

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF DEPTFORD
SCHOOL DISTRICT
DEPTFORD, NEW JERSEY**

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

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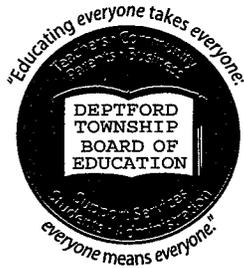
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INTRODUCTORY SECTION



DEPTFORD TOWNSHIP BOARD OF EDUCATION

Harold E. O'Neil, Jr., Interim School Business Administrator / Board Secretary

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November 15, 2010

Honorable President and
Members of the Board of Education
Deptford Township School District
Gloucester County, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Deptford 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and are 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 as follows:

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District, generally presented on a multi-year basis;
- The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1986, as amended, the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of

Federal Grants, State Grants and State Aid". Information related to this single audit, including the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Deptford Township School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board Statement No. 14. All funds and account groups of the District are included in this report. The Deptford 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 Pre-K through 12. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2009-2010 fiscal year with an average daily enrollment of 4283.7 students, which are 71 students below the previous year's enrollment. The following detail the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment		
Fiscal Year	Average Daily Enrollment	Percent Increase/ (Decrease)
2005-06	4261.5	.41%
2006-07	4299.6	.89%
2007-08	4339.2	.92%
2008-09	4355.1	.37%
2009-10	4283.7	(1.64%)

2. ECONOMIC CONDITION AND OUTLOOK: The Deptford area is served by major transportation routes including I-295, NJ Turnpike, Route 42, and Route 55. The high level of developer interest in Deptford is due in large measure to its access to these highways. The Deptford Mall and shopping centers, restaurants, and theaters surrounding the Mall are a focal point of attraction and serve a wide area of South Jersey and even South Philadelphia. Since a November 1987 study conducted by the Delaware Valley Planning Commission projecting a population increase Deptford has seen several housing developments constructed as well as several large businesses building in the area. It is expected that expansion will continue and the area will continue to prosper.

3. MAJOR INITIATIVES: Students in the Deptford Township School District receive a comprehensive educational program. The district's 2010-2011 major initiatives are listed below:

Elementary:

- The continued implementation of a kindergarten through six grade inquiry-based science program (FOSS and STC).
- The continued implementation of a comprehensive core language arts literacy program in grades K-6.

- A gifted and talented teacher was hired to provide services to students in grades 2-6.
- The continued implementation of an ongoing diagnostic reading assessment in grades K-5.
- The continued implementation of a research based comprehensive Pre-K program endorsed by NCLB and the New Jersey Office of Early Childhood Education.
- Continued increase in technology through the expanded purchase of smart boards.
- The continued implementation of a researched based 6th grade math program connected mathematics.
- Computer instruction for grades 4-6 in the elementary schools.
- Compass Learning is available to all students for supplemental instruction and intervention.
- The continued implementation of tiered interventions, including staff and programs during and after school.

Middle School:

- The continued implementation of a comprehensive core language arts literacy program in grades 7 and 8.
- Additional laptop carts available for instruction.
- The continued implementation of an inquiry based science program in grades 7 and 8.
- The continued implementation of the INCLUDE grant to enhance understanding and student achievement in the inclusion classroom.
- The continued implementation of a research-based social studies program in grades 7-8, including gifted and talented Social Studies courses.
- Implementation of a new computer curriculum.
- The continued implementation of tiered interventions, including staff and programs during and after school.

High School:

- The continued implementation of a comprehensive core language arts literacy program in all language arts literacy courses.
- The continued implementation of a new math program in all Algebra I courses.
- Continued increase in technology through the expanded purchase of smart boards and laptop carts.
- The further implementation of a comprehensive core language arts literacy program including benchmark and diagnostic assessments in grade 9-11.
- Compass Learning is available for supplemental instruction and intervention in math, language arts literacy, and science.
- The implementation of a discovery-based mathematics program.
- The implementation of the business practice firm course.
- The continued implementation of tiered interventions, including staff and programs during and after school.

Administration:

- Expectations of teacher performance are being addressed, teachers were in-serviced in a two-day Differentiated Instruction workshop. All new staff members are mandated to participate in this course before entry into the district, and all current staff members are also expected to attend.
- The continued implementation of RTIM Direct to house student data and interventions.
- The continued participation of teacher-led professional development through professional learning communities.
- District and Grant Funds were re-allocated to provide additional literacy and math teachers at the middle school, to reduce class size.

Technology Initiatives:

- Online classes continue to be offered at the high school and middle school through Virtual High School.
- SmartBoards and elmos are being used at all schools to integrate technology into all areas of the curriculum.
- Curriculum has been written on integrating technology into math, language arts, science, and social studies. The curriculum is available on the district website.
- Technology mentors have been identified in each building to assist in technology planning, integration, and training throughout the district.
- Compass Learning is being used to increase achievements in grades K-12.
- A computer teacher and the librarians provide computer instruction in grades 4-6.
- New curriculum at the middle school to integrate multimedia technology.

4. INTERNAL ACCOUNTING CONTROLS: The district is responsible for establishing and maintaining an internal control 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 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 adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control 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, 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 included as reappropriation 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 the Governmental Accounting Standards Board (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 Statement", Note 1.

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in New Jersey statute 18A:20-37. 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.

8. RISK MANAGEMENT: The Board of Education is a member of the Gloucester/Cumberland/Salem School Districts Joint Insurance Fund (GCSSDJIF). This Fund was formed under the provisions of NJSA 18A:18B 1-10.

The GCSSDJIF provides members with a long-term alternative to the conventional insurance marketplace and is a meaning of stabilizing the otherwise cyclical nature of insurance expenditures. The fund provides the following coverage:

1. Property, including buildings, contents, inland marine, crime, boiler and machinery and auto physical damage.
2. General Liability, including school board legal liability.
3. Automobile Liability.
4. Workers' Compensation.

The Fund provides coverage to its members either directly or through the commercial insurance market, through one or more of the following vehicles: excess insurance, reinsurance or an excess property and casualty joint insurance fund.

9. OTHER INFORMATION:

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The certified public accounting firm of Bowman & Company, LLC, was selected by the 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 Single Audit Act of 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors reports related specifically to the single audit are included in the single audit section of this report.

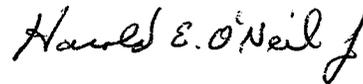
10. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Deptford Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



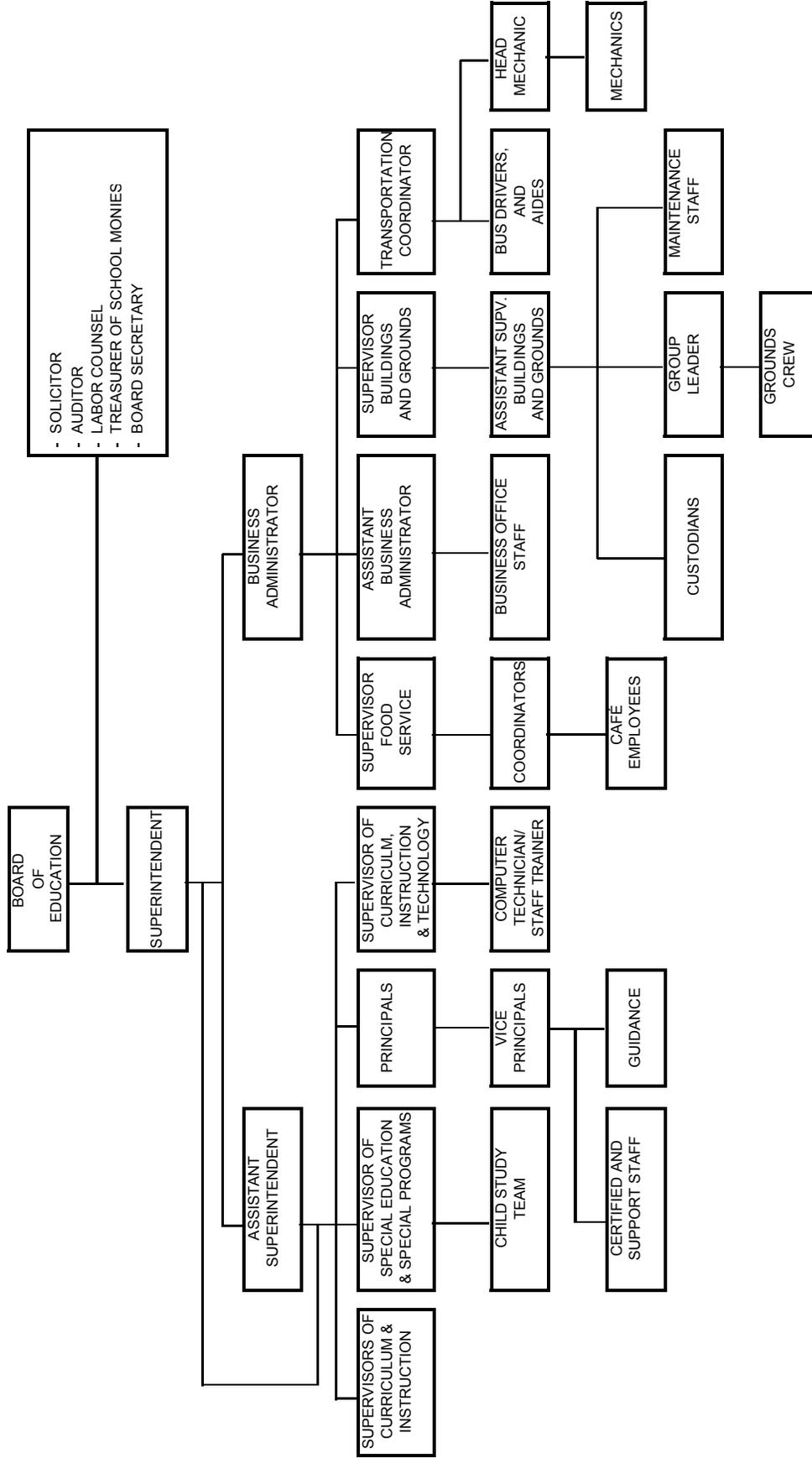
Carolyn Morehead
Assistant Superintendent



Harold E. O'Neil, Interim
School Business Administrator /
Board Secretary

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Organizational Chart



DEPTFORD TOWNSHIP BOARD OF EDUCATION

DEPTFORD TOWNSHIP, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2010

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Walter Berglund (President)	2011
Rachel Green (Vice President)	2011
Ken Barnshaw	2012
Mark L. Getsinger, Sr.	2012
James Messner	2012
Thomas Spencer	2011
Edward L. Kiermeier, Jr.	2013
Alice Mantici	2013
Robert Condo	2013

Other Officials

Dr. Joseph F. Canataro, Superintendent

Carolyn Morehead, Assistant Superintendent

Kenneth L. Kling, School Business Administrator/Board Secretary

Jane Cummins, Treasurer

DEPTFORD TOWNSHIP BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

ARCHITECT

Garrison Architects
14000 F Commerce Parkway
Mount Laurel, NJ 08054

AUDIT FIRM

Bowman & Company, LLP
601 White Horse Road
Voorhees, NJ 08043

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Wachovia Bank, N.A.
32 East Front St.
Trenton, NJ 08608

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Deptford School District
County of Gloucester

We have audited the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Township of Deptford School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2010, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township of Deptford School District'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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we express no such opinion. 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Township of Deptford School District in the County of Gloucester, State of New Jersey as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal 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 November 15, 2010 on our consideration of the Township of Deptford School District'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 an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary comparison information as listed in the table of contents are 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 have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required 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 Township of Deptford School District's basic financial statements. 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 State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the financial statements. In addition, the introductory section, combining statements and related major fund supporting statements and schedules, and statistical section listed in the table of contents are also presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedules of Expenditures of Federal Awards and State Financial Assistance, combining statements and related major fund supporting statements and 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 and statistical sections 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.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Glen J. Walton
Certified Public Accountant
Public School Accountant
No. 20C00205000

Voorhees, New Jersey
November 15, 2010

**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**

The Honorable President and
Members of the Board of Education
Township of Deptford School District
County of Gloucester

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Deptford School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2010, and have issued our report thereon dated November 15, 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 in compliance with 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 the Township of Deptford 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 the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District'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 school district'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 Township of Deptford 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, 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 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 and use of the management of the School District, the Division of Finance of the New Jersey Department of Education, and federal and state 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,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Glen J. Walton
Certified Public Accountant
Public School Accountant
No. 20CS00205000

Voorhees, New Jersey
November 15, 2010

REQUIRED SUPPLEMENTARY INFORMATION
PART I

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

The discussion and analysis of Deptford Township Public Schools' financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2009-2010) and the prior year (2008-2009) are required to be presented in the MD&A; this information is presented here within.

Financial Highlights

Key financial highlights for 2010 are as follows:

- ❖ In total, net assets decreased \$1,143,702 which represents a 4.12 percent decrease from 2009.
- ❖ General revenue accounted for \$60,005,436 or 92.69% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$4,734,004 or 7.31% of total revenues of \$64,739,440.
- ❖ The School District had \$65,883,142 in expenses; \$4,734,004 of those expenses was offset by program specific charges for services, grants, or contributions. General revenues of \$60,005,436 and the District's net asset balances were adequate to provide for those programs.
- ❖ Among governmental funds, the General Fund had \$56,998,849 in revenues and \$58,927,439 in expenditures. The General Fund's fund balance decreased \$2,634,540 from 2009.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Deptford Township Public Schools as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

significant funds with all other non-major funds presented in total in one column. In the case of Deptford Township Public Schools, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2010?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader whether, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs, and other factors.

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- ❖ Governmental Activities – All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- ❖ Business-Type Activity – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2010 and 2009.

	Table 1 Net Assets	
	<u>2010</u>	<u>2009</u>
Assets		
Current and Other Assets	\$ 6,914,814	\$ 9,273,286
Capital Assets	<u>37,254,854</u>	<u>37,982,689</u>
Total Assets	<u>\$ 44,169,668</u>	<u>\$ 47,255,975</u>
Liabilities		
Long-Term Liabilities	15,384,549	16,122,028
Other Liabilities	<u>1,895,033</u>	<u>3,100,159</u>
Total Liabilities	<u>17,279,582</u>	<u>19,222,187</u>
Net Assets		
Invested in Capital Assets, Net of Debt	23,863,502	23,809,695
Restricted	6,146,861	6,593,681
Unrestricted	<u>(3,120,277)</u>	<u>(2,369,588)</u>
Total Net Assets	<u>\$ 26,890,086</u>	<u>\$ 28,033,788</u>

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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The District's combined net assets were \$26,890,086 on June 30, 2010. This was a decrease of 4.12% from the prior year.

Table 2 shows changes in net assets for fiscal year 2010 and 2009.

