	2009	2008	2007	2006	2005	2004	2003
Revenues:								
Tax Levy	\$26,347,767	25,639,224	24,961,762	23,729,736	20,882,823	18,265,544	16,109,268	14,811,785
Tuition Charges					1,946	43,017	24,285	8,655
Interest	42,369	85,980	135,557					
Miscellaneous	159,017	465,209	75,692	151,784	120,325	186,231	238,946	333,335
State Sources	4,018,217	4,642,124	5,889,489	5,428,591	4,511,979	4,288,188	3,923,652	12,922,161
Federal Sources	924,450	723,158	690,505	600,423	654,875	674,848	644,976	646,190
Total Revenue	31,491,820	31,555,695	31,753,005	29,910,534	26,171,948	23,457,828	20,941,127	28,722,126
Expenditures:								
Instruction:								
Regular Instruction	7,406,861	6,930,715	7,919,773	7,532,797	7,267,436	7,532,391	6,553,027	6,354,232
Special Education								
Instruction	3,541,021	3,428,691	2,630,615	2,634,824	2,351,485	2,300,946	1,892,788	1,710,934
Other Special Instruction	1,003,431	1,066,476	699,749	799,949	655,633	623,890	504,693	389,934
Other Instruction	60,988	147,696	257,560	178,125	172,446	161,143	157,226	138,358
Support Services:								
Student & Instruction								
Related Services	3,493,258	2,970,454	2,750,823	2,834,973	2,604,102	2,538,403	2,453,191	2,255,068
School Administrative								
Services	1,080,519	1,111,250	1,083,011	546,896	1,046,788	471,902	413,328	428,979
General & Business								
Administration Services	1,071,127	1,226,545	1,268,553	1,401,337	1,309,965	1,199,363	921,595	808,712
Plant Operations &								
Maintenance	3,249,017	3,507,333	3,103,143	2,444,441	2,048,204	1,766,532	1,310,754	1,191,786
Pupil Transportation	1,567,145	1,674,803	1,738,099	1,509,776	1,346,240	1,252,111	1,126,621	983,255
Unallocated Benefits	6,724,875	6,120,153	6,979,231	6,689,637	5,579,484	5,078,884	4,198,744	3,584,685
Capital Outlay	1,096,542	691,308	595,311	469,746	1,243,262	16,218,624	16,678,274	2,104,127
Debt Service:								
Principal	1,045,000	995,000	945,000	900,000	855,000	50,000	50,000	
Interest & Other Charges	869,874	910,673	949,474	986,374	1,021,473	1,039,573	1,041,574	521,287
Total Expenditures	32,209,658	30,781,097	30,920,342	28,928,875	27,501,518	40,233,762	37,301,815	20,471,357
Excess (Deficiency) of Revenues								
Over/(Under) Expenditures	(717,838)	774,598	832,663	981,659	(1,329,570)	(16,775,934)	(16,360,688)	8,250,769
Other Financing Sources/(Uses):								
Proceeds from Borrowing						690,385	541,260	24,543,285
Transfers in				57	16,153	135,326	197,457	268,589
Transfers Out					(16,153)	(135,326)	(197,457)	(268,589)
Total Other Financing Sources/								
(Uses)				57		690,385	541,260	24,543,285
Net Change in Fund Balances	(\$717,838)	774,598	832,663	981,716	(1,329,570)	(16,085,549)	(15,819,428)	32,794,054
Debt Service as a Percentage of								
Noncapital Expenditures	6.2%	6.3%	6.2%	6.6%	7.1%	4.5%	5.3%	2.8%

Source: District CAFR, Schedule B-2

This schedule does not contain 10 years of information, shown for only years since adoption of GASB 34.

BERKELEY TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	PRIOR YEAR REFUNDS	MISCELLANEOUS	TOTAL
2010	\$26,079		55,672	67,934	149,685
2009	81,016	4,964		289,781	375,761
2008	135,557		5,643	17,729	158,929
2007	90,014		4,197	2,100	96,311
2006	75,157		43,415	1,753	120,325
2005	32,465	43,017		18,440	93,922
2004	20,466	24,285		21,024	65,775
2003	28,166	8,655		36,580	73,401
2002	50,294	9,717		18,602	78,613
2001	64,842	47,999		96,612	209,453
Total	\$604,056	138,637	108,927	570,555	1,422,175

Source: District records

**BERKELEY TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	COMMUNICATION EQUIPMENT	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL ASSESSED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2010	46,338,500	2,488,096,590	270,800	22,700	128,273,700	11,119,200	24,630,200	3,574,672	2,702,326,362	813,157,300	1,889,169,062	0.975
2009	49,607,700	2,469,451,190	270,800	22,700	122,003,200	10,646,400	24,630,200	3,292,475	2,679,924,665	811,068,500	1,868,856,165	0.957
2008	49,339,700	2,447,836,590	270,800	22,700	119,958,300	11,321,600	24,756,300	3,462,676	2,656,968,666	809,607,400	1,847,361,266	0.939
2007	50,968,900	2,421,249,640	270,800	21,500	116,946,700	11,358,700	24,746,400	3,923,144	2,629,485,784	806,116,550	1,823,369,234	0.902
2006	50,153,250	2,396,731,790	270,800	20,800	118,269,500	11,358,700	24,746,400	4,837,667	2,606,388,907	786,616,600	1,819,772,307	0.801
2005	53,657,050	2,360,530,990	270,800	20,100	109,369,500	11,358,700	24,746,400	5,637,528	2,565,591,068	785,278,700	1,780,312,368	0.712
2004	54,264,350	2,333,681,590	419,900	71,149	112,297,000	12,318,000	24,746,400	6,886,920	2,544,685,309	782,802,200	1,761,883,109	0.633
2003	61,295,150	2,273,689,290	453,900	71,149	112,110,335	12,412,900	24,729,950	7,572,633	2,492,335,307	781,137,200	1,711,198,107	0.594
2002	77,382,200	2,202,710,290	453,900	82,708	110,459,835	12,412,900	20,781,950	7,921,687	2,432,205,470	778,340,800	1,653,864,670	0.551
2001	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.561

Source: Abstract of Ratables "Assessed Value by Classification"

BERKELEY TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP OF BERKELEY	OCEAN COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE	
2009	0.975	0.667	1.642	0.969	0.636	0.071	0.029	3.347
2008	0.957	0.657	1.614	0.916	0.638	0.071	0.029	3.268
2007	0.939	0.638	1.577	0.841	0.603	0.069	0.027	3.117
2006	0.902	0.650	1.552	0.746	0.577	0.060	0.023	2.958
2005	0.801	0.699	1.500	0.675	0.576	0.058	0.021	2.830
2004	0.712	0.697	1.409	0.645	0.564	0.058	0.018	2.694
2003	0.633	0.677	1.310	0.579	0.555	0.056	0.016	2.516
2002	0.594	0.623	1.217	0.570	0.551	0.054	0.015	2.407
2001	0.551	0.560	1.111	0.499	0.545	0.052	0.014	2.221
2000	0.561	0.599	1.160	0.475	0.603	N/A	N/A	2.238

Source: Abstract of Ratables, Breakdown of General Tax Rate

**BERKELEY TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	FOR YEAR ENDED DECEMBER 31, 2010		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE (C 5,181,066,605
Hovchild Partnership LLC	\$39,686,700	1	0.77%
RK Creek LLC	28,289,800	2	0.55%
Baywick Plaza LLC	23,404,000	3	0.45%
Quaker Malls	17,721,200	4	0.34%
Arlington Beach Co	16,631,000	5	0.32%
Berkeley Healthcare Assoc	13,500,000	6	0.26%
NJ Pulverizing Co.	13,500,000	7	0.26%
Lakeside Blvd Realty LLC	11,451,900	8	0.22%
Millers Camp Inc	10,269,900	9	0.20%
Beachwood Mall	9,489,500	10	0.18%
Total	<u>\$183,944,000</u>		<u>3.55%</u>