Table 2		
Changes in Net Assets		
	<u>2010</u>	<u>2009</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 921,573	\$ 991,569
Operating Grants and Contributions	3,812,431	3,815,356
General Revenues:		
Property Taxes	34,649,789	33,339,035
Grants and Entitlements	25,072,474	26,115,401
Other	<u>283,173</u>	<u>88,670</u>
Total Revenues	<u>64,739,440</u>	<u>64,350,031</u>
Program Expenses		
Instruction	35,484,963	34,087,551
Support Services:		
Pupils and Instructional Staff	10,342,626	9,963,552
General Administration, School Administration, Central Services, Administrative Information Technology	6,456,114	5,524,646
Operations and Maintenance of Facilities	7,090,192	6,402,898
Pupil Transportation	4,069,573	3,847,460
Special Schools		
Interest on Debt	664,383	701,415
Food Service	<u>1,775,291</u>	<u>1,740,061</u>
Total Expenses	<u>65,883,142</u>	<u>62,267,583</u>
Increase (Decrease) in Net Assets	<u>\$ (1,143,702)</u>	<u>\$ 2,082,448</u>

Governmental Activities

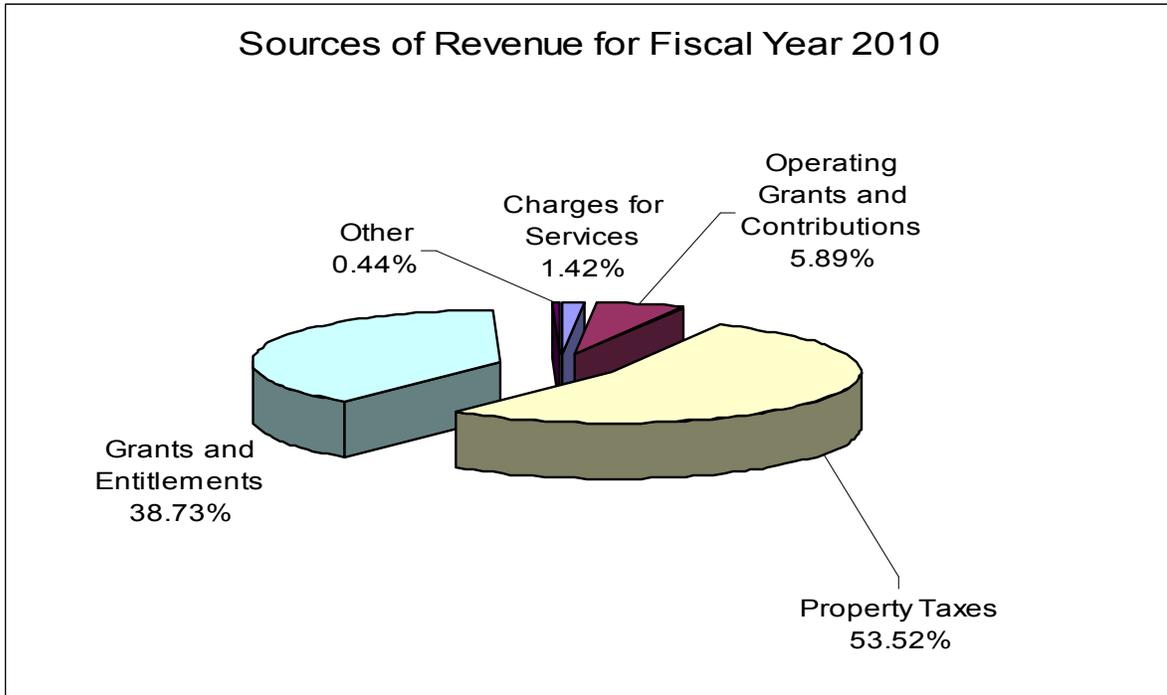
The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 53.52% and 51.81% of revenues for governmental activities for the Deptford Township Public Schools for fiscal years 2010 and 2009 respectively. The District's total revenues were \$64,739,440 and \$64,350,031 for the years

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

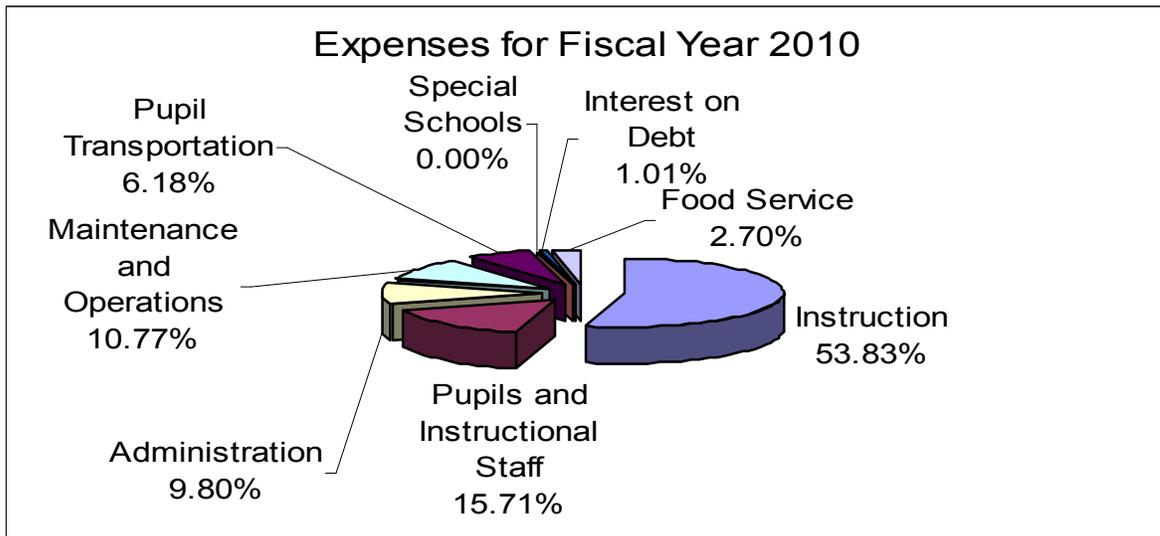
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

ended June 30, 2010 and 2009 respectively. Federal, state, and local grants accounted for another 44.62% and 46.51% of revenue in those years.



The total cost of all programs and services was \$65,883,142. Instruction comprises 53.83% of District expenses.



**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state requirements.

- ❖ Charges for services represent \$736,595 of revenue. This represents amounts paid by patrons for daily food service.
- ❖ Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast and donated commodities was \$813,226.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	Total Cost of Services <u>2010</u>	Net Cost of Services <u>2010</u>	Total Cost of Services <u>2009</u>	Net Cost of Services <u>2009</u>
Instruction	\$ 35,484,963	\$ 33,251,137	\$ 34,087,551	\$ 31,912,380
Support Services:				
Pupils and				
Instructional Staff	10,342,626	10,342,626	9,963,552	9,963,552
General Administration, School Administration, Central Services, Administrative Information Technology	6,456,114	6,456,114	5,524,646	5,524,646
Operation and Maintenance of Facilities	7,090,192	7,090,192	6,402,898	6,402,898
Pupil Transportation	4,069,573	3,119,216	3,847,460	2,714,612
Special Schools				
Interest and Fiscal Charges	<u>664,383</u>	<u>664,383</u>	<u>701,415</u>	<u>701,415</u>
Total Expenses	<u>\$ 64,107,851</u>	<u>\$ 60,923,668</u>	<u>\$ 60,527,522</u>	<u>\$ 57,219,503</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and Instructional Staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

General administration, school administration, and business services include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities involve keeping the school grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Interest on debt involves the transactions associated with the payment of interest and other related charges to the debt of the School District.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects, and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues in these funds amounted to \$63,189,017 and expenditures of \$64,115,623. This when combined with transfers resulted in a net decrease in fund balance of \$1,198,411.

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 represents a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2010, and the amount and percentage of increases and decreases in relation to prior year revenues.

<i>Revenue</i>	<i>Amount</i>	<i>Percent of Total</i>	<i>Increase (Decrease) From 2009</i>	<i>Percent of Increase (Decrease)</i>
Local Sources	\$ 35,117,339	55.57%	\$ 1,510,202	4.49%
State Sources	22,126,579	35.02%	(5,266,452)	(19.23%)
Federal Sources	5,945,099	9.41%	4,094,570	221.26%
Total	\$ 63,189,017	100.00%	\$ 338,320	.54 %

The local revenue increase of \$1,510,202 was mainly due to additional property taxes levied for debt service. The District entering into a lease purchase agreement also contributed to the increase in local revenue.

State sources decreased due to the State of New Jersey withholding state funding for the 2009/2010 school year.

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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The federal revenue increase was due to additional funds received through the economic stimulus program. The Board of Education received NCLB and IDEA stimulus money which was not available in the prior year.

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

<i>Expenditures</i>	<i>Amount</i>	<i>Percent of Total</i>	<i>Increase (Decrease) From 2009</i>	<i>Percent of Increase (Decrease)</i>
Current Expense:				
Instruction	\$ 24,074,528	37.01%	\$ 780,910	3.35%
Undistributed	33,187,069	52.45%	2,309,390	7.48%
Capital Outlay	1,665,842	2.56%	(331,873)	(16.61%)
Special Schools				
Special Revenues	3,742,159	5.75%	504,074	15.57%
Capital Projects				
Debt Service:				
Principal	850,000	1.31%	70,000	8.97%
Interest	596,025	.92%	(35,880)	(5.68%)
Total	<u>\$ 64,115,623</u>	<u>100.00%</u>	<u>\$ 3,296,621</u>	<u>6.95%</u>

Changes in the current expense were the result of increases in contracted salaries, health insurance costs, and increases in the District's amount contributed to the pension fund. Capital outlay decreased as a result of the State withholding revenue. The District had budgeted several projects during 2009/2010 but, was only able to complete the stadium lighting project. The Board did purchase a few new buses based on the replacement schedule the District follows.

In Fiscal Year 2010, more stimulus money was used for salaries and other expenses.

The Board was able to secure some construction grant money under the Educational Facilities Construction and Financing Act, during 2009/2010. In securing these funds the Board had to shift Capital Outlay money to fund the local share of these projects.

Debt service increased slightly due to the District making its first principal payment on the 2006 bonds refinancing.

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

General Fund Budgeting Highlights

The School District'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 District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- Tuition revenue anticipated was less than actually received. Tuition contracts overall were less than the prior year.
- TPAF "on behalf" payments and the TPAF Social Security reimbursement are the state's contributions to the pension fund and the state's employer share of social security reimbursement. Neither of these payments are a revenue item nor an expenditure item to the District but are required to be reflected in the financial statements
- The State of New Jersey withheld funding during 2009/2010.
- The District received Federal stimulus funding during 2009/2010 which was to be used for teacher's salaries.
- Decreases to the instructional supply account were necessary to take advantage of several discounts offered to the Board for the purchase of textbooks.
- Several salary accounts were reallocated due to teachers being moved around to meet educational needs.
- Due to the District being able to charge tuition costs to stimulus monies, the Board was able to make several transfers from various tuition accounts to cover other costs.
- A transfer was made to the extraordinary purchased educational services line item due to the board having to contract with Gloucester County Special Services for temporary employment services. This was necessary to replace employees out on medical leave.
- Monies were transferred within the general administration group of accounts to cover increased communication costs.
- The District took advantage of discounts offered to them for the purchase of computers. Therefore, transfers were required in the administrative information technology accounts.
- Monies were transferred into the maintenance and transportation accounts to provide enough funds to operate and maintain the District's facilities and equipment.
- The District entered into a lease purchase agreement in 2009/2010, monies were transferred to cover lease payments.
- The District transferred monies to capital outlay to fund the professional and installation costs of the stadium lights.

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

Capital Assets

At the end of the fiscal year 2010, the School District had \$37,102,920 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2010 balances compared to 2009.

**Table 4
Capital Assets (Net of Depreciation) at June 30**

	<u>2010</u>	<u>2009</u>
Land	\$ 210,136	\$ 210,136
Construction in Progress	1,179,819	101,287
Sites/Site Improvements	698,083	743,205
Building and Building Improvements	33,025,406	34,821,962
Machinery and Equipment	<u>1,989,476</u>	<u>1,933,928</u>
Total	<u>\$ 37,102,920</u>	<u>\$ 37,810,518</u>

Overall capital assets decreased \$705,588 from fiscal year 2010 to fiscal year 2009. This decrease was primarily due to the disposal of four buses in fiscal year 2010 and the fact that the District is in its fourth year of taking a full years depreciation on building and building improvements transferred from construction in progress in fiscal year 2006.

Debt Administration

At June 30, 2010, the School District had \$15,523,299 of outstanding debt. Of this amount, \$2,093,299 is for compensated absences and \$13,430,000 is for the payment of serial bonds that were issued for school construction.

**Table 5
Outstanding Bonds Payable at June 30**

	<u>2010</u>	<u>2009</u>
2002 General obligation bonds	\$ 3,465,000	\$ 4,280,000
2006 General obligation bonds	<u>9,965,000</u>	<u>10,000,000</u>
Total	<u>\$ 13,430,000</u>	<u>\$ 14,280,000</u>

At June 30, 2010, the School District's overall legal debt margin available was \$93,857,967.

**DEPTFORD TOWNSHIP PUBLIC SCHOOLS
DEPTFORD, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

UNAUDITED

For the Future

The Deptford Township Public Schools is presently in good financial condition. The School District will have to address a growing population issue within the next few years. An expansion of the School District may become necessary to provide a thorough and efficient education and keep class sizes down. The District has always been proud of its community's support of the public schools and expects that to continue during its upcoming population concerns.

With the possible expansion and the state's current funding, future finances are not without challenges. However, the District will continue its efforts to maintain the high standards it sets for itself while trying to minimize the costs passed on to the taxpayers.

In conclusion, Deptford Township Public Schools has committed itself to financial excellence for many years. The School District's system for financial planning, budgeting, and internal financial controls is well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Harold E. O'Neil, Jr., Interim School Business Administrator/Board Secretary at Deptford Township Board of Education, 2022 Good Intent Road, Deptford, NJ 08096. Please visit our website at www.deptford.k12.nj.us.

BASIC FINANCIAL STATEMENTS

DISTRICT - WIDE FINANCIAL STATEMENTS

The statement of Net Assets and the Statement of Activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

DEPTFORD TOWNSHIP BOARD OF EDUCATION

STATEMENT OF NET ASSETS

JUNE 30, 2010

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 422,551	\$ 198,190	\$ 620,741
Deposit - Health Insurance Program	401,927		401,927
Accounts Receivable			
State	1,489,352	2,956	1,492,308
Federal	1,639,302	54,275	1,693,577
Interfund	71,798		71,798
Other	294,548	2,059	296,607
Inventory		7,888	7,888
Restricted Assets:			
Cash and Cash Equivalents	487,099		487,099
Capital Reserve Account - Cash	1,523,076		1,523,076
Deferred Bond Issuance Costs, Net	319,793		319,793
Capital Assets, Net	37,102,920	151,934	37,254,854
	<u>43,752,366</u>	<u>417,302</u>	<u>44,169,668</u>
LIABILITIES			
Accounts Payable	293,046	18,832	311,878
Interfund Accounts Payable		71,798	71,798
Intergovernmental Payable			
State	43,307		43,307
Federal			-
Accrued Interest Payable	419,895		419,895
Accrued Liability for Insurance Claims	699,213		699,213
Deferred Revenue	348,942		348,942
NonCurrent Liabilities:			
Due Within One Year	1,204,998		1,204,998
Due Beyond One Year	14,179,551		14,179,551
	<u>17,188,952</u>	<u>90,630</u>	<u>17,279,582</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	23,711,568	151,934	23,863,502
Restricted for:			
Capital Projects	1,100,601		1,100,601
Debt Service	487,099		487,099
Other Purposes	4,559,161		4,559,161
Unrestricted	(3,295,015)	174,738	(3,120,277)
	<u>26,563,414</u>	<u>326,672</u>	<u>26,890,086</u>
Total Net Assets	<u>\$ 26,563,414</u>	<u>\$ 326,672</u>	<u>\$ 26,890,086</u>

The Accompanying Notes to the Basic Financial Statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

The Individual Fund Statements and Schedules present more detailed information for the Individual Fund in a format that segregates information by fund type.

DEPTFORD TOWNSHIP BOARD OF EDUCATION

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
ASSETS					
Cash and Cash Equivalents	\$ 422,551			\$ 487,099	\$ 909,650
Capital Reserve Account - Cash	1,523,076				1,523,076
Deposit - Health Insurance Program	401,927				401,927
Accounts Receivable					
State	325,160	\$ 63,591	\$ 1,100,601		1,489,352
Federal	468,067	1,171,235			1,639,302
Interfund	811,159				811,159
Other	294,404	144			294,548
	<u>\$ 4,246,344</u>	<u>\$ 1,234,970</u>	<u>\$ 1,100,601</u>	<u>\$ 487,099</u>	<u>\$ 7,069,014</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 102,731	\$ 190,315			\$ 293,046
Interfund Accounts Payable		739,361			739,361
Intergovernmental Payable					
State		43,307			43,307
Federal					-
Accrued Liability for Insurance Claims	699,213				699,213
Deferred Revenue		348,942			348,942
Total Liabilities	<u>801,944</u>	<u>1,321,925</u>	<u>-</u>	<u>-</u>	<u>2,123,869</u>
Fund Balances					
Fund Balance					
Reserved for Encumbrances	932,001		\$ 966,060		1,898,061
Reserved for Capital	1,523,076				1,523,076
Reserved for Debt Service				\$ 487,099	487,099
Unreserved					
Designated for Subsequent Years					
Expenditures	2,104,084		134,541		2,238,625
Undesignated	(1,114,761)	(86,955)			(1,201,716)
Total Fund Balances	<u>3,444,400</u>	<u>(86,955)</u>	<u>1,100,601</u>	<u>487,099</u>	<u>4,945,145</u>
Total Liabilities and Fund Balances	<u>\$ 4,246,344</u>	<u>\$ 1,234,970</u>	<u>\$ 1,100,601</u>	<u>\$ 487,099</u>	

Amounts reported for governmental activities in the statement of net assets (A-1) are different because:

The Costs associated with the issues of the various bonds are expensed in the governmental funds in the year the bonds are issued but are capitalized on the statement of net assets. The bond issuance cost are \$662,951 and the accumulated amortization is \$343,158. 319,793

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The costs of the assets is \$62,001,162 and the accumulated depreciation is \$24,898,242. 37,102,920

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. (15,384,549)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. (419,895)

Net Assets of Governmental Activities \$ 26,563,414

DEPTFORD TOWNSHIP BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED, JUNE 30, 2010

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
REVENUE					
Local Sources:					
Local Tax Levy	\$ 33,263,531			\$ 1,386,258	\$ 34,649,789
Tuition	184,978				184,978
Interest	27,986				27,986
Miscellaneous	252,409	\$ 2,177			254,586
Total Local Sources	33,728,904	2,177	-	1,386,258	35,117,339
Federal Sources	3,592,019	2,353,080			5,945,099
State Sources	19,654,212	1,371,766	\$ 1,100,601		22,126,579
Total Revenue	56,975,135	3,727,023	1,100,601	1,386,258	63,189,017
EXPENDITURES					
Regular Instruction	18,021,993				18,021,993
Special Education Instruction	4,906,335	2,270,556			7,176,891
Other Instruction	1,146,200	613,124			1,759,324
Support Services and Undistributed Costs:					
Tuition	2,785,178	6,136			2,791,314
Student and Instruction Related Services	4,890,572	852,343			5,742,915
General Administrative Services	793,813				793,813
School Administrative Services	2,116,078				2,116,078
Central Services	711,080				711,080
Administrative Information Technology	1,238,625				1,238,625
Plant Operations and Maintenance	5,578,748				5,578,748
Pupil Transportation	3,029,387				3,029,387
Unallocated Employee Benefits	12,043,588				12,043,588
Capital Outlay	1,665,842				1,665,842
Debt Service:					
Principal				850,000	850,000
Interest				596,025	596,025
Total Expenditures	58,927,439	3,742,159	-	1,446,025	64,115,623
Excess (Deficiency) of Revenues over Expenditures	(1,952,304)	(15,136)	1,100,601	(59,767)	(926,606)
OTHER FINANCING SOURCES (USES)					
Transfers to Food Services Fund					
Board Contribution	(264,465)				(264,465)
Board Contribution - Capital	(7,340)				(7,340)
State Funds Uncollectible					-
Proceeds of Refunding Bonds (non-budgeted)					
Transfers to Debt Service	(434,145)				(434,145)
Transfers from General Fund				434,145	434,145
Transfers to Capital Projects			(24,767)		(24,767)
Transfers from Capital Projects				24,767	24,767
Total Other Financing Sources and Uses	(705,950)	-	(24,767)	458,912	(271,805)
Net Change in Fund Balances	(2,658,254)	(15,136)	1,075,834	399,145	(1,198,411)
Fund Balance July 1, 2009	6,102,654	(71,819)	24,767	87,954	6,143,556
Fund Balance June 30, 2010	\$ 3,444,400	\$ (86,955)	\$ 1,100,601	\$ 487,099	\$ 4,945,145

DEPTFORD TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED, JUNE 30, 2010

Total net changes in fund balances - governmental funds (from B-2) \$ (1,198,411)

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, on the statements 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 current fiscal year.

Depreciation Expense	\$	(2,446,420)	
Fixed Asset Deletions-Net		72,980	
Capital Outlay		<u>1,665,842</u>	(707,598)

Repayment of 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 statements of activities.

Bonds payable 850,000

Bond issuance costs are reported in the governmental funds as expenditures in the year the bonds are issued. However, on the statement of activities, the costs are amortized over the life of the bonds. (84,460)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacation & sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the amount paid exceeds the earned amount, the difference is an addition to the reconciliation. (66,271)

In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation. 16,102

Change in net assets of governmental activities \$ (1,190,638)

DEPTFORD TOWNSHIP BOARD OF EDUCATION

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2010

	Business-Type Activities Enterprise Fund Food Service
ASSETS:	
Current Assets:	
Cash	\$ 198,190
Accounts Receivable	
State	2,956
Federal	54,275
Other	2,059
Inventories	<u>7,888</u>
Total Current Assets	<u>265,368</u>
Fixed Assets:	
Equipment	495,022
Less: Accumulated Depreciation	<u>(343,088)</u>
Net Equipment	<u>151,934</u>
	<u>417,302</u>
LIABILITIES	
Current Liabilities	
Interfund Payable	71,798
Accounts Payable	<u>18,832</u>
Total Current Liabilities	<u>90,630</u>
NET ASSETS	
Investments in Capital Assets, net of related debt	151,934
Unrestricted	<u>174,738</u>
Total Net Assets	<u>\$ 326,672</u>

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

DEPTFORD TOWNSHIP BOARD OF EDUCATION

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities Enterprise Fund Food Service
Operating Revenue	
Local Sources	
Daily Sales - Reimbursable Programs	\$ 535,669
Daily Sales - Nonreimbursable Programs	<u>200,926</u>
Total Operating Revenue	<u>736,595</u>
Operating Expenses	
Depreciation Expense	27,577
Dues and Subscriptions	247
Employee Benefits	209,151
Food Costs	678,126
Office and Uniform Expense	1,919
Payroll Tax Expense	55,314
Purchased Services	5,886
Repairs and Maintenance	7,428
Salaries	723,055
Service Charge	3,739
Supplies and Materials	<u>62,849</u>
Total Operating Expenses	<u>1,775,291</u>
Operating Loss	<u>(1,038,696)</u>
Nonoperating Revenue	
State Sources	
State School Breakfast Program	9,324
State School Lunch Program	26,552
Federal Sources	
Nutrition Reimbursements	658,153
United States Departments of Agriculture Commodities	119,197
Interest	<u>601</u>
Total Nonoperating Revenue	<u>813,827</u>
Net Loss Before Operating Transfers	(224,869)
Operating Transfers in - Board Contribution	<u>264,465</u>
Change in Net Assets before Board Capital Contributions	39,596
Operating Transfers in - Board Capital Contribution	<u>7,340</u>
Change in Net Assets	46,936
Net Assets - July 1	<u>279,736</u>
Net Assets - June 30	<u>\$ 326,672</u>

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

DEPTFORD TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities <u>Enterprise Fund</u> Food <u>Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers and Other Funds	\$ 1,136,963
Payments to Employees	(723,055)
Payments for Employee Benefits	(209,151)
Payments to Suppliers	<u>(763,198)</u>
Net Cash Provided by (used for) Operating Activities	<u>(558,441)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Cash Received from Federal and State Reimbursements	<u>694,029</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>694,029</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Change in capital contributions	7,340
Purchase of Capital Assets	<u>(7,340)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>601</u>
Net Cash Provided by (used for) Investing Activities	<u>601</u>
Net Increase (Decrease) in Cash and Cash Equivalents	136,189
Balances -- July 1	<u>62,001</u>
Balances -- June 30	<u><u>\$ 198,190</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)	
by Operating Activities:	
Operating Income (Loss)	(1,038,696)
Operating Transfers In	264,465
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	27,577
Federal Commodities	119,197
(Increase) Decrease in Accounts Receivable, net	135,903
(Increase) Decrease in Inventories	5,835
Increase (Decrease) in Accounts Payable	3,675
Increase (Decrease) in Other Current Liabilities	<u>(76,397)</u>
Total Adjustments	<u>215,790</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (558,441)</u></u>

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

DEPTFORD TOWNSHIP BOARD OF EDUCATION

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2010

	Expendable Trust		Agency	
	New Jersey Unemployment Compensation	Scholarship	Student Activity	Payroll
Assets				
Cash and Cash Equivalents	\$ 683,420	\$ 61,375	\$ 246,993	\$ 586,452
Accounts Receivable - Other				15,653
Total Assets	<u>683,420</u>	<u>61,375</u>	<u>246,993</u>	<u>602,105</u>
Liabilities				
Payroll Deductions and Withholding				\$ 15,653
Net Payroll - Summer Salary				586,452
Due to Student Groups			\$ 246,993	
Total Liabilities	<u>-</u>	<u>-</u>	<u>246,993</u>	<u>602,105</u>
Net Assets				
Reserved for Unemployment Benefits	683,420			
Unreserved		61,375		
Total Net Assets	<u>\$ 683,420</u>	<u>\$ 61,375</u>	<u>\$ -</u>	<u>\$ -</u>

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

DEPTFORD TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	New Jersey Unemployment Compensation	Scholarship Fund
Operating Revenue		
Local Sources		
Deductions from Employees' Salaries	\$ 85,138	
Contributions		\$ 20,200
Interest on Investments	2,241	
Total Operating Revenue	87,379	20,200
 Operating Expenditures		
Unemployment Compensation Insurance		
Claims and Expenses	83,434	
Scholarship Payment		4,200
Total Operating Expenditures	83,434	4,200
Change in Net Assets	3,945	16,000
 Net Assets - July 1	679,475	45,375
Net Assets - June 30	\$ 683,420	\$ 61,375

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

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Reporting Entity - The Township of Deptford School District (hereafter referred to as the "School District") is a Type II district located in the County of Gloucester, 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 elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to educate students in grades K-12 at its eight schools. The School District has an approximate enrollment at June 30, 2010 of 4,352.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units - GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. Based on the aforementioned criteria, the School District has no component units.

Basis of Presentation - The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds, provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described in this Note.

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

District-wide Financial Statements - The Statement of Net Assets and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Basis of Presentation (Cont'd)**

distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

General Fund - The General Fund is the general operating fund of the School District. It 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 classified in the Capital Outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Governmental Funds (Cont'd)**

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

In addition to the capital outlay sub-fund, the School District is accountable for two additional sub-funds resulting from federal legislation signed into law on February 17, 2009. This federal law requires the tracking and separate reporting of American Recovery and Reinvestment Act (ARRA) funds. ARRA State Fiscal Stabilization Funds were provided to districts to be used for general fund expenses. The New Jersey State Department of Education requires that the ARRA - Education Stabilization Fund (ESF) and the ARRA - Governmental Services Fund (GSF) are to be recorded as separate sub-funds.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenues from the 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 financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by Proprietary Funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those found in the private sector.

Enterprise Funds - The Enterprise Funds are used to account for operations:

1. that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that the costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or
2. where the School 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 School District's Enterprise Fund is:

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Enterprise Funds (Cont'd) –**

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

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 assets) is segregated into investment in capital assets, net of related debt, and unrestricted net assets, 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:

Equipment	10 Years
Heavy Trucks and Vehicles	8 Years

Fiduciary Funds - Fiduciary Fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has four fiduciary funds, *an unemployment compensation trust fund, scholarship fund, a student activity fund, and payroll fund.*

Measurement Focus

District-wide Financial Statements - The district-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Assets.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus (Cont'd)**

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues -- Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within thirty days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. The restricted formula aids (i.e. Demonstrably Effective Program Aid, Early Childhood Program Aid, and Instructional Supplement Program Aid) are recorded in the special revenue fund in accordance with the Audit Program promulgated by the New Jersey Department of Education which requires that these grants be realized in an amount equal to program expenditures.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: tuition, grants, fees, and rentals.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Expenses / Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets / Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal 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:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the 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, Exhibit C-2, and Exhibit I-3 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the General Fund Budgetary Comparison Schedule and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances (Cont'd)**

Open encumbrances in the special revenue fund for which the School District 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.

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.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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 Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the Governmental Units.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2010 and 2009 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Inventories - 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

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2010.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required. This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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 School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are presented as Interfunds Receivable and / or Interfunds Payable.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Assets and the Proprietary Fund Statement of Net Assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	12 Years
Vehicles	5-10 Years	4-6 Years

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Deferred Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves - The School District reserves portions of fund balance which are legally segregated for specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation for expenditures. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Fund balance reserves are established for encumbrances, legally restricted appropriations, excess surplus, and capital reserve account.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and Federal/State Subsidy reimbursements for breakfast and lunch.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed.

Interfund Activity - Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. As of June 30, 2010, the School District's bank balances of \$5,218,156 were exposed to custodial credit risk as follows:

Uninsured and Collateralized under the Governmental Unit Protection Act	<u>\$ 4,718,156</u>
Total	<u><u>\$ 4,718,156</u></u>

New Jersey Cash Management Fund - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2010, the School District's deposits with the New Jersey Cash Management Fund were \$ 2,657,557.

Note 3: INVESTMENT IN SECURITIES

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. These permissible investments generally include 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 a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the School District or other obligations of the local unit or units within which the School District is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by school districts, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk Related to Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

As of June 30, 2010, the School District's had no investments subject to custodial credit risk.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in Note 1, investments are purchased in accordance with N.J.S.A. 18A:20-37. The School District has no investment policy that would further limit its investment choices.

As of June 30, 2010, the School District had no investments subject to credit risk.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School District's investment policies place no limit on the amount the School District may invest in any one issuer. These investments are reported in the School District's General Fund.

Note 4: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$ 1 on October 3, 2006 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 School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A school district may also appropriate additional amounts when the excess approval of the voters has been obtained by either 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. 6A:23-2.13(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	\$ 665,001
Deposits	858,075
Withdrawals	<u>-</u>
Ending balance June 30, 2010	<u>\$ 1,523,076</u>

The June 30, 2010 LRFP balance of local support costs of uncompleted capital projects at June 30, 2010 is \$2,949,000.

Note 5: ACCOUNTS RECEIVABLES

Accounts receivable at June 30, 2010 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable as of fiscal year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Enterprise Fund</u>	<u>Total</u>
State	\$ 325,160	\$ 63,591	\$ 1,100,601	\$ 2,956	\$ 1,492,308
Federal	468,067	1,171,235		54,275	1,693,577
Other	<u>294,404</u>	<u>144</u>		<u>2,059</u>	<u>296,607</u>
Total	<u>\$ 1,087,631</u>	<u>\$ 1,234,970</u>	<u>\$ 1,100,601</u>	<u>\$ 59,290</u>	<u>\$ 3,482,492</u>

Note 6: INVENTORY

Inventory in the Food Service Fund at June 30, 2010 consisted of the following:

Food	\$	7,573
Supplies		<u>315</u>
	\$	<u><u>7,888</u></u>

Note 7: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2010 was as follows:

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 210,136			\$ 210,136
Construction in Progress	<u>101,287</u>	\$ 1,078,532		<u>1,179,819</u>
Total Capital Assets not being Depreciated	<u>311,423</u>	<u>1,078,532</u>	-	<u>1,389,955</u>
Capital Assets, being Depreciated:				
Land Improvements	998,315	14,500		1,012,815
Building and Improvements	51,104,220	9,750		51,113,970
Equipment	<u>8,121,810</u>	<u>563,060</u>	\$ (200,447)	<u>8,484,423</u>
Total Capital Assets, being Depreciated	<u>60,224,345</u>	<u>587,310</u>	<u>(200,447)</u>	<u>60,611,208</u>
Less Accumulated Depreciation for:				
Land Improvements	(255,110)	(60,312)	690	(314,732)
Building and Improvements	(16,282,258)	(1,878,326)	72,020	(18,088,564)
Equipment	<u>(6,187,882)</u>	<u>(507,782)</u>	<u>200,717</u>	<u>(6,494,947)</u>
Total Accumulated Depreciation	<u>(22,725,250)</u>	<u>(2,446,420)</u>	<u>273,427</u>	<u>(24,898,243)</u>
Total Capital Assets, being Depreciated, Net	<u>37,499,095</u>	<u>(1,859,110)</u>	<u>72,980</u>	<u>35,712,965</u>
Governmental Activities Capital Assets, Net	<u>\$ 37,810,518</u>	<u>\$ (780,578)</u>	<u>\$ 72,980</u>	<u>\$ 37,102,920</u>
Business-Type Activities:				
Total Capital Assets, being Depreciated:				
Equipment	\$ 487,682	\$ 7,340		\$ 495,022
Less Accumulated Depreciation	<u>(315,511)</u>	<u>(27,577)</u>		<u>(343,088)</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 172,171</u>	<u>\$ (20,237)</u>	\$ -	<u>\$ 151,934</u>

Note 7: CAPITAL ASSETS (CONT'D)

* Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 988,538
Special Education	393,665
Other Special Instruction	96,502
Student and Instruction Related Services	315,009
General Administrative Services	43,542
School Administrative Services	116,071
Central Services	39,004
Administration Information Services	67,941
Plant Operations and Maintenance	60,746
Pupil Transportation	<u>325,402</u>
Total Depreciation Expense	<u>\$ 2,446,420</u>

Note 8: LONG-TERM OBLIGATIONS

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

	<u>Principal Outstanding July 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Principal Outstanding June 30, 2010</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 14,280,000		\$ (850,000)	\$ 13,430,000	\$ 885,000
Compensated Absences	2,027,028	\$ 97,358	(31,087)	<u>2,093,299</u>	<u>319,998</u>
Governmental Activity Long-term Liabilities	<u>\$ 16,307,028</u>	<u>\$ 97,358</u>	<u>\$ (881,087)</u>	<u>\$ 15,523,299</u>	<u>\$ 1,204,998</u>

Unamortized prepaid interest costs are allocated to current and non-current portions of the outstanding principal balance of long term obligations at June 30, 2010 as follows:

	<u>Due within One Year</u>	<u>Due beyond One Year</u>	<u>Total</u>
Long term obligations	\$ 1,204,998	\$ 14,179,551	\$ 15,384,549
Less unamortized prepaid interest	<u>(138,750)</u>		<u>(138,750)</u>
	<u>\$ 1,343,748</u>	<u>\$ 14,179,551</u>	<u>\$ 15,523,299</u>

Note 8: LONG-TERM OBLIGATIONS (CONT'D)

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

The School District has issued various general obligation bonds at interest rates varying from 3.30% to 5.625% for various construction and renovation projects. The details of these bond issues are listed below:

<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities</u>	<u>Interest Rates</u>
2006	\$ 10,000,000	2010 to 2022	3.30% - 4.00%
2002	\$ 18,175,000	2009 to 2014	4.40% - 4.60%

The final maturity of these bonds is February 1, 2022. The bonds will be paid from property taxes.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 885,000	\$ 557,380	\$ 1,442,380
2012	925,000	517,090	1,442,090
2013	965,000	474,980	1,439,980
2014	1,010,000	431,030	1,441,030
2015	1,050,000	385,800	1,435,800
2016-2020	5,925,000	1,262,400	7,187,400
2021-2022	2,670,000	160,600	2,830,600
	<u>\$ 13,430,000</u>	<u>\$ 3,789,280</u>	<u>\$ 17,219,280</u>

Bonds Authorized But Not Issued - As of June 30, 2010, the School District had no authorized but not issued bonds.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Capital Leases Payable - The School District had no capital leases payable as of June 30, 2010.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund (TPAF) is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the district has been required over several preceding fiscal years.