TAXPAYER	FOR YEAR ENDED DECEMBER 31, 2001		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE (C 2,373,378,518
Hovson's/Hovchild, Sr Citizen Complex	\$14,397,600	1	0.61%
Midway East, Inc. & Citta at Midway	11,139,000	2	0.47%
Bell Atlantic	8,519,500	3	0.36%
US Homes	6,743,500	4	0.28%
Baywick Plaza	6,660,400	5	0.28%
NJ Pulverizing	6,117,700	6	0.26%
Quaker Mills	5,530,900	7	0.23%
The Todino Ltd	4,967,900	8	0.21%
Bayville Housing	4,817,500	9	0.20%
Beachwood Malls	4,519,700	10	0.19%
Total	<u>\$73,413,700</u>		<u>3.09%</u>

**BERKELEY TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2009	\$90,426,522	N/A	N/A	1,582,000
2008	87,578,591	85,914,598	98.10%	1,335,000
2007	82,792,753	81,327,321	98.23%	1,300,000
2006	78,363,792	76,983,206	98.24%	1,125,000
2005	74,193,873	72,999,611	98.39%	1,046,150
2004	69,858,340	68,770,246	98.44%	1,025,000
2003	64,452,334	63,363,522	98.31%	1,088,000
2002	60,942,107	59,886,503	98.27%	1,215,000
2001	55,079,058	53,849,543	97.77%	1,300,000
2000	54,024,048	52,580,710	97.33%	1,230,000

Source: Municipal Tax Collector, Abstract of Ratables "Received from Delinquent Taxes"

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES *	TOTAL DISTRICT	
2010	\$19,010,000	188,764	19,198,764	N/A
2009	20,635,100	194,771	20,829,871	N/A
2008	21,630,100	316,218	21,946,318	39,521
2007	22,575,100	265,893	22,840,993	38,816
2006	23,475,100	486,402	23,961,502	36,742
2005	24,330,100	850,676	25,180,776	34,463
2004	24,380,100	781,954	25,162,054	33,537
2003	24,430,100	591,834	25,021,934	33,009
2002	-	774,520	774,520	32,547
2001	-	639,510	639,510	32,099

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

* Exhibit I-2, CAFR

BERKELEY TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2010	19,010,000	N/A	19,010,000	N/A	N/A
2009	20,635,100	N/A	20,635,100	N/A	N/A
2008	21,630,100	N/A	21,630,100	N/A	39,521
2007	22,575,100	N/A	22,575,100	N/A	38,816
2006	23,475,100	N/A	23,475,100	N/A	36,742
2005	24,330,100	N/A	24,330,100	N/A	34,463
2004	24,380,100	N/A	24,380,100	N/A	33,537
2003	24,430,100	N/A	24,430,100	N/A	33,009
2002	N/A	N/A	N/A	N/A	32,547
2001	N/A	N/A	N/A	N/A	32,099

BERKELEY TOWNSHIP BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2010

GOVERNMENTAL UNIT	ESTIMATED PERCENTAGE APPLICABLE	DEBT OUTSTANDING
Overlapping Debts:		
Berkeley Township	100.000%	\$32,410,603
Berkeley Township Municipal Utilities Authority	100.000%	12,426,665
Ocean County Utilities Authority	5.507%	14,637,892
County of Ocean	6.050%	<u>27,137,452</u>
Subtotal, Overlapping Debt		86,612,612
Berkeley Township Board of Education Direct Debt		<u>19,010,000</u>
Total Direct & Overlapping Debt		<u><u>\$105,622,612</u></u>

Sources: Township of Berkeley, Statement of Indebtedness as of December 31, 2009
Debt outstanding data provided by each governmental unit.

NOTE - Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Berkeley Township. This process recognizes that, when considering the District's ability to issue and repay Long-Term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

a. For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable value that is within the District's boundaries and dividing it by each unit's total

**BERKELEY TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt Limit	\$157,612,361	155,095,981	102,000,841	127,891,047	153,013,543	151,565,881	126,279,120	110,533,481	92,545,529	88,000,111
Total Net Debt Applicable to Limit	19,010,000	20,635,100	21,630,100	22,575,100	23,475,100	24,330,100	24,380,100	24,430,100.00	-	-
Legal Debt Margin	<u>138,602,361</u>	<u>134,460,881</u>	<u>80,370,741</u>	<u>105,315,947</u>	<u>129,538,443</u>	<u>127,235,781</u>	<u>101,899,020</u>	<u>86,103,381</u>	<u>92,545,529</u>	<u>88,000,111</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	12.06%	13.30%	21.21%	17.65%	15.34%	16.05%	19.31%	22.10%		