Public Employees' Retirement System - The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

Note 9: PENSION PLANS (CONT'D)

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The School District is billed annually for its normal contribution plus any accrued liability.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Public Employees Retirement System

<u>Fiscal Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by Excess Pension Asset Credit</u>	<u>Paid by School District</u>
2010	\$ 253,517	\$ 325,739	\$ 579,256	\$ (80,329)	\$ 659,585
2009	229,572	265,529	495,101	186,009	309,092
2008	288,262	222,147	510,409	102,082	408,327

Note 10: POSTEMPLOYMENT BENEFITS

P.L. 1987, c.384 of 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 pre-funding 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 school district 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 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2010, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement costs were \$86,696 and \$1,628,273, respectively.

Note 12: RISK MANAGEMENT

The School 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.

Property and Liability Insurance - The School 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 School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School 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 fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2010	None	\$ 85,138	\$ 83,434	\$ 683,420
2009	None	82,564	52,050	679,475
2008	None	78,153	61,953	641,083

Note 12: RISK MANAGEMENT (CONT'D)

Minimum premium health insurance plan - The School District maintains a minimum premium health insurance program for that portion of healthcare costs not covered by insurance. The Board accounts for the plan in its General Fund. The Board is liable for claims up to \$150,000 per participant. For claims in excess of \$150,000, the Board has purchased insurance coverage. Insurance costs are accrued based upon the aggregate of the liability for reported claims and an actuarially determined estimated liability for claims incurred but not reported. The amount of this liability was \$699,213 as of June 30, 2010.

Changes in the reported liability for the year ended June 30, 2010 resulted from the following:

Balance – Beginning of year	\$ 661,377
Current year claims and changes in estimates	<u>7,123,529</u>
	7,784,906
Less claims payments	<u>7,085,693</u>
Balance – End of year	<u>\$ 699,213</u>

Minimum premium health costs amounted to \$7,123,529 and \$6,410,003 for the years ended June 30, 2010 and 2009 respectively. Deposits held by the health insurance plan at June 30 2010 were \$401,927.

Joint Insurance Pool - The School District is a member of the Gloucester/Cumberland/Salem School Districts Joint Insurance Fund (GCSSDJIF) public entity risk pool during the fiscal year 2009.

The Fund provides the School District with the following coverage:

- Property
- General Liability
- Automobile Liability
- Workers' Compensation
- School Board Legal Liability
- Boiler and Machinery

Annual contributions to the Fund are determined by the Fund's Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund's Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

Note 13: DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit 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:

Retirement Annuity Consultants	Equitable Life Assurance Society
Lincoln Investment Planning Inc.	Fidelity Investments
Paul Revere Tax Shelter	Valic
American United Life	AIG

Note 14: COMPENSATED ABSENCES

The School 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 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. School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to three personal days which may be carried forward to subsequent years. Vacation days not used during the year may be accumulated in accordance with applicable unit agreements. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' unit agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2010 the liability for compensated absences in the governmental fund was \$2,093,299.

Note 15: INTERFUND BALANCES AND TRANSFERS

The following interfund balances were recorded on the various balance sheets as June 30, 2010:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 811,159	
Special Revenue		\$ 739,361
Proprietary		71,798
	<u>\$ 811,159</u>	<u>\$ 811,159</u>

Note 16: PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the School District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. As of June 30, 2010, \$9,701,824 of bonds outstanding is considered defeased.

Note 17: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$1,114,761 and \$86,955 in the General Fund and Special Revenue Fund respectively as of June 30, 2010 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the General and Special Revenue Fund balance deficit does not alone indicate that the school district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the General and Special Revenue Funds in the GAAP funds statements of \$1,114,761 and \$86,955 is equal to the last state aid payment less the unreserved balance in the General Fund.

Note 18: DEFICIT UNRESTRICTED NET ASSETS

The governmental funds have a deficit in unrestricted net assets of \$3,295,015 as of June 30, 2010. This deficit is due primarily to the timing difference of recording the last state aid payment.

Note 19: FUND BALANCES**RESERVED**

Reservations of fund balances of governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures. Specific reservations of the fund balance are summarized below:

For Encumbrances - The reserve for encumbrances was created to represent encumbrances outstanding at the end of the fiscal year based on purchase orders and contracts signed by the School District but not completed as of the close of the fiscal year.

For Capital Reserve Account - As of June 30, 2010, the balance in the capital reserve account is \$1,523,076. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Debt Service Fund - The Debt Service Fund fund balance at June 30, 2010 of \$487,099 is reserved for debt service.

UNRESERVED

General Fund - Of the \$989,323 unreserved General Fund balance at June 30, 2010, \$2,104,084 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2010.

Note 20: LITIGATION

The School 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 School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

DEPTFORD TOWNSHIP BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Revenue					
Local Sources					
Local Tax Levy	\$ 33,263,531		\$ 33,263,531	\$ 33,263,531	-
Tuition	289,600		289,600	184,978	\$ (104,622)
Interest on Investments			-	23,736	23,736
Interest on Investments - Capital Reserve	4,250		4,250	4,250	-
Miscellaneous	243,604		243,604	252,409	8,805
Total Revenue Local Sources	33,800,985	-	33,800,985	33,728,904	(72,081)
State Sources					
Equalization Aid	19,347,132	\$ (3,510,461)	15,836,671	12,103,107	(3,733,564)
Transportation Aid	1,497,901		1,497,901	973,636	(524,265)
Security Aid	684,542		684,542	444,952	(239,590)
Special Education Aid	2,152,520		2,152,520	2,152,520	-
Extraordinary Aid	94,681	111,414	206,095	206,095	-
Non Public School Transportation		19,516	19,516	19,516	-
Post School Outcome				2,100	2,100
On Behalf TPAF Normal Contribution			-	86,696	86,696
On Behalf TPAF Post Retirement Contribution			-	1,628,273	1,628,273
Reimbursed TPAF Social Security Contribution			-	2,024,182	2,024,182
Total Revenue State Sources	23,776,776	(3,379,531)	20,397,245	19,641,077	(756,168)
Federal Sources					
ARRA - SFSF-ESF(Education State Grants)		3,379,630	3,379,630	3,379,630	-
ARRA - SFSF-GSF(Government Services)		130,831	130,831	130,831	-
Medical Assistance Program (SEMI)		81,558	81,558	81,558	-
	-	3,592,019	3,592,019	3,592,019	-
Total Revenue	57,577,761	212,488	57,790,249	56,962,000	(828,249)
Expenditures					
Current Expense					
Instruction-Regular Programs					
Salaries of Teachers					
Preschool/Kingergarten	841,604	185,550	1,027,154	1,027,154	-
Grades 1-5	5,410,369	1,614,363	7,024,732	6,995,096	29,636
Grades 6-8	2,730,586	629,197	3,359,783	3,359,783	-
Grades 9-12	3,794,734	1,103,207	4,897,941	4,817,688	80,253
Regular Programs - Home Instruction					
Salaries of Teachers	85,000	(47,883)	37,117	37,117	-
Purchased Professional/Educational Services	119,700	(33,237)	86,463	76,519	9,944
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	173,823	103,202	277,025	277,025	-
Purchased Educational Services	37,300	(12,416)	24,884	12,168	12,716
Rentals	193,880	30,153	224,033	182,772	41,261
Other Purchased Services	119,883	(22,790)	97,093	90,205	6,888
Travel	8,000	1,235	9,235	9,234	1
General Supplies	821,040	(83,018)	738,022	684,558	53,464
Textbooks	253,800	199,266	453,066	447,818	5,248
Other Objects	13,000	(4,218)	8,782	4,856	3,926
Total Regular Programs-Instruction	14,602,719	3,662,611	18,265,330	18,021,993	243,337
Special Education					
Cognitive-Moderate					
Salaries of Teachers	245,088	950	246,038	246,038	-
Other Salaries for Instruction	138,465	5,539	144,004	144,004	-
General Supplies	9,475	(650)	8,825	8,140	685
Total Cognitive-Moderate	\$ 393,028	\$ 5,839	\$ 398,867	\$ 398,182	\$ 685

(Continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Learning and/or Language Disabilities					
Salaries of Teachers	\$ 3,252,996	\$ (401)	\$ 3,252,595	\$ 3,252,595	-
Other Salaries for Instruction	387,702	93,192	480,894	480,894	-
General Supplies	6,650	(993)	5,657	5,116	\$ 541
Total Learning and/or Language Disabilities	3,647,348	91,798	3,739,146	3,738,605	541
Behavioral Disabilities					
Salaries of Teachers	135,592	(53,796)	81,796	81,796	-
Other Salaries for Instruction	27,693	(600)	27,093	23,640	3,453
General Supplies	1,200	269	1,469	959	510
Total Behavioral Disabilities	164,485	(54,127)	110,358	106,395	3,963
Multiple Disabilities					
Salaries of Teachers	199,288	28,196	227,484	227,484	-
Other Salaries for Instruction	221,544	(3,132)	218,412	218,412	-
General Supplies	800	472	1,272	845	427
Total Multiple Disabilities	421,632	25,536	447,168	446,741	427
Resource Room					
General Supplies		1,572	1,572	1,477	95
Textbooks			-		-
Total Resource Room	-	1,572	1,572	1,477	95
Autism					
Salaries of Teachers	49,596	800	50,396	50,396	-
Salaries Other Instruction	110,772		110,772	110,210	562
Total Autism	160,368	800	161,168	160,606	562
Preschool Handicapped					
Salaries Other Instruction	55,386	(1,645)	53,741	53,741	-
General Supplies	1,000	25	1,025	588	437
Home Preschool Handicapped - Part Time	56,386	(1,620)	54,766	54,329	437
Total Special Education	4,843,247	69,798	4,913,045	4,906,335	6,710
Basic Skills					
Salaries of Teachers	334,376	(44,892)	289,484	289,484	-
Total Basic Skills	334,376	(44,892)	289,484	289,484	-
Bilingual Education					
Salaries of Teachers	182,588	(7,201)	175,387	175,387	-
Total Bilingual Education	182,588	(7,201)	175,387	175,387	-
School Sponsored Cocurricular Activities					
Salaries	194,775		194,775	191,479	3,296
Other Purchased Services	13,000	1,524	14,524	13,524	1,000
Supplies and Materials	32,360	(1,262)	31,098	30,717	381
Other Objects	16,000	(10,074)	5,926	4,410	1,516
Total School Sponsored Cocurricular Activites	\$ 256,135	\$ (9,812)	\$ 246,323	\$ 240,130	\$ 6,193

(Continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
School Sponsored Athletics					
Salaries	\$ 319,266		\$ 319,266	\$ 308,431	\$ 10,835
Other Purchased Services	40,000	\$ (17,000)	23,000	20,345	2,655
Supplies and Materials	87,000	(4,921)	82,079	76,732	5,347
Other Objects	32,400	5,075	37,475	35,691	1,784
Total School Sponsored Athletics	478,666	(16,846)	461,820	441,199	20,621
Community Service Programs					
Supplies and Materials	200		200		200
Total Community Service Programs	200	-	200	-	200
Total Instruction	20,697,931	3,653,658	24,351,589	24,074,528	277,061
Undistributed Expenditures					
Instruction					
Tuition to County Special Services School Districts	2,747,662	(803,189)	1,944,473	1,914,866	29,607
Tuition to Private Schools for the Handicapped within the State	609,030	41,699	650,729	593,498	57,231
Tuition to Private Schools for the Handicapped outside the State	97,600	900	98,500	85,560	12,940
Tuition					
State Facilities	106,470	(4,077)	102,393	88,814	13,579
Charter School		13,025	13,025	13,025	-
Other	43,572	47,309	90,881	89,415	1,466
Total Undistributed Expenditures-Instruction	3,604,334	(704,333)	2,900,001	2,785,178	114,823
Attendance and Social Work Services					
Salaries	132,985	(33,800)	99,185	99,153	32
Purchased Professional Educational Services			-		-
Total Attendance and Social Work Services	132,985	(33,800)	99,185	99,153	32
Health Services					
Salaries	757,540	(4,100)	753,440	748,021	5,419
Purchased Professional and Technical Services	21,505	(2,688)	18,817	13,536	5,281
Other Purchased Services	500		500		500
Supplies and Materials	17,450	(4,012)	13,438	9,014	4,424
Other Objects	1,000		1,000	75	925
Total Health Services	797,995	(10,800)	787,195	770,646	16,549
Related Services					
Salaries	437,576	4,779	442,355	442,355	-
Purchased Educational Services			-		-
Total Related Services	437,576	4,779	442,355	442,355	-
Extraordinary Services					
Purchased Educational Services	230,000	136,814	366,814	308,004	58,810
Supplies and Materials	2,000		2,000	596	1,404
Total Extraordinary Services	\$ 232,000	\$ 136,814	\$ 368,814	\$ 308,600	\$ 60,214

(Continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Guidance Services					
Salaries of Other Professional Staff	\$ 746,451	\$ (15,877)	\$ 730,574	\$ 724,820	\$ 5,754
Salaries of Secretarial and Clerical Assistants					
Assistants	89,849	949	90,798	90,798	-
Supplies and Materials	18,000	10	18,010	12,450	5,560
Other Objects	800	250	1,050	320	730
	<u>855,100</u>	<u>(14,668)</u>	<u>840,432</u>	<u>828,388</u>	<u>12,044</u>
Total Other Support Services - Students - Regular					
Child Study Team					
Salaries of Other Professional Staff	808,056	(14,390)	793,666	793,666	-
Salaries of Secretarial and Clerical Assistants	131,531	(18,215)	113,316	113,316	-
Other Salaries		6,091	6,091	6,091	-
Purchased Educational Services			-	-	-
Residential Costs	87,500	92,200	179,700	179,700	-
Supplies and Materials	50,000	(6,091)	43,909	36,555	7,354
Other Objects	8,000		8,000	1,486	6,514
	<u>1,085,087</u>	<u>59,595</u>	<u>1,144,682</u>	<u>1,130,814</u>	<u>13,868</u>
Total Other Support Services - Students - Special Services					
Improvement of Instruction Services/Other Support Services - Instructional Staff					
Salaries of Supervisors of Instruction	248,360		248,360	248,359	1
Salaries of Secretarial and Clerical Assistants	37,245	7,617	44,862	44,862	-
Other Salaries		5,400	5,400	5,400	-
	<u>285,605</u>	<u>13,017</u>	<u>298,622</u>	<u>298,621</u>	<u>1</u>
Total Improvement of Instruction Services/Other Support Services Instructional Staff					
Educational Media Services/School Library					
Salaries	654,080	(16,567)	637,513	628,666	8,847
Other Purchased Services	18,450		18,450	18,011	439
Supplies and Materials	93,000	(3,741)	89,259	84,424	4,835
	<u>765,530</u>	<u>(20,308)</u>	<u>745,222</u>	<u>731,101</u>	<u>14,121</u>
Total Educational Media Services/School Library					
Instructional Staff Training					
Salaries of Supervisors of Instruction	104,608	96	104,704	104,704	-
Salaries of Other Professional Staff			-	-	-
Salaries of Secretarial and Clerical Assistants	15,962	1,354	17,316	17,316	-
Other Salaries	258,696	(108,026)	150,670	140,432	10,238
Purchased Educational Services	41,600	(28,510)	13,090	12,490	600
Other Purchased Services	16,000	(5,734)	10,266	5,952	4,314
Supplies and Materials			-	-	-
Other Objects			-	-	-
	<u>\$ 436,866</u>	<u>\$ (140,820)</u>	<u>\$ 296,046</u>	<u>\$ 280,894</u>	<u>\$ 15,152</u>
Total Instructional Staff Training					

(Continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Support Services General Administration					
Salaries	\$ 414,727		\$ 414,727	\$ 413,659	\$ 1,068
Legal Services	120,000	\$ (49,572)	70,428	39,473	30,955
Audit Fees	41,501		41,501	35,500	6,001
Other Purchased Professional Services	35,000		35,000	30,881	4,119
Other Purchased Technical Services	13,400	3,328	16,728	9,854	6,874
Communications/Telephone	85,000	61,678	146,678	57,505	89,173
Other Purchased Services	142,300	(11,220)	131,080	130,980	100
Supplies and Materials	34,000		34,000	27,348	6,652
Other Objects	93,000	(500)	92,500	48,613	43,887
Total Support Services General Administration	978,928	3,714	982,642	793,813	188,829
Support Services School Administration					
Salaries of Principals/Assistant Principals	1,320,876	10,004	1,330,880	1,330,880	-
Salaries of Other Professional Staff	139,323	(17,514)	121,809	113,823	7,986
Salaries of Secretarial and Clerical Assistants	625,433	7,510	632,943	625,112	7,831
Purchased Professional and Technical Services	500		500		500
Other Professional/Technical Services	8,300	(2,490)	5,810	150	5,660
Supplies and Materials	35,000	(6,068)	28,932	16,102	12,830
Other Objects	56,300	335	56,635	30,011	26,624
Total Support Services School Administration	2,185,732	(8,223)	2,177,509	2,116,078	61,431
Central Services					
Salaries	625,874	15,833	641,707	641,707	-
Purchased Technical Services	31,700	(19,073)	12,627	12,515	112
Miscellaneous Purchased Services	43,500	(12,000)	31,500	29,000	2,500
Supplies and Materials	20,000	(2,596)	17,404	12,355	5,049
Interest - Current Loans	3,263	500	3,763	3,686	77
Interest - Capital Reserve	4,250		4,250	3,263	987
Other Objects	10,800	(500)	10,300	8,554	1,746
Total Central Services	739,387	(17,836)	721,551	711,080	10,471
Administrative Information Technology					
Salaries	358,401	836	359,237	359,237	-
Purchased Technical Services	165,000	54,012	219,012	218,937	75
Other Purchased Services	106,170	(20,500)	85,670	83,663	2,007
General Supplies	326,880	248,721	575,601	574,843	758
Other Objects	5,000	(3,000)	2,000	1,945	55
Total Administrative Information Service Technology	961,451	280,069	1,241,520	1,238,625	2,895
Required Maintenance of Plant Services					
Salaries	180,000		180,000	180,000	-
Cleaning, Repairs and Maintenance Services	190,000	(572)	189,428	155,310	34,118
General Supplies	47,200	572	47,772	27,009	20,763
Total Required Maintenance of Plant Services	\$ 417,200	\$ -	\$ 417,200	\$ 362,319	\$ 54,881

(Continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Custodial Services					
Salaries	\$ 2,282,379	\$ (25,000)	\$ 2,257,379	\$ 2,252,210	\$ 5,169
Salaries Non Instructional	187,905	(3,288)	184,617	169,283	15,334
Purchased Professional/Technical Services	200,634	(351)	200,283	200,182	101
Cleaning, Repairs and Maintenance Services	398,000	34,281	432,281	425,218	7,063
Other Purchased Property Services	71,500		71,500	60,367	11,133
Insurance	146,207		146,207	146,012	195
General Supplies	250,000	68,577	318,577	278,414	40,163
Natural Gas	599,416	(89,363)	510,053	434,260	75,793
Energy (Heat and Electricity)	900,800	20,703	921,503	921,503	-
Other Objects	14,800	(5,080)	9,720	9,710	10
Total Operation and Maintenance of Plant Services	5,051,641	479	5,052,120	4,897,159	154,961
Care/Upkeep Grounds					
Salaries	244,270		244,270	244,270	-
General Supplies	75,000		75,000	75,000	-
Total Care/Upkeep Grounds	319,270	-	319,270	319,270	-
Student Transportation Services					
Salaries Non Instructional Aides	194,482	(40,482)	154,000	154,000	-
Salaries for Pupil Transportation (Between Home and School) - Regular	1,137,856	228,615	1,366,471	1,366,471	-
Salaries for Pupil Transportation (Between Home and School) - Special	390,730	(11,445)	379,285	379,285	-
Salaries for Pupil Transportation (Other than Between Home and School)	55,000	6,138	61,138	61,138	-
Cleaning, Repairs and Maintenance Services	81,500	(49,810)	31,690	31,690	-
Aid in Lieu - Nonpublic	164,520		164,520	120,591	43,929
Contracted Services (Between Home and School) - Vendors	325,000	(42,096)	282,904	280,537	2,367
Contracted Services (Other than Between Home and School) - Vendors	65,000	(24,564)	40,436	38,736	1,700
Contracted Services - Special Education - Joint Agreements	280,000	(36,045)	243,955	148,644	95,311
Aid in Lieu of		19,516	19,516	19,516	-
Miscellaneous Purchased Services	65,000	500	65,500	65,500	-
Supplies and Materials	462,000	(16,412)	445,588	359,152	86,436
Other Objects	12,500	(7,176)	5,324	4,127	1,197
Total Student Transportation Services	3,233,588	26,739	3,260,327	3,029,387	230,940
Unallocated Benefits					
Social Security	645,000	57,851	702,851	677,722	25,129
Other Retirement Contributions	680,807	(51,299)	629,508	629,508	-
Workers' Compensation	250,000	(3,729)	246,271	246,271	-
Health Benefits	8,326,709	(1,320,576)	7,006,133	6,670,805	335,328
Tuition Reimbursements	45,000	3,898	48,898	48,898	-
Other Employee Benefits	115,150	(83,917)	31,233	31,233	-
Total Unallocated Benefits	10,062,666	(1,397,772)	8,664,894	8,304,437	360,457
On Behalf TPAF Normal Contribution (Non-Budgeted)				86,696	(86,696)
On Behalf TPAF Post Retirement Contribution (Non-Budgeted)			-	1,628,273	(1,628,273)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)			-	2,024,182	(2,024,182)
Total Undistributed Expenditures	32,582,941	(1,823,354)	30,759,587	33,187,069	(2,427,482)
Total Expenditures - Current Expense	\$ 53,280,872	\$ 1,830,304	\$ 55,111,176	\$ 57,261,597	\$ (2,150,421)

(Continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Capital Outlay					
Equipment					
Regular Programs - Instruction					
Grades 1-5	\$ 2,600	\$ (2,600)	-	-	-
Grades 6-8		3,891	\$ 3,891	\$ 3,891	-
Grades 9-12	10,000	(10,000)	-	-	-
School Sponsored Athletics		219,618	219,618	21,885	\$ 197,733
Undistributed Expenditures					
General Administration	3,000	(3,000)	-	-	-
School Administration	2,000	(2,000)	-	-	-
Central Services	2,000	(2,000)	-	-	-
Administration Information Technical	20,000		20,000	20,000	-
Operation and Maintenance of Plant Services	90,000	(18,999)	71,001	71,001	-
Student Transportation - Noninstructional Equipment	24,750	(865)	23,885	21,112	2,773
Student Transportation - School Buses/ Regular	216,000	20,157	236,157	236,157	-
Student Transportation - School Buses/ Special	144,000	(34,342)	109,658	109,658	-
Business/Other Support Services			-	-	-
Lease Payments	40,000	39,356	79,356	79,356	-
Total Equipment	554,350	209,216	763,566	563,060	200,506
Facilities Acquisition and Construction Services					
Other Purchased Professional Services	109,000	181,471	290,471	231,538	58,933
Construction Services	860,984	616,632	1,477,616	871,244	606,372
Total Facilities Acquisition and Construction Services	969,984	798,103	1,768,087	1,102,782	665,305
Assets Acquired Under Capital Lease (Non-Budgeted)					
Regular Programs - Undistributed Textbooks			-	-	-
Total Assets Acquired Under Capital Leases (Non-Budgeted)	-	-	-	-	-
Total Capital Outlay	1,524,334	1,007,319	2,531,653	1,665,842	865,811
Special Schools					
Summer School - Instruction					
Salaries of Teachers	19,000		19,000	-	19,000
Total Summer School - Instruction	19,000	-	19,000	-	19,000
Total Special School	19,000	-	19,000	-	19,000
Total Expenditures	54,824,206	2,837,623	57,661,829	58,927,439	(1,265,610)
Excess (Deficiency) of Revenue Over Expenditures	\$ 2,753,555	\$ (2,625,135)	\$ 128,420	\$ (1,965,439)	\$ (2,093,859)

(Continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Other Financing Sources (Uses)					
Operating Transfers :					
Transfers to Debt Service		\$ (434,145)	\$ (434,145)	\$ (434,145)	-
Transfers to Food Service Fund					-
Board Contribution	\$ (495,000)		(495,000)	(264,465)	\$ 230,535
Board Contribution-Capital	(5,000)	(2,340)	(7,340)	(7,340)	-
			-		-
Excess (Deficiency) of Revenue Over Expenditures and Other Financing Sources	2,253,555	(3,061,620)	(808,065)	(2,671,389)	(1,863,324)
Fund Balance - July 1	8,262,402		8,262,402	8,262,402	
Fund Balance - June 30	<u>\$ 10,515,957</u>	<u>\$ (3,061,620)</u>	<u>\$ 7,454,337</u>	<u>\$ 5,591,013</u>	<u>\$ (1,863,324)</u>
Recapitulation:					
Reserve for encumbrances				\$ 932,001	
Legally restricted - designated for subsequent year's expenditures				2,104,084	
Capital reserve account				1,523,076	
Unreserved fund balance				<u>1,031,852</u>	
				5,591,013	
Reconciliation to governmental funds statements (GAAP):					
Last state aid payment is not recognized on GAAP basis				<u>(2,146,613)</u>	
Fund balance per governmental funds (GAAP)				<u>\$ 3,444,400</u>	

**DEPTFORD TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - ARRA ESF**

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Revenue					
Federal Sources					
ARRA - SFSF-ESF (Education State Grants)	\$ -	\$ 3,379,630	\$ 3,379,630	\$ 3,379,630	-
Expenditures					
Current Expense					
Instruction-Regular Programs					
Salaries of Teachers		222,607	222,607	222,607	-
Preschool/Kingergarten		1,431,058	1,431,058	1,431,058	-
Grades 1-5		722,247	722,247	722,247	-
Grades 6-8		1,003,718	1,003,718	1,003,718	-
Grades 9-12					
Total Regular Programs-Instruction	-	3,379,630	3,379,630	3,379,630	-
Excess (Deficiency) of Revenue Over Expenditures and Other Financing Sources	-	-	-	-	-
Fund Balance - July 1	-	-	-	-	-
Fund Balance - June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**DEPTFORD TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - ARRA GSF**

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Revenue					
Federal Sources					
ARRA - SFSF-GSF(Government Services)	\$ -	\$ 130,831	\$ 130,831	\$ 130,831	-
Expenditures					
Current Expense					
Instruction-Regular Programs					
Salaries of Teachers		65,415	65,415	65,415	-
Grades 1-5		65,416	65,416	65,416	-
Grades 9-12					
Total Regular Programs-Instruction	-	130,831	130,831	130,831	-
Excess (Deficiency) of Revenue Over Expenditures and Other Financing Sources	-	-	-	-	-
Fund Balance - July 1	-	-	-	-	-
Fund Balance - June 30	\$ -	\$ -	\$ -	\$ -	\$ -

DEPTFORD TOWNSHIP BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Revenue					
Federal Sources	\$ 3,716,714		\$ 3,716,714	\$ 2,350,752	\$ 1,365,962
State Sources	1,471,897		1,471,897	1,387,022	84,875
Local Sources	5,778		5,778	2,177	3,601
Total Revenue	5,194,389	-	5,194,389	3,739,951	1,454,438
Expenditures					
Instruction					
Salaries of Teachers	1,526,966		1,526,966	1,388,383	138,583
Salaries of Other Instruction	81,652		81,652	81,652	-
Purchased Educational Services	299,124		299,124	294,376	4,748
Other Purchased Services	1,303,609		1,303,609	613,124	690,485
General Supplies	631,062		631,062	483,040	148,022
Textbooks	17,741		17,741	17,741	-
Other Objects	3,076		3,076	3,036	40
Total Instruction	3,863,230	-	3,863,230	2,881,352	981,878
Support Services					
Salaries of Teachers	409,420		409,420	194,890	214,530
Salaries of Other Professional Staff	204,208		204,208	160,664	43,544
Personal Services - Employee Benefits	337,401		337,401	238,544	98,857
Purchased Educational Services	298,555		298,555	216,901	81,654
Other Purchased Services	23,659		23,659	6,256	17,403
Travel	18,009		18,009	10,054	7,955
General Supplies	38,785		38,785	30,440	8,345
Textbooks	595		595	350	245
Other Objects	527		527	500	27
Total Support Services	1,331,159	-	1,331,159	858,599	472,560
Facilities Acquisition/Construction					
Non Instructional Equipment			-		-
Total Facilities Acquisition/Construction	-	-	-	-	-
Total Expenditures	5,194,389	-	5,194,389	3,739,951	1,454,438
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

DEPTFORD TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
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	\$ 56,962,000	\$ 3,739,951
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized		
Encumbrances - June 30, 2009		2,865
Encumbrances - June 30, 2010		(657)
State aid Payment recognized for budgetary purposes, not recognized for GAAP purposes		
State aid payment - June 30, 2009	2,159,748	71,819
State aid payment - June 30, 2010	(2,146,613)	(86,955)
Total revenues as reported on the statements of revenues, expenditures and changes in fund balances - governmental funds.	\$ 56,975,135	\$ 3,727,023
Uses/outflows of resources		
Actual amounts (budgetary basis) total outflows from the budgetary comparison schedule	\$ 58,927,439	\$ 3,739,951
Difference - 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.		
Encumbrances - June 30, 2009		2,865
Encumbrances - June 30, 2010		(657)
Total expenditures as reported on the statement of revenues, expenditures, and change in fund balances - governmental funds	\$ 58,927,439	\$ 3,742,159

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE DETAIL STATEMENTS

Special revenue funds are used to account for the proceeds of special revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES

BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Balance Brought Forward	Title I Part A	Title I Part A SIA/CIO	Title I Part A Economic Stimulus	Title I Part A Carryover	Title I Part A Carryover	Title II Part A	Title II Part A Carryover	Total
Revenue									
Federal Sources	\$ 1,412,281			\$ 357,052	\$ 23,432	\$ 3,249	\$ 80,715	\$ 7,213	\$ 2,350,752
State Sources	1,387,022								1,387,022
Local Sources	2,177								2,177
Total Revenue	\$ 2,801,480	\$ 399,543	\$ 67,267	\$ 357,052	\$ 23,432	\$ 3,249	\$ 80,715	\$ 7,213	\$ 3,739,951
Expenditures									
Instruction									
Salaries of Teachers	\$ 1,003,442			\$ 126,300					\$ 1,388,383
Salaries of Other Instructional	81,652								81,652
Purchased Educational Services	231,885				\$ 12,350		\$ 50,141		294,376
Other Purchased Professional and Technical Services	613,124								613,124
General Supplies	225,586	70,863		186,257	534				483,040
Textbooks	17,741								17,741
Other Objects	3,036								3,036
Total Instruction	2,176,466	329,304	-	312,557	12,884	-	50,141	-	2,881,352
Support Services									
Salaries of Teachers	81,660	21,339	\$ 56,278	7,340			25,529	\$ 2,744	194,890
Salaries of Other Professional Staff	160,664								160,664
Personal Services - Employee Benefits	152,701	42,110	3,939	37,155			1,963	686	238,544
Purchased Educational Services	204,923	4,306				\$ 3,249		3,783	216,261
Other Purchased Technical Services	640								640
Travel	3,164						3,092		6,256
General Supplies	10,054	2,484	7,050						10,054
Textbooks	10,358								10,358
Other Objects	350								350
Total Support Services	625,014	70,239	67,267	44,495	10,548	3,249	30,574	7,213	858,599
Facilities Acquisition/Construction									
Non Instructional Equipment									
Total Facilities Acquisition/Construction	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 2,801,480	\$ 399,543	\$ 67,267	\$ 357,052	\$ 23,432	\$ 3,249	\$ 80,715	\$ 7,213	\$ 3,739,951

(continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Balance Brought Forward	Title II Part A Carryover	Title II Part A	Title II Part D	Title II Part D Carryover	Title IV	Title IV Carryover	Title IV Carryover	Title IV Carryover	Title III	Title III Carryover	Total Carried Forward
Revenue												
Federal Sources	\$ 1,353,797	\$ 5	\$ 3,328	\$ 5,318	\$ 2,244	\$ 11,902	\$ 811	\$ 13,598	\$ 2,979	\$ 5,948	\$ 12,351	\$ 1,412,281
State Sources	1,387,022											1,387,022
Local Sources	2,177											2,177
Total Revenue	\$ 2,742,996	\$ 5	\$ 3,328	\$ 5,318	\$ 2,244	\$ 11,902	\$ 811	\$ 13,598	\$ 2,979	\$ 5,948	\$ 12,351	\$ 2,801,480
Expenditures												
Instruction												
Salaries of Teachers	\$ 983,394				\$ 167	\$ 9,675				\$ 2,338	\$ 7,868	\$ 1,003,442
Salaries of Other Instructional Personnel	81,652											81,652
Purchased Educational Services	231,885											231,885
Other Purchased Professional and Technical Services	613,124				2,035	282	\$ 811	\$ 13,598	\$ 2,979	\$ 3,143	\$ 2,555	613,124
General Purchased Services	200,079	\$ 5		\$ 89								225,566
General Supplies	17,741											17,741
Textbooks	3,036											3,036
Other Objects												
Total Instruction	2,130,911	5	3,328	5,318	2,202	9,967	811	13,598	2,979	5,481	10,423	2,176,465
Support Services												
Salaries of Teachers	78,316			3,344								81,660
Salaries of Other Professional Staff	160,664											160,664
Personal Services - Employee Benefits	147,840			489	42	1,935				467	1,928	152,701
Purchased Educational Services	204,923											204,923
Purchased Technical Services	640											640
Other Purchased Services	3,164											3,164
General Supplies	10,054		\$ 3,328	1,396								14,778
Textbooks	5,634											5,634
Other Objects	350											350
Total Support Services	612,085	-	3,328	5,229	42	1,935	-	-	-	467	1,928	625,014
Facilities Acquisition/Construction												
Non Instructional Equipment												
Total Facilities Acquisition/Construction	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 2,742,996	\$ 5	\$ 3,328	\$ 5,318	\$ 2,244	\$ 11,902	\$ 811	\$ 13,598	\$ 2,979	\$ 5,948	\$ 12,351	\$ 2,801,480

(continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	I.D.E.A. Part B Basic Regular	I.D.E.A. Part B Basic Economic Stimulus	I.D.E.A. Part B Basic Regular Carryover	I.D.E.A. Preschool Carryover	I.D.E.A. Preschool Carryover	I.D.E.A. Preschool Carryover	Naval Junior ROTC	PreSchool Education Aid	Include Grant	Include Grant C/O	Total Carried Forward
Revenue											
Federal Sources	\$ 586,444	\$ 614,235	\$ 48,064	\$ 17,900	\$ 1,350	\$ 85,804	\$ 817,113	\$ 174,274	\$ 56,964	\$ 7,320	\$ 1,353,797
State Sources											1,367,022
Local Sources											2,177
Total Revenue	\$ 586,444	\$ 614,235	\$ 48,064	\$ 17,900	\$ 1,350	\$ 85,804	\$ 817,113	\$ 174,274	\$ 56,964	\$ 7,320	\$ 2,742,996
Expenditures											
Instruction	\$ 49,396	\$ 70,748	\$ 4,543	\$ 15,680	\$ 80,131	\$ 644,956	\$ 75,414	\$ 11,590	\$ 18,288	\$ 5,020	\$ 983,394
Salaries of Teachers	6,238										81,652
Salaries of Other Instructional	231,885										231,885
Purchased Educational Services											
Purchased Professional and											
Technical Services											
Other Purchased Services	399,933	208,648	4,543		2,822	64,679		64,679	22,830		613,124
General Supplies	6,163	103,785									200,079
Textbooks	17,741										17,741
Other Objects	185					2,851					3,036
Total Instruction	487,518	383,181	4,543	15,680	85,804	720,370	76,269	40,918	5,020	2,130,911	
Support Services											
Salaries of Teachers	13,220	147,758	39,471	2,220		20,360		20,360	2,965	2,300	78,316
Salaries of Other Professional Staff	10,686	32,599	3,158				96,743		848		160,664
Personal Services - Employee Benefits	8,325	50,897	892		1,350				5,786		147,940
Purchased Educational Services	640										204,923
Purchased Technical Services											640
Other Purchased Services											3,164
Travel											10,054
General Supplies	2,269								4,323		10,054
Textbooks									1,624		5,634
Other Objects									500		350
Total Support Services	21,920	231,054	43,521	2,220	1,350	96,743	96,743	98,005	16,046	2,300	612,085
Facilities Acquisition/Construction											
Non Instructional Equipment											
Total Facilities Acquisition/Construction	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 586,444	\$ 614,235	\$ 48,064	\$ 17,900	\$ 1,350	\$ 85,804	\$ 817,113	\$ 174,274	\$ 56,964	\$ 7,320	\$ 2,742,996

(continued)

**DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS**

FOR FISCAL YEAR ENDED JUNE 30, 2010

	N.J. Nonpublic Auxiliary Services Ch. 192		N.J. Nonpublic Handicapped Services Ch. 193				Total Carried Forward
	English as a Second Language	Nonpublic Compensatory Education	Nonpublic Transportation	Nonpublic Supplemental Instruction	CST Evaluation	Annual Exam & Classification	Corrective Speech
Revenue							
Slate Sources	\$ 111,318	\$ 101,728	\$ 36,959	\$ 12,743	\$ 21,738	\$ 8,061	\$ 35,868
Local Sources	2,177						
Total Revenue	\$ 113,495	\$ 101,728	\$ 36,959	\$ 12,743	\$ 21,738	\$ 8,061	\$ 35,868
Expenditures							
Instruction							
Salaries of Teachers	\$ 49,396						
Salaries of Other Professional Staff	6,238						
Purchased Educational Services	11,852						
Purchased Professional and Technical Services	-						
Other Purchased Services	-						
General Supplies	6,163						
Textbooks	17,741						
Other Objects	185						
Total Instruction	\$ 91,575	\$ 101,728	\$ 36,959	\$ 12,743	\$ 21,738	\$ 8,061	\$ 35,868
Support Services							
Salaries of Other Professional Staff	10,686						
Personal Services -							
Employee Benefits	8,325						
Purchased Educational Services	640						
Other Purchased Services	-						
Travel	-						
General Supplies	2,269						
Textbooks	-						
Other Objects	-						
Total Support Services	\$ 21,920						
Facilities Acquisition/Construction							
Non Instructional Equipment	-						
Total Facilities Acquisition/Construction							
Total Expenditures	\$ 113,495	\$ 101,728	\$ 36,959	\$ 12,743	\$ 21,738	\$ 8,061	\$ 35,868

(continued)

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Textbook Aid	Home Instruction	Nonpublic Nursing	IDEAL Grant	IDEAL Grant C/O	NJ Center Teach/Learn Math Grant	NJ Center Teach/Learn Math Grant	Deptford Educational Foundation	Total Carried Forward
Revenue									
State Sources	\$ 17,741	\$ 1,291	\$ 10,561	\$ 57,721	\$ 504	\$ 11,418	\$ 12,082	\$ 2,177	\$ 111,318
Local Sources									2,177
Total Revenue	\$ 17,741	\$ 1,291	\$ 10,561	\$ 57,721	\$ 504	\$ 11,418	\$ 12,082	\$ 2,177	\$ 113,495
Expenditures									
Instruction									
Salaries of Teachers				\$ 49,396					49,396
Salaries of Other Professional Staff							\$ 6,238		6,238
Purchased Educational Services		\$ 1,291	\$ 10,561						11,852
Purchased Professional and Technical Services									-
Other Purchased Services							5,659		6,163
General Supplies				\$ 504					17,741
Textbooks	\$ 17,741								185
Other Objects									
Total Instruction	17,741	1,291	10,561	49,396	504	-	12,082	-	91,575
Support Services									
Salaries of Other Professional Staff						\$ 10,686			10,686
Personal Services - Employee Benefits				8,325					8,325
Purchased Educational Services						640			640
Other Purchased Services									-
Travel						92		\$ 2,177	2,269
General Supplies									-
Textbooks									-
Other Objects									-
Total Support Services	-	-	-	8,325	-	11,418	-	2,177	21,920
Facilities Acquisition/Construction									
Non Instructional Equipment									
Total Facilities Acquisition/Construction	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 17,741	\$ 1,291	\$ 10,561	\$ 57,721	\$ 504	\$ 11,418	\$ 12,082	\$ 2,177	\$ 113,495

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

DISTRICT-WIDE TOTAL

	2010		
	Budgeted	Actual	Variance
Expenditures			
Instruction			
Salaries of Teachers	\$ 644,956	\$ 644,956	-
Other Salaries of Instruction	75,414	75,414	-
	720,370	720,370	-
Support Services			
Personal Services - Employee Benefits	96,743	96,743	-
	96,743	96,743	-
 Total Expenditures	 \$ 817,113	 \$ 817,113	 \$ -

Summary of Location Totals

Total Revised 2009-2010 PreSchool Education Aid	\$ 817,113
Total PreSchool Education Aid Available for 2009-2010 Budget	817,113
Less: 2009-2010 Budgeted PreSchool Education Aid	(817,113)
Available & Unbudgeted PreSchool Education Aid as of June 30, 2010	-
Add: 2009-2010 Unexpended PreSchool Education Aid	-
2010-2011 Actual Carryover - PreSchool Education Aid	\$ -
Actual Carryover PreSchool Education Aid	\$ -

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

School: Central

	2010		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Instruction			
Salaries of Teachers	\$ 397,072	\$ 397,072	-
Other Salaries of Instruction	46,432	46,432	-
	<u>443,504</u>	<u>443,504</u>	<u>-</u>
Support Services			
Personal Services - Employee Benefits	59,565	59,565	-
	<u>59,565</u>	<u>59,565</u>	<u>-</u>
 Total Expenditures	 <u>\$ 503,069</u>	 <u>\$ 503,069</u>	 <u>\$ -</u>

Summary of Location Totals

Total Revised 2009-2010 PreSchool Education Aid	\$ 503,069
Total PreSchool Education Aid Available for 2009-2010 Budget	503,069
Less: 2009-2010 Budgeted PreSchool Education Aid	<u>(503,069)</u>
Available & Unbudgeted PreSchool Education Aid as of June 30, 2010	-
Add: 2009-2010 Unexpended PreSchool Education Aid	<u>-</u>
2010-2011 Actual Carryover - PreSchool Education Aid	<u>\$ -</u>
Actual Carryover PreSchool Education Aid	<u><u>\$ -</u></u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

School: Pine Acres

	2010		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Instruction			
Salaries of Teachers	\$ 247,884	\$ 247,884	-
Other Salaries of Instruction	<u>28,982</u>	<u>28,982</u>	<u>-</u>
	<u>276,866</u>	<u>276,866</u>	<u>-</u>
Support Services			
Personal Services - Employee Benefits	<u>37,178</u>	<u>37,178</u>	<u>-</u>
	<u>37,178</u>	<u>37,178</u>	<u>-</u>
 Total Expenditures	 <u>\$ 314,044</u>	 <u>\$ 314,044</u>	 <u>\$ -</u>

Summary of Location Totals

Total Revised 2009-2010 PreSchool Education Aid	\$ 314,044
Total PreSchool Education Aid Available for 2009-2010 Budget	314,044
Less: 2009-2010 Budgeted PreSchool Education Aid	<u>(314,044)</u>
Available & Unbudgeted PreSchool Education Aid as of June 30, 2010	-
Add: 2009-2010 Unexpended PreSchool Education Aid	<u>-</u>
2010-2011 Actual Carryover - PreSchool Education Aid	<u>\$ -</u>
Actual Carryover PreSchool Education Aid	<u>\$ -</u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
DISTANCE LEARNING NETWORK AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	2010		
	Budgeted	Actual	Variance
Expenditures			
Support Services			
Purchased Technical Services	\$ 15,044		\$ 15,044
Supplies and Materials	709		709
Total Support Services	15,753	-	15,753
Facilities Acquisition and Construction Services			
Non-Instructional Equipment	4,744		4,744
Total Instructional Equipment	4,744	-	4,744
Total Expenditures	\$ 20,497	\$ -	\$ 20,497

Calculation of Budget & Carryover

Total Revised 2009-2010 Distance Learning Network Aid Allocation	
Add: Actual Distance Learning Network Aid Carryover (June 30, 2009)	\$ 20,497
Total Distance Learning Network Aid Available for 2009-2010 Budget	20,497
Less: 2009-2010 Budgeted Distance Learning Aid	20,497
Available & Unbudgeted DLNA Funds as of June 30, 2010	-
Add: 2009-2010 Unexpended DLNA	20,497
2009-2010 Actual Carryover - DLNA	\$ 20,497
2009-2010 DLNA Carryover Budgeted in 2010-2011	\$ 20,497

CAPITAL PROJECTS FUND DETAIL STATEMENTS

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

DEPTFORD TOWNSHIP BOARD OF EDUCATION

CAPITAL PROJECTS FUND

SUMMARY SCHEDULE OF PROJECT EXPENDITURES

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Issue / Project Title	Appropriation	Prior Year Expenditures/ Transfers Out	Operating Transfers Out Debt Service	Current Year Expenditures	Unexpended Balance
Construction and Renovations to the Deptford High School and Monongahela Middle School					
Various improvements and renovations to the Good Intent School, the Shady Lane School, the Lake Tract School, the Oak Valley School, and the Pine Acres School.	\$ 18,175,000	\$ 18,150,233	\$ (24,767)		
Demolition and construction of a new Central School					
Various onsite and offsite improvements and to purchase the necessary furniture and equipment associated with such additions, renovations and improvements.					
Educational Facilities Construction and Financing Act, Section 15 Grant					
HVAC renovations to Oak Valley School					
HVAC renovations to Pine Acres School					
HVAC renovations to Good Intent School	1,100,601				\$ 1,100,601
Total	\$ 19,275,601	\$ 18,150,233	\$ (24,767)	\$ -	\$ 1,100,601
Reserve for Encumbrances					\$ 966,060
Designated for subsequent years expenditures					134,541
					\$ 1,100,601

DEPTFORD 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

	<u>2010</u>
Revenues	
State Sources	<u>\$ 1,100,601</u>
Total Revenues	<u>1,100,601</u>
 Expenditures	
Purchased and Professional and Technical Services	
Construction Services	
General Supplies	<u> </u>
Total Expenditures	<u>-</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	1,100,601
 Other Financing Sources (Uses)	
Operating Transfer Out - Debt Service	<u>(24,767)</u>
Total Financing Sources (Uses)	<u>(24,767)</u>
 Net Changes in Fund Balance	1,075,834
 Fund Balance - July 1,	<u>24,767</u>
 Fund Balance - June 30,	<u><u>\$ 1,100,601</u></u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION

CAPITAL PROJECTS FUND

STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES
AND PROJECT STATUS - BUDGETARY BASIS

DISTRICT WIDE CONSTRUCTION - BOND ISSUE 2002

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues				
Bond Proceeds	\$ 18,175,000		\$ 18,175,000	\$ 18,175,000
Premium on Bond Anticipation Notes	39,189		39,189	39,189
State Sources - SCC Grant	11,083,551		11,083,551	11,083,551
Interest on Investments	658,188		658,188	658,188
Miscellaneous	454		454	454
Total Revenues	29,956,382	-	29,956,382	29,956,382
Expenditures				
Purchased and Professional and Technical Services	2,308,565		2,308,565	2,308,565
Construction Services	26,170,084		26,170,084	26,170,084
Equipment	428,083		428,083	428,083
General Supplies	270,741		270,741	270,741
Total Expenditures	29,177,473	-	29,177,473	29,177,473
Other Financing Sources (Uses)				
Operating Transfers Out - Debt Service	(750,000)	\$ (28,909)	(778,909)	(778,909)
Total Financing Sources (Uses)	(750,000)	(28,909)	(778,909)	(778,909)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 28,909	\$ (28,909)	\$ -	\$ -

Additional Project Information:

Project Number	#1100-040-00-0638 #1100-080-00-0634 #1100-130-00-0635 #1100-045-00-0637
Grant Date	3/5/2002
Grant Amount	\$ 10,607,997
Bond Authorization Date	2/7/2002
Bond Authorized	\$ 18,175,000
Bonds Issued	\$ 18,175,000
Original Authorized Cost	\$ 28,782,997
Additional Authorized Cost	\$ 1,173,385
Revised Authorized Cost	\$ 29,956,382
Percentage Increase over Original Authorized Cost	4.08%
Percentage Completion	100%
Original Target Completion Date	10/1/2004
Revised Target Completion Date	5/1/2006

DEPTFORD TOWNSHIP BOARD OF EDUCATION

CAPITAL PROJECTS FUND

STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES
AND PROJECT STATUS - BUDGETARY BASIS

UPGRADE OF BELL/CLOCK/SYSTEM

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Prior Year	Current Year	Totals	Revised Authorized Cost
Revenues				
State Sources - SCC Grant	\$ 120,418		\$ 120,418	\$ 120,418
Total Revenues	120,418	-	120,418	120,418
Expenditures				
Purchased and Professional and Technical Services	500		500	500
Construction Services	284,000		284,000	284,000
Total Expenditures	284,500	-	284,500	284,500
Other Financing Sources (Uses)				
Operating Transfers In - Debt Service	159,940	4,142	164,082	164,082
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (4,142)	\$ 4,142	\$ -	\$ -

Additional Project Information:

Project Number	#1100-045-04-2000/ #1100-105-04-0CAS/ #1100-105-04-1000/ #1100-105-04-0CAP/ #1100-120-04-1000/ #1100-120-04-0CAR #1100-140-04-1000/ #1100-140-04-0CAT
Grant Date	3/11/2003
Bond Authorization Date	N/A
Bond Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 284,500
Additional Authorized Cost	N/A
Revised Authorized Cost	N/A
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	2/21/2006
Revised Target Completion Date	N/A

DEPTFORD TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES
AND PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS OF HVAC-DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Current Year	Totals	Revised Authorized Cost
Revenues			
State Sources - SCC Grant	\$ 1,100,601	\$ 1,100,601	\$ 1,100,601
Total Revenues	<u>1,100,601</u>	<u>1,100,601</u>	<u>1,100,601</u>
Expenditures			
Purchased and Professional and Technical Services		-	128,000
Construction Services		-	972,601
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,100,601</u>
Other Financing Sources (Uses)			
Operating Transfers In - Debt Service	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 1,100,601</u>	<u>\$ 1,100,601</u>	<u>\$ -</u>

Additional Project Information:

Project Number	#1100-090-09-1004
	#1100-120-09-1001
	#1100-130-09-1002
Grant Date	8/14/2009
Original Authorized Cost	\$ 1,179,740
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,179,740
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0.00%
Original Target Completion Date	9/1/2010
Revised Target Completion Date	9/1/2010