Legal Debt Margin Calculation for Fiscal Year 2009

	Equalized Valuation Basis	
	2009	\$6,195,481,382
	2008	6,371,419,782
	2007	<u>6,346,582,133</u>
		<u>\$18,913,483,297</u>
Average Equalized Valuation of Taxable Property		<u>\$6,304,494,432</u> A-3
Debt Limit (2.5 % of A-3)		\$157,612,361
Net Bonded School Debt		<u>19,010,000</u>
Legal Debt Margin		<u>\$138,602,361</u>

Source: Equalized valuation bases were obtained from the Annual Debt Statement, Township of Berkeley

**BERKELEY TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PER CAPITA	
		PERSONAL INCOME (b)	UNEMPLOYMENT RATE (c)
2009	42,975	N/A	14.0%
2008	42,783	39,521	6.8%
2007	42,656	38,816	5.3%
2006	42,493	36,742	6.0%
2005	42,345	34,463	5.5%
2004	42,401	33,537	6.2%
2003	42,280	33,009	7.1%
2002	41,950	32,547	6.7%
2001	41,158	32,099	4.1%
2000	40,252	30,661	4.8%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Per Capita Personal income - NJ Dept of Labor

^c Unemployment data provided by the NJ Dept of Labor and Workforce Development

EXHIBITS J-15 & J-16 DATA NOT AVAILABLE

**BERKELEY TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST SIX FISCAL YEARS**

SCHOOL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2010	2,016	29,177,946	14,473	2.18%	170	N/A	2,015	1,907.0	0.02	94.7%
2009	2,010	30,781,097	15,314	12.00%	170	N/A	1,974	1,874.6	0.02	94.9%
2008	1,945	27,536,776	14,158	4.81%	165	N/A	1,948	1,845.6	0.02	94.7%
2007	1,921	25,888,127	13,476	6.75%	156	N/A	1,908	1,807.0	(0.00)	94.7%
2006	1,915	24,065,888	12,567	4.10%	156	N/A	1,909	1,810.2	0.00	94.8%
2005	1,912	23,042,175	12,051	N/A	156	10	1,906	1,809.6	N/A	95.0%

Sources: District records

Note: Enrollment based on annual October District count.

- a. Operating expenditures equal total expenditures less debt service and capital outlay.(Sch B-2)
- b. Teaching staff includes only full-time equivalents of certificated staff.
- c. Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST FIVE FISCAL YEARS**

DISTRICT BUILDINGS	2010	2009	2008	2007	2006
Bayville Elementary (Org. 1926 Add: 1951,1959,1969,2003):					
Square Feet	73,369	73,369	73,369	73,369	73,369
Capacity (Students)	600	600	600	600	600
Enrollment	430	434	457	449	449
Berkeley Twp. Elementary (2003):					
Square Feet	102,830	102,830	102,830	102,830	102,830
Capacity (Students)	800	800	800	800	800
Enrollment	536	535	529	550	550
Clara B. Worth Elementary (Org. 1962 Add: 1984&2003):					
Square Feet	81,258	81,258	81,258	81,258	81,258
Capacity (Students)	845	845	845	845	845
Enrollment	587	583	489	495	495
H&M Potter Elementary (Org. 1974 Add: 1984&2003):					
Square Feet	88,424	88,424	88,424	88,424	88,424
Capacity (Students)	725	725	725	725	725
Enrollment	461	458	433	427	427

Number of Schools at June 30, 2010:
Elementary = 4

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST EIGHT FISCAL YEARS**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