DEPTFORD TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES
AND PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS OF HVAC-PINE ACRES SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Current Year	Totals	Revised Authorized Cost
Revenues			
State Sources - SCC Grant	\$ 156,480	\$ 156,480	\$ 156,480
Total Revenues	156,480	156,480	156,480
Expenditures			
Purchased and Professional and Technical Services		-	27,000
Construction Services	125,820	125,820	129,480
Total Expenditures	125,820	125,820	156,480
Other Financing Sources (Uses)			
Operating Transfers In - Debt Service	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 30,660	\$ 30,660	\$ -

Additional Project Information:

Project Number	#	1100-130-09-1002
Grant Date		8/14/2009
Original Authorized Cost	\$	175,630
Additional Authorized Cost	\$	-
Revised Authorized Cost	\$	175,630
Percentage Increase over Original Authorized Cost		0.00%
Percentage Completion		100.00%
Original Target Completion Date		9/1/2010
Revised Target Completion Date		9/1/2010

DEPTFORD TOWNSHIP BOARD OF EDUCATION

CAPITAL PROJECTS FUND

STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES
AND PROJECT STATUS - BUDGETARY BASIS

RENOVATIONS OF HVAC-OAK VALLEY SCHOOL

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Current Year	Totals	Revised Authorized Cost
Revenues			
State Sources - SCC Grant	\$ 490,176	\$ 490,176	\$ 490,176
Total Revenues	<u>490,176</u>	<u>490,176</u>	<u>490,176</u>
Expenditures			
Purchased and Professional and Technical Services		-	33,000
Construction Services	456,222	456,222	457,176
Total Expenditures	<u>456,222</u>	<u>456,222</u>	<u>490,176</u>
Other Financing Sources (Uses)			
Operating Transfers In - Debt Service	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 33,954</u>	<u>\$ 33,954</u>	<u>\$ -</u>

Additional Project Information:

Project Number	#1100-120-09-1001
Grant Date	8/14/2009
Original Authorized Cost	\$ 550,165
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 550,165
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	9/1/2010
Revised Target Completion Date	9/1/2010

DEPTFORD TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES
AND PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS OF HVAC-GOOD INTENT SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Current Year	Totals	Revised Authorized Cost
Revenues			
State Sources - SCC Grant	\$ 453,945	\$ 453,945	\$ 453,945
Total Revenues	453,945	453,945	453,945
Expenditures			
Purchased and Professional and Technical Services			68,000
Construction Services	384,018	384,018	385,945
Total Expenditures	384,018	384,018	453,945
Other Financing Sources (Uses)			
Operating Transfers In - Debt Service	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 69,927	\$ 69,927	\$ -

Additional Project Information:

Project Number	#	1100-090-09-1004
Grant Date		8/14/2009
Original Authorized Cost	\$	453,945
Additional Authorized Cost	\$	-
Revised Authorized Cost	\$	453,945
Percentage Increase over Original Authorized Cost		0.00%
Percentage Completion		100.00%
Original Target Completion Date		9/1/2010
Revised Target Completion Date		9/1/2010

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

Food service fund - This fund provides for the operation of food services in all schools within the school district.

DEPTFORD TOWNSHIP BOARD OF EDUCATION

ENTERPRISE FUND

FOOD SERVICES

STATEMENT OF NET ASSETS

AS OF JUNE 30, 2010

	<u>2010</u>
ASSETS:	
Current Assets:	
Cash	\$ 198,190
Accounts Receivable	
State	2,956
Federal	54,275
Other	2,059
Inventories	<u>7,888</u>
Total Current Assets	<u>265,368</u>
Non Current Assets:	
Equipment	495,022
Less: Accumulated Depreciation	<u>(343,088)</u>
Net Equipment	<u>151,934</u>
	<u>417,302</u>
LIABILITIES:	
Current Liabilities	
Interfund Payable	71,798
Accounts Payable	<u>18,832</u>
Total Current Liabilities	<u>90,630</u>
NET ASSETS	
Invested in Capital Assets, net of related debt	151,934
Unrestricted	<u>174,738</u>
Total Net Assets	<u>\$ 326,672</u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION

ENTERPRISE FUND

FOOD SERVICES

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>2010</u>
Operating Revenue	
Local Sources	
Daily Sales - Reimbursable Programs	\$ 535,669
Daily Sales - Nonreimbursable Programs	<u>200,926</u>
Total Operating Revenue	<u>736,595</u>
Operating Expenses	
Depreciation Expense	27,577
Dues and Subscriptions	247
Employee Benefits	209,151
Food Costs	678,126
Office and Uniform expense	1,919
Payroll Tax Expense	55,314
Purchased Services	5,886
Repairs and Maintenance	7,428
Salaries	723,055
Seminars and Training	
Service Charges	3,739
Supplies and Materials	62,849
Travel	
Total Operating Expenses	<u>1,775,291</u>
Operating Loss	<u>(1,038,696)</u>
Nonoperating Revenue	
State Sources	
State School Breakfast Program	9,324
State School Lunch Program	26,552
Federal Sources	
Nutrition Reimbursements	658,153
United States Departments of Agriculture	
Commodities	119,197
Interest	<u>601</u>
Total Nonoperating Revenue	<u>813,827</u>
Net Loss Before Operating Transfers	(224,869)
Operating Transfers in Board Contribution	<u>264,465</u>
Change in Net Assets before Board Capital Contributions	39,596
Operating Transfers in Board Capital Contribution	<u>7,340</u>
Change in Net Assets	46,936
Net Assets - July 1	<u>279,736</u>
Net Assets - June 30	<u>\$ 326,672</u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities Enterprise Fund Food Service
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers and Other Funds	\$ 1,136,963
Payments to Employees	(723,055)
Payments for Employee Benefits	(209,151)
Payments to Suppliers	<u>(763,198)</u>
Net Cash Provided by (used for) Operating Activities	<u>(558,441)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Cash Received from Federal and State Reimbursements	<u>694,029</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>694,029</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Change in capital contributions	7,340
Purchase of Capital Assets	<u>(7,340)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>601</u>
Net Cash Provided by (used for) Investing Activities	<u>601</u>
Net Increase (Decrease) in Cash and Cash Equivalents	136,189
Balances -- July 1	<u>62,001</u>
Balances -- June 30	<u><u>\$ 198,190</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	(1,038,696)
Operating Transfers In	264,465
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	27,577
Federal Commodities	119,197
(Increase) Decrease in Accounts Receivable, net	135,903
(Increase) Decrease in Inventories	5,835
Increase (Decrease) in Accounts Payable	3,675
Increase (Decrease) in Other Current Liabilities	<u>(76,397)</u>
Total Adjustments	<u>215,790</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (558,441)</u></u>

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

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

Scholarship Fund - This is an expendable trust fund and limits expenses to the amounts earned on the trust principal.

Agency funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund - This agency fund is used to account for students funds held at the schools.

Payroll Fund - This agency fund is used to account for the payroll transactions of the school district.

DEPTFORD TOWNSHIP BOARD OF EDUCATION
COMBINING STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2010

	Expendable Trust		Agency		Total
	New Jersey Unemployment Compensation	Scholarship	Student Activity	Payroll	
ASSETS					
Cash and Cash Equivalents	\$ 683,420	\$ 61,375	\$ 246,993	\$ 586,452	\$ 1,578,240
Accounts Receivable - Other				15,653	15,653
Total Assets	<u>683,420</u>	<u>61,375</u>	<u>246,993</u>	<u>602,105</u>	<u>1,593,893</u>
LIABILITIES					
Payroll Deductions and Withholding				\$ 15,653	15,653
Net Payroll - Summer Salary				586,452	586,452
Due to Student Groups			\$ 246,993		246,993
Total Liabilities	<u>-</u>	<u>-</u>	<u>246,993</u>	<u>602,105</u>	<u>849,098</u>
NET ASSETS					
Reserved for Unemployment Benefits	683,420				683,420
Unreserved		61,375			61,375
Total Net Assets	<u>\$ 683,420</u>	<u>\$ 61,375</u>			<u>\$ 744,795</u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>New Jersey Unemployment Compensation</u>	<u>Scholarship Fund</u>	<u>Totals</u>
Operating Revenue			
Local Sources			
Deductions from Employees' Salaries	\$ 85,138		\$ 85,138
Contributions		\$ 20,200	20,200
Interest on Investments	<u>2,241</u>		<u>2,241</u>
Total Operating Revenue	<u>87,379</u>	<u>20,200</u>	<u>107,579</u>
 Operating Expenditures			
Unemployment Compensation Insurance			
Claims and Expenses	83,434		83,434
Scholarship Payment		<u>4,200</u>	<u>4,200</u>
Total Operating Expenditures	<u>83,434</u>	<u>4,200</u>	<u>87,634</u>
Change in Net Assets	3,945	16,000	19,945
 Net Assets - July 1	<u>679,475</u>	<u>45,375</u>	<u>724,850</u>
 Net Assets - June 30	<u>\$ 683,420</u>	<u>\$ 61,375</u>	<u>\$ 744,795</u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
Assets				
Cash and Cash Equivalents	<u>\$ 247,930</u>	<u>\$ 496,533</u>	<u>\$ 497,470</u>	<u>\$ 246,993</u>
Liabilities				
Due to Student Groups	<u>\$ 247,930</u>	<u>\$ 496,533</u>	<u>\$ 497,470</u>	<u>\$ 246,993</u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION

PAYROLL AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

FOR FISCAL YEAR ENDED JUNE 30, 2010

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2010</u>
Assets				
Cash and Cash Equivalents	\$ 508,895	\$ 18,772,884	\$ 18,695,327	\$ 586,452
Accounts Receivable - Other	69,072		53,419	15,653
	<u>\$ 577,967</u>	<u>\$ 18,772,884</u>	<u>\$ 18,748,746</u>	<u>\$ 602,105</u>
Liabilities				
Payroll Deductions and Withholdings	\$ 69,072	\$ 17,979,869	\$ 18,033,288	\$ 15,653
Net Payroll - Summer Salary	508,895	793,015	715,458	586,452
	<u>\$ 577,967</u>	<u>\$ 18,772,884</u>	<u>\$ 18,748,746</u>	<u>\$ 602,105</u>

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 GENERAL LONG-TERM DEBT ACCOUNT GROUP

STATEMENTS OF BONDS PAYABLE
 YEAR ENDED JUNE 30, 2010

Purpose	Date of Issue	Original Issue	Annual Maturities Date	Annual Maturities Amount	Rate	Balance	
						July 1, 2009	June 30, 2010
School Repairs and Equipment	2/7/02	\$ 18,175,000	2/1/11	\$ 850,000	4.600%	\$ 4,280,000	\$ 3,465,000
			2/1/12	885,000	4.600%		
			2/1/13	925,000	4.600%		
			2/1/14	805,000	4.600%		
Refunding of Bonds 2002	2/16/06	10,000,000	2/1/11	35,000	3.400%	10,000,000	9,965,000
			2/1/12	40,000	3.500%		
			2/1/13	40,000	3.500%		
			2/1/14	205,000	4.000%		
			2/1/15	1,050,000	4.000%		
			2/1/16	1,100,000	4.000%		
			2/1/17	1,140,000	4.000%		
			2/1/18	1,185,000	4.000%		
			2/1/19	1,225,000	4.000%		
			2/1/20	1,275,000	4.000%		
2/1/21	1,325,000	4.000%					
2/1/22	1,345,000	4.000%					
						\$ 14,280,000	\$ 13,430,000

DEPTFORD TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,386,258		\$ 1,386,258	\$ 1,386,258	-
Total - Local Sources	1,386,258	-	1,386,258	1,386,258	-
Total Revenues	1,386,258	-	1,386,258	1,386,258	-
EXPENDITURES:					
Regular Debt Service:					
Interest	596,025		596,025	596,025	-
Redemption of Principal	850,000		850,000	850,000	-
			-		-
Total Regular Debt Service	1,446,025	-	1,446,025	1,446,025	-
Total Expenditures	1,446,025	-	1,446,025	1,446,025	-
Excess (Deficiency) of Revenue Over (Under) Expenditures	(59,767)	-	(59,767)	(59,767)	-
OTHER FINANCING SOURCES (USES)					
Transfers from General	434,145		434,145	434,145	-
Transfers from Capital Projects	24,767		24,767	24,767	-
Total Other Financing Sources (Uses)	458,912	-	458,912	458,912	-
Net Change in Fund Balances	399,145	-	399,145	399,145	-
Fund Balance, July 1	87,954		87,954	87,954	-
Fund Balance, June 30	<u>\$ 487,099</u>	<u>\$ -</u>	<u>\$ 487,099</u>	<u>\$ 487,099</u>	<u>\$ -</u>
Recapitulation of Excess (Deficiency) of Revenues Over (under) Expenditures					
Budgeted Fund Balance	<u>\$ 487,099</u>	<u>\$ -</u>	<u>\$ 487,099</u>	<u>\$ 487,099</u>	<u>\$ -</u>

STATISTICAL SECTION

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Net Assets by Component
Last Eight Fiscal Years (accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$ 23,711,568	\$ 23,637,524	\$ 23,380,040	\$ 23,781,593	\$ 23,936,201	\$ 23,576,864	\$ 22,081,182	\$ 12,429,421
Restricted	6,146,861	6,593,681	4,790,791	4,909,870	4,272,958	3,439,300	4,424,935	8,672,485
Unrestricted	(3,295,015)	(2,477,153)	(2,504,515)	(1,941,676)	(2,235,768)	(1,185,347)	(1,254,368)	(355,565)
Total Governmental Activities Net Assets	\$ 26,563,414	\$ 27,754,052	\$ 25,666,316	\$ 26,749,787	\$ 25,973,391	\$ 25,830,817	\$ 25,251,749	\$ 20,746,341
Business-type Activities								
Invested in Capital Assets, Net of Related Debt	\$ 151,934	\$ 172,171	\$ 184,662	\$ 192,030	\$ 175,855	\$ 146,821	\$ 116,138	\$ 129,558
Restricted								
Unrestricted	174,738	107,565	100,362	87,071	34,248	86,569	138,704	140,842
Total Business-type Activities Net Assets	\$ 326,672	\$ 279,736	\$ 285,024	\$ 279,101	\$ 210,103	\$ 233,390	\$ 254,842	\$ 270,400
District-wide								
Invested in Capital Assets, Net of Related Debt	\$ 23,863,502	\$ 23,809,695	\$ 23,564,702	\$ 23,973,623	\$ 24,112,056	\$ 23,723,685	\$ 22,197,320	\$ 12,558,979
Restricted	6,146,861	6,593,681	4,790,791	4,909,870	4,272,958	3,439,300	4,424,935	8,672,485
Unrestricted	(3,120,277)	(2,369,588)	(2,404,153)	(1,854,605)	(2,201,520)	(1,098,778)	(1,115,664)	(214,723)
Total District-wide Net Assets	\$ 26,890,086	\$ 28,033,788	\$ 25,951,340	\$ 27,028,888	\$ 26,183,494	\$ 26,064,207	\$ 25,506,591	\$ 21,016,741

Source: District Records

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 Changes in Net Assets
 Last Eight Fiscal Years (accrual basis of accounting)
 Unaudited