	BAYVILLE ELEMENTARY	CLARA B. WORTH ELEMENTARY	H & M POTTER ELEMENTARY 0570-030-R01	BERKELEY TOWNSHIP ELEMENTARY SCHOOL	OTHER	TOTAL
2010	235,610	260,944	283,957	330,219	27,354	1,138,084
2009	277,594	307,442	334,555	389,061	8,606	1,317,258
2008	148,992	165,013	179,565	208,820	17,298	719,688
2007	118,426	131,160	142,727	165,980		558,293
2006	99,151	109,812	119,496	138,965		467,424
2005	125,966	139,511	151,814	176,547		593,838
2004	203,904	322,526	315,591	N/A		842,021
2003	168,739	186,883	203,364	N/A		558,986
Total School Facilities	1,378,382	1,623,291	1,731,069	1,409,592	53,258	6,195,592

Source: District records, M-1

**INSURANCE SCHEDULE
JUNE 30, 2010**

	COVERAGE	DEDUCTIBLE
School Package Policy (1):		
Blanket Real/Personal Property	11,350,337,221	5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Papers/Records	10,000,000	5,000
Demo/Increased Cost of Construction	10,000,000	N/A
Boiler & Machinery	100,000,000	5,000
Theft, Disapperance, Destruction	25,000	500
Pollutant Clean-up	250,000	N/A
Blanket Hardware/Software	1,500,000	N/A
Comprehensive General Liability	11,000,000	1,000
General Automobile Liability	11,000,000	1,000
School Board Legal Liability	11,000,000	5,000
Workers' Compensation	2,000,000	N/A
Board Accident Policy	5,000 Medical/10,000 Death	
Student Accident Insurance (2)		
Surety Bonds (3)		
Treasurer	250,000	1,000
Board Secretary	25,000	500

Source: District records

SINGLE AUDIT SECTION





Certified Public Accountants & Consultants

EXHIBIT K-1

**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**

Honorable President and Members
of the Board of Education
Berkeley Township
County of Ocean
Bayville, New Jersey

We have audited the financial statements of the Board of Education of the Berkeley Township School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated September 3, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Board of Education of the Berkeley Township School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Board of Education of the Berkeley Township School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board of Education of the Berkeley Township School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements,

MEDFORD OFFICE

618 Stokes Road • Medford, New Jersey 08055
Tel: 609.953.0612 • Fax: 609.953.8443

www.holmanfrenia.com

TOMS RIVER OFFICE

10 Allon Street, Suite 2B • Toms River, NJ 08753
Tel: 732.797.1333 • Fax: 732.797.1022

noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

This report is intended solely for the information of the audit committee, management, the Board of Education of the Berkeley Township School District, the New Jersey State Department of Education and other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'F. B. Holman, III', with a long horizontal flourish extending to the right.

Frank B. Holman, III
Public School Accountant
Certified Public Accountant
No. 783

Toms River, New Jersey
September 3, 2010



Certified Public Accountants & Consultants

EXHIBIT K-2

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members
of the Board of Education
Berkeley Township
County of Ocean
Bayville, New Jersey

Compliance

We have audited the compliance of the Board of Education of the Berkeley Township School District, in the County of Ocean, State of New Jersey, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey Grants Compliance Supplement* that are applicable to each of its major federal and state programs for the fiscal year ended June 30, 2010. The Board of Education of the Berkeley Township School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Board of Education of the Berkeley Township School District's management. Our responsibility is to express an opinion on the Board of Education of the Berkeley Township School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Board of Education of the Berkeley Township School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Board of Education of the Berkeley Township School District's compliance with those requirements.

In our opinion, the Board of Education of the Berkeley Township School District, County of Ocean, State of New Jersey, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal or state programs for the year ended June 30, 2010.

MEDFORD OFFICE

618 Stokes Road • Medford, New Jersey 08055
Tel: 609.953.0612 • Fax: 609.953.8443

www.holmanfrenia.com

TOMS RIVER OFFICE

10 Allen Street, Suite 2B • Toms River, NJ 08753
Tel: 732.797.1333 • Fax: 732.797.1022

Internal Control Over Compliance

The management of the Board of Education of the Berkeley Township School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to major federal and state programs. In planning and performing our audit, we considered the Board of Education of the Berkeley Township School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Berkeley Township School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of the management of the Board of Education of the Berkeley Township School District, the New Jersey State Department of Education, other state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,

HOLMAN & FRENIA, P. C.



Frank B. Holman, III
Public School Accountant
Certified Public Accountant
No. 783

Toms River, New Jersey
September 3, 2010

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2009	CARRYOVER/ WALKOVER AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) JUNE 30, 2010	DEFERRED REVENUE JUNE 30, 2010
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Food Distribution Program	10.550	N/A	\$37,487	7/1/09-6/30/10			37,487	(37,487)		
National School Lunch Program	10.555	5120-201-372573-63	214,819	7/1/09-6/30/10			192,926	(214,819)	(21,893)	
National School Lunch Program	10.555	5120-201-372573-63	200,486	7/1/08-6/30/09	(\$40,799)		40,799			
National School Breakfast Program	10.553	5120-201-372573-63	41,528	7/1/09-6/30/10			36,868	(41,528)	(4,660)	
National School Breakfast Program	10.553	5120-201-372573-63	42,598	7/1/08-6/30/09	(9,201)		9,201			
National School Milk Program	10.556	100-010-3360-070	344	7/1/09-6/30/10						
Total U.S. Department of Agriculture					(50,000)		317,281	(293,834)	(26,553)	
U.S. DEPARTMENT OF LABOR PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
General Fund:										
Medical Assistance Program (SEMI)	93.778		11,149	9/1/09-8/31/10			4,956	(11,149)	(6,193)	
Total U.S. Department of Labor							4,956	(11,149)	(6,193)	
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Title I	84.010A	NCLB-0320-07	199,844	9/1/09-8/31/10			104,104	(194,854)	(90,750)	
Title I	84.010A	NCLB-0320-07	197,431	9/1/08-8/31/09	(110,246)		110,246			
Title I, Recovery Act	84.389	N/A	149,736	9/1/09-8/31/10				(68,688)	(68,688)	
Title II A	84.367A	NCLB-0320-07	71,572	9/1/09-8/31/10			34,594	(71,572)	(36,978)	
Title II A	84.367A	NCLB-0320-07	68,855	9/1/08-8/31/09	(33,750)		33,750			
Title II D	84.318X	NCLB-0320-07	2,136	9/1/09-8/31/10			1,998	(2,136)	(138)	
Title II D	84.318X	NCLB-0320-07	1,644	9/1/08-8/31/09	(1,107)		1,107			
Title IV	84.184G	NCLB-0320-07	5,185	9/1/09-8/31/10			1,864	(5,067)	(3,203)	
Title IV	84.184G	NCLB-0320-07	5,240	9/1/08-8/31/09	(2,710)		2,710			
I.D.E.A. Part B, Basic Regular	84.027A	FT316007	402,580	9/1/09-8/31/10			224,570	(380,930)	(156,360)	
I.D.E.A. Part B, Basic Regular, Carryover	84.027A	FT316006	383,731	9/1/08-8/31/09	(30,264)		32,582	(2,318)		
I.D.E.A. Part B, Basic Regular - Recovery Act	84.391	N/A	452,149	9/1/09-8/31/10			57,681	(165,503)	(107,822)	
I.D.E.A. Preschool	84.173A	PS316007	23,991	9/1/09-8/31/10				(22,419)	(22,419)	
I.D.E.A. Preschool, Carryover	84.173A	PS316007	24,680	9/1/08-8/31/09	(1,561)				(1,561)	
I.D.E.A. Preschool, Carryover	84.173A	PS316006	24,663	9/1/07-8/31/08	5,760			(5,760)		
I.D.E.A. Preschool, Recovery Act	84.392	N/A	16,312	9/1/09-8/31/10			5,515	(5,515)		
Total U.S. Department of Education					(173,878)		610,721	(924,762)	(487,919)	
Total Federal Financial Assistance					(\$223,878)	-	932,958	(1,229,745)	(520,665)	-

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2009	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS	MEMO ONLY		
							RECEIVABLE) JUNE 30, 2010	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
State Department of Education:										
General Fund:										
Transportation Aid	10-495-034-5120-014	\$522,484	7/1/09-6/30/10		522,484	(522,484)		(65,685)	522,484	
Special Education Categorical Aid	10-495-034-5120-089	994,321	7/1/09-6/30/10		994,321	(994,321)		(125,659)	994,321	
Security Aid	10-495-034-5120-084	160,239	7/1/09-6/30/10		160,239	(160,239)		(19,992)	160,239	
Adjustment Aid	10-495-034-5120-085	584,942	7/1/09-6/30/10		584,942	(584,942)		(74,252)	584,942	
Extraordinary Aid	10-495-034-5120-473	65,715	7/1/09-6/30/10			(65,715)	(65,715)	(65,715)	65,715	
Extraordinary Aid	09-495-034-5120-473	101,738	7/1/08-6/30/09	(\$101,738)	101,738					
Transportation Aid - Non-Public School Costs	10-495-034-5120-014	9,725	7/1/09-6/30/10			(9,725)	(9,725)	(9,725)	9,725	
Transportation Aid - Non-Public School Costs	09-495-034-5120-014	16,878	7/1/08-6/30/09	(16,878)	16,878					
On-Behalf Teacher Pension and Annuity Fund	09-100-034-5095-116	831,338	7/1/09-6/30/10		831,338	(831,338)			831,338	
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	10-100-034-5095-002	911,092	7/1/09-6/30/10		864,187	(911,092)	(46,905)	(46,905)	911,092	
Reimbursed TPAF Social Security Contributions (Nonbudgeted)	09-100-034-5095-002	905,623	7/1/08-6/30/09	(45,240)	45,240					
Enterprise Fund:										
National School Lunch Program (State Share)	10-100-010-3350-021	11,832	7/1/09-6/30/10		10,608	(11,832)	(1,224)		11,832	
National School Lunch Program (State Share)	09-100-010-3350-021	11,790	7/1/08-6/30/09	(2,402)	2,402					
National School Breakfast Program (State Share)	10-100-010-3350-021	4,130	7/1/09-6/30/10		3,669	(4,130)	(461)		4,130	
National School Breakfast Program (State Share)	09-100-010-3350-021	4,306	7/1/08-6/30/09	(916)	916					
Capital Projects Fund:										
Educational Facilities Construction & Finance Act	0320-030-09-1002	84,760	Until Completion	(84,760)			(84,760)	(84,760)		
Total State Financial Assistance					(\$251,934)	4,138,962	(4,095,818)	(208,790)	(492,693)	4,095,818

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**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2010**

Note 1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Berkeley Township Board of Education. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements.

Note 3. Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(61,639) for the general fund and \$11,461 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**BERKELEY TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2010**

Note 3. Relationship to Basic Financial Statements (continued):

	Federal	State	Total
General Fund	\$ 11,149	\$4,018,217	\$4,029,366
Special Revenue Fund	913,301		913,301
Enterprise Fund	293,834	15,962	309,796
Total Financial Assistance	<u>\$1,218,284</u>	<u>\$4,034,179</u>	<u>\$5,252,463</u>

Note 4. Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 5. Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2010. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2010.

Note 6. Federal and State Loans Outstanding

Berkeley Township Board of Education had no loan balances outstanding at June 30, 2010.

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2010**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Deficiencies in internal control identified that are not considered to be material weaknesses?	No
Noncompliance material to basic financial statements noted?	No

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Deficiencies in internal control identified that are not considered to be material weaknesses?	No
Type of auditors’ report issued on compliance for major programs	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	I.D.E.A., Part B
84.391	I.D.E.A., Part B – Recovery Act
84.010A	Title I
84.389	Title I – Recovery Act

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2010**

Section I – Summary of Auditor’s Results (continued)

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditors’ report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Deficiencies in internal control identified that are not considered to be material weaknesses?	No
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04	No

Identification of major programs:

GMIS Number(s)	Name of State Program
10-495-034-5120-089	Categorical Special Education Aid
10-495-034-5120-078	Equalization Aid
10-495-034-5120-084	Categorical Security Aid
10-495-034-5120-085	Adjustment Aid
10-495-034-5095-002	Reimbursed TPAF Social Security Contribution

Section II – Financial Statement Findings

This section identifies deficiencies in internal control, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

No Current Year Findings

Section III – Federal Awards & State Financial Assistance Finding & Questioned Costs

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB’s Circular Letter 04-04.

No Current Year Findings

**BERKELEY TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMET
For the Fiscal Year Ended June 30, 2010**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04.

No Prior Year Findings