	Fiscal Year Ending June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses								
Governmental Activities								
Instruction								
Regular	\$ 23,734,807	\$ 23,571,594	\$ 22,252,915	\$ 20,657,420	\$ 22,688,522	\$ 22,073,459	\$ 20,269,251	\$ 18,384,139
Special Education	9,436,835	9,046,855	10,603,819	9,409,811	6,102,071	5,478,286	4,259,421	3,610,508
Other Special Education	2,313,321	1,469,102	3,017,247	2,762,730	1,361,572	1,110,664	1,012,656	897,409
Support Services:								
Tuition	2,791,314	2,755,249	2,783,508	2,190,458	1,738,457	1,419,140	2,139,745	1,398,424
Student & Instruction Related Services	7,551,312	7,208,303	6,406,410	5,530,869	5,270,490	4,947,008	4,645,653	4,550,111
General Administrative Services	1,043,778	959,160	1,175,881	1,020,087	1,206,493	1,099,111	1,063,149	1,043,665
School Administrative Services	2,848,685	2,603,159	2,618,282	2,420,886	3,227,977	2,331,533	1,992,793	2,150,811
Central Services	934,993	878,881	869,697	879,328	878,041	891,976		
Administrative Information Technology	1,628,658	1,083,446	980,199	900,927	822,826	674,187		
Plant Operations and Maintenance	7,090,192	6,402,898	6,596,013	6,350,209	5,748,000	5,644,791	4,973,790	4,084,577
Pupil Transportation	4,069,573	3,847,460	4,811,445	5,004,407	4,438,501	4,424,822	4,022,746	3,702,979
Business and Other Support Services					4,563	5,793	1,245,109	925,799
Special Schools				14,205	13,700	6,827	9,793	
Interest on Long-Term Debt	664,383	701,415	744,807	940,985	887,495	847,171	891,213	917,604
Total Governmental Activities Expenses	64,107,851	60,527,522	62,860,223	58,082,322	54,388,708	50,948,975	46,525,319	41,666,026
Business-type Activities:								
Food Service								
	1,775,291	1,740,061	1,775,131	1,716,204	1,681,779	1,530,601	1,356,986	1,307,982
Total Business-type Activities Expense	1,775,291	1,740,061	1,775,131	1,716,204	1,681,779	1,530,601	1,356,986	1,307,982
Total District Expenses	\$ 65,883,142	\$ 62,267,583	\$ 64,635,354	\$ 59,798,526	\$ 56,070,487	\$ 52,479,576	\$ 47,882,305	\$ 42,974,008
Program Revenues								
Governmental Activities:								
Charges for Services:								
Instruction (tuition)	\$ 184,978	\$ 179,860	\$ 236,957	\$ 403,295	\$ 313,240	\$ 294,695	\$ 408,119	\$ 345,571
Operating Grants and Contributions	2,999,205	3,128,159	3,946,838	3,955,996	3,957,232	3,962,475	3,964,459	1,390,528
Total Governmental Activities Program Revenues	3,184,183	3,308,019	4,183,795	4,359,291	4,270,472	4,257,170	4,372,578	1,736,099
Business-type activities:								
Charges for services								
Food Service	736,595	811,709	818,395	711,382	675,670	659,922	642,708	627,384
Operating Grants and Contributions	813,226	687,197	653,312	624,179	673,792	577,792	462,252	434,995
Total Business-type Activities Program Revenues	1,549,821	1,498,906	1,471,707	1,335,561	1,349,462	1,237,714	1,104,960	1,062,379
Total District Program Revenues	\$ 4,734,004	\$ 4,806,925	\$ 5,655,502	\$ 5,694,852	\$ 5,619,934	\$ 5,494,884	\$ 5,477,538	\$ 2,798,478
Net (Expense)/Revenue								
Governmental Activities								
	\$ (60,923,668)	\$ (57,219,503)	\$ (58,676,428)	\$ (53,723,031)	\$ (50,118,236)	\$ (46,691,805)	\$ (42,152,741)	\$ (39,929,927)
Business-type Activities								
	(225,470)	(241,155)	(303,424)	(380,643)	(332,317)	(292,887)	(252,026)	(245,603)
Total District-wide Net Expense	\$ (61,149,138)	\$ (57,460,658)	\$ (58,979,852)	\$ (54,103,674)	\$ (50,450,553)	\$ (46,984,692)	\$ (42,404,767)	\$ (40,175,530)
General Revenues and Other Changes in Net Assets								
Governmental Activities:								
Property Taxes Levied for General Purposes, Net	\$ 33,263,531	\$ 32,640,400	\$ 31,548,462	\$ 30,348,902	\$ 26,529,202	\$ 24,632,977	\$ 23,849,442	\$ 20,686,419
Taxes Levied for Debt Service	1,386,258	698,635	1,625,200	1,578,764	1,670,391	1,690,256	1,729,464	1,056,971
Unrestricted Grants and Contributions	25,072,474	26,115,401	24,471,551	22,560,839	21,122,956	20,563,165	19,613,169	23,208,177
Restricted Grants and Contributions					845,049	107,605	1,591,199	7,425,598
Restricted for Debt Service					54,519			
Investment Earnings	27,986	64,388	219,093	359,965	218,131	101,380	38,100	149,798
Miscellaneous Income	254,586	23,853	36,076	96,453	128,757	446,782	73,191	54,336
Uncollectible State Revenue			(4,142)					
Transfers	(271,805)	271,805	(303,250)	(445,529)	(308,195)	(271,292)	(236,416)	(237,077)
Total Governmental Activities	59,733,030	59,814,482	57,592,990	54,499,394	50,260,810	47,270,873	46,658,149	52,344,222
Business-type Activities:								
Investment Earnings	601	429	6,097	4,112	835	143	52	259
Transfers	271,805	235,438	303,250	445,529	308,195	271,292	236,416	237,077
Total Business-type Activities	272,406	235,867	309,347	449,641	309,030	271,435	236,468	237,336
Total District-wide	\$ 60,005,436	\$ 60,050,349	\$ 57,902,337	\$ 54,949,035	\$ 50,569,840	\$ 47,542,308	\$ 46,894,617	\$ 52,581,558
Change in Net Assets								
Governmental Activities								
	\$ (1,190,638)	\$ 2,594,979	\$ (1,083,438)	\$ 776,363	\$ 142,574	\$ 579,068	\$ 4,505,408	\$ 12,414,295
Business-type Activities								
	46,936	(5,288)	5,923	68,998	(23,287)	(21,452)	(15,558)	(8,267)
Total District	\$ (1,143,702)	\$ 2,589,691	\$ (1,077,515)	\$ 845,361	\$ 119,287	\$ 557,616	\$ 4,489,850	\$ 12,406,028

Source: District Records

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Fund Balances, Governmental Funds
Last Eight Fiscal Years (modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30.							
	2010	2009	2008	2007	2006	2005	2004	2003
General Fund	\$ 4,559,161	\$ 6,480,960	\$ 3,326,408	\$ 3,434,843	\$ 2,775,833	\$ 2,782,357	\$ 3,473,770	\$ 1,059,624
Reserved	(1,114,761)	(378,306)	343,369	918,049	788,195	689,165	495,733	1,298,237
Unreserved	\$ 3,444,400	\$ 6,102,654	\$ 3,669,777	\$ 4,352,892	\$ 3,564,028	\$ 3,471,522	\$ 3,969,503	\$ 2,357,861
Total General Fund	\$ 1,453,159	\$ 87,954	\$ 51,224	\$ 47,068	\$ 46,918	\$ 488,888	\$ 489,700	\$ 6,086,873
All Other Governmental Funds								
Reserved	(86,955)	(71,819)	(148,469)	(121,636)	(125,196)	(126,258)	(42,017)	(126,974)
Unreserved, Reported in:	134,541	24,767	774,767	813,047	872,810	168,055	461,465	1,525,988
Special Revenue Fund								
Capital Projects Fund								
Debt Service Fund								
Total All Other Governmental Funds	\$ 1,500,745	\$ 40,902	\$ 677,522	\$ 738,479	\$ 794,532	\$ 530,685	\$ 909,148	\$ 7,485,887

Source: District Records

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 Changes in Fund Balances, Governmental Funds
 Last Eight Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues								
Tax Levy	\$ 34,649,789	\$ 33,339,035	\$ 33,173,662	\$ 31,927,666	\$ 28,199,593	\$ 26,323,233	\$ 25,578,906	\$ 21,743,390
Tuition Charges	184,978	179,860	236,957	403,295	313,240	294,695	408,119	345,571
Interest Earnings	27,986	64,388	219,093	359,965	218,132	101,380	38,100	149,798
Miscellaneous	254,586	23,854	36,076	96,453	128,757	446,782	73,191	54,336
State Sources	22,126,579	27,393,031	26,820,083	24,941,712	24,154,321	23,008,020	23,625,449	30,598,314
Federal Sources	5,945,099	1,850,529	1,598,306	1,575,123	1,770,916	1,625,225	1,543,378	1,425,989
Total Revenue	63,189,017	62,850,697	62,084,177	59,304,214	54,784,959	51,799,335	51,267,143	54,317,398
Expenditures								
Instruction								
Regular Instruction	18,021,993	17,881,736	16,083,596	15,192,455	17,404,169	16,934,033	15,510,677	14,531,540
Special Education Instruction	7,176,891	6,863,069	7,664,054	6,917,039	4,680,846	4,202,761	3,332,657	2,859,798
Other Instruction	1,759,324	1,114,481	2,180,756	2,031,844	1,044,450	852,065	785,255	710,817
Support Services:								
Tuition	2,791,314	2,755,249	2,783,508	2,190,458	1,738,457	1,419,140	2,139,745	1,398,424
Student & Instruction Related Services	5,742,915	5,468,318	4,630,320	4,067,666	4,042,947	3,795,182	3,589,342	3,634,136
General Administrative Services	793,813	727,632	849,884	750,221	925,491	843,202	824,410	826,663
School Administrative Services	2,116,078	2,008,787	1,954,586	1,978,595	1,949,414	1,793,499	1,595,054	1,554,262
Central Services	711,080	666,731	628,585	646,700	673,538	684,295	684,295	684,295
Administrative Information Technology	1,238,625	821,917	708,452	662,585	631,183	517,214	948,204	718,615
Business Administrative Services	5,578,748	5,047,509	4,939,677	4,853,518	4,529,304	4,332,185	3,920,460	3,281,794
Plant Operations and Maintenance	3,029,387	2,826,444	3,316,350	3,572,337	3,358,352	3,279,323	3,000,568	2,845,145
Pupil Transportation	12,043,588	11,226,969	13,953,538	12,072,766	9,692,991	10,423,105	9,150,173	7,270,738
Unallocated Employee Benefits				14,205	13,700	6,827	9,793	
Special Schools				1,501,277	1,675,591	1,526,134	9,349,921	20,342,312
Capital Outlay	1,665,842	1,998,255	1,148,995					
Capital Projects	850,000	780,000	998,000	965,000	935,000	930,000	930,000	245,000
Debt Service:	596,025	631,905	680,556	709,209	875,997	865,522	909,565	923,347
Interest and Other Charges								
Total Expenditures	64,115,623	60,819,002	62,520,857	58,125,875	54,174,930	52,404,487	55,995,824	61,142,591
Excess (Deficiency) of Revenues Over (Under) Expenditures	(926,606)	2,031,695	(436,680)	1,178,339	610,029	(605,152)	(4,728,681)	(6,825,193)
Other Financing Sources (Uses)								
Capital Leases (Non-budgeted)								230,000
Bond Proceeds								
Proceeds of Refunding Debt			(4,142)		10,032,866			
Payment to Refunded Debt Escrow Agent					(9,978,347)			
Uncollectible State Funds								
Transfers In	458,912	750,000						
Transfers Out	(730,717)	(985,438)	(303,250)	(445,529)	(308,195)	(271,292)	(236,416)	(237,077)
Total Other Financing Sources (Uses)	(271,805)	(235,438)	(307,392)	(445,529)	(253,676)	(271,292)	(236,416)	(7,077)
Net Change in Fund Balances	\$ (1,198,411)	\$ 1,796,257	\$ (744,072)	\$ 732,810	\$ 356,353	\$ (876,444)	\$ (4,965,097)	\$ (6,832,270)
Debt Service as a Percentage of Noncapital Expenditures	2.3%	2.4%	2.7%	3.0%	3.4%	3.5%	3.9%	2.9%
Source: District Records								

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (modified accrual basis of accounting)
 Unaudited

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Extended Year Tuition										
Insurance Claims						\$ 21,400				
Interest on Investments	\$ 23,736	\$ 64,388	\$ 219,093	\$ 359,965	\$ 218,132	101,380	\$ 23,979	\$ 28,646	\$ 54,881	\$ 47,423
Interest on Investments- Capital Reserve	4,250			19,900						
Grant										
Prior Year Purchase Order Adjustments	42,409	15,951	32,111	72,458	19,934	408,772	9,795	2,744	138,139	4,595
Prior Year Tuition Adjustments						15,243	49,402	42,578	58,391	5,428
Refunds						465	975	5,435		30
Lease Purchase Agreement	210,000									
Sale of Fixed Assets					102,425	60	26		180,020	2,151
Sale of Obsolete Equipment				50	1,500					
Seminar/Class Fees		3,608								
Township Share of Community Activities							10,087			
Tuition	184,978	179,860	236,957	403,295	313,240	294,695	408,119	345,571	263,429	246,819
	<u>\$ 465,373</u>	<u>\$ 263,807</u>	<u>\$ 488,161</u>	<u>\$ 855,668</u>	<u>\$ 655,231</u>	<u>\$ 842,015</u>	<u>\$ 502,383</u>	<u>\$ 425,019</u>	<u>\$ 694,860</u>	<u>\$ 306,446</u>

Source: District Records.

DEPTFORD TOWNSHIP BOARD OF EDUCATION
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

(Fiscal) Ended Dec. 31, (June 30.)	Vacant Land	Residential	Farm, Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities (1)	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2010	\$ 37,429,200	\$ 1,128,365,285	\$ 5,876,000	\$ 412,900	\$ 499,829,977	\$ 10,000,900	\$ 52,861,400	\$ 1,734,775,662	\$ 188,202,800	\$ 4,439,720	\$ 1,739,215,382	\$ 3,197,087,099	1.994
2009	39,770,700	1,121,758,900	6,180,900	417,100	505,689,460	10,001,000	53,567,600	1,737,325,660	180,444,800	4,161,638	1,741,487,298	3,177,316,728	1.799
2008	42,448,900	1,117,506,900	6,236,500	419,900	473,462,260	10,001,000	53,584,400	1,703,659,860	108,203,600	2,716,571	1,706,376,431	2,921,135,190	1.953
2007	45,052,400	1,104,654,300	6,133,800	389,600	459,933,760	10,001,000	52,722,000	1,678,886,860	172,987,600	2,599,738	1,681,506,598	2,833,160,051	1.972
2006	41,811,100	1,087,054,400	6,059,900	429,700	472,294,560	10,001,000	51,193,200	1,648,843,860	186,883,300	2,884,477	1,651,728,337	2,434,034,864	1.933
2005	46,464,600	1,016,827,400	6,459,800	464,700	473,928,000	10,371,000	47,880,800	1,602,396,300	185,380,800	3,716,089	1,606,111,389	1,991,167,019	1.756
2004	47,956,200	959,829,100	6,629,800	477,500	472,308,700	10,371,000	43,021,000	1,540,593,300	177,990,700	4,116,738	1,544,710,038	1,773,357,479	1.705
2003	49,125,700	922,321,900	6,478,300	466,600	473,652,900	10,371,000	38,399,400	1,500,817,800	175,492,000	4,653,733	1,538,465,479	1,505,471,533	1.689
2002	58,405,900	888,412,400	6,455,500	514,300	457,197,100	10,371,000	32,852,000	1,454,208,200	167,903,700	1,386,700	1,454,208,200	1,472,533,285	1.491
2001	45,868,100	865,812,500	6,365,200	531,600	443,638,900	10,371,000	32,863,000	1,405,450,300	167,471,200	4,213,331	1,409,663,631	1,356,124,900	1.211

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

GASB Statement 44 requires that the information in this schedule be shown for each "period for which levied" and should be consistent with the periods shown in the schedule of direct and overlapping property tax rates and schedule of property tax levies and collections.

Source: Municipal Tax Assessor

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Direct and Overlapping Property Tax Rates

Last Ten (Fiscal) Years

(rate per \$100 of assessed value)

Unaudited

(Fiscal) Ended Dec. 31, (June 30,)	District Direct Rate		Overlapping Rates			Total Direct and Tax Rate
	<u>Basic Rate (1)</u>	<u>General Obligation Service (2)</u>	<u>Total Direct School Tax Rate</u>	<u>School District</u>	<u>Township of Deptford</u>	
2010	1.984	0.010	1.994		1.357	4.298
2009	1.980	0.010	1.990		1.210	4.202
2008	1.943	0.010	1.953		1.119	4.014
2007	1.875	0.097	1.972		1.041	3.942
2006	1.837	0.096	1.933		0.969	3.771
2005	1.650	0.106	1.756		0.913	3.465
2004	1.600	0.105	1.705		0.855	3.274
2003	1.580	0.119	1.699		0.778	3.140
2002	1.430	0.061	1.491		0.802	2.923
2001	1.199	0.012	1.211		0.777	2.586

(1) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

(2) Rates for debt service are based on each year's requirements.

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any growth adjustments.

Source: Municipal Tax Collector

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Principal Property Tax Payers
Current Year and Ten Years Ago
Unaudited

Taxpayer	2010			2000		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Deptford Mall Associates	\$ 85,515,900	1	4.92%	\$ 85,000,000	1	6.25%
Walmart	20,904,700	2	1.20%			
Almonesson Associates - I	20,827,800	3	1.20%	36,000,000	2	2.65%
AIG Baker/Walmart	20,285,800	4	1.17%			
AIG Baker	15,135,100	5	0.87%			
AIG Baker/Sams	14,766,600	6	0.85%			
Almonesson Associates - II	14,278,000	7	0.82%			
Deptford Commons	12,750,000	8	0.73%			
Boscov's	11,900,000	9	0.68%			
Macy's Department Store	10,822,645	10	0.62%			
Deptbam Properties Corp				14,300,000	3	1.05%
Sears & Roebuck & Co.				13,900,000	4	1.02%
RCA/GE				13,000,000	5	0.96%
Deptford Crossing				12,750,000	6	0.94%
May Department Stores				11,900,000	7	0.87%
Home Depot	-			10,788,400	8	0.79%
Baseball LP	-			10,600,000	9	0.78%
Natick Realty Corp.				9,325,000	10	0.69%
Total	\$ 227,186,545		13.06%	\$ 217,563,400		15.99%

Source: Municipal Tax Assessor

DEPTFORD TOWNSHIP BOARD OF EDUCATION
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>School Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2010	\$ 33,263,531	\$ 33,263,531	100.00%	-
2009	32,640,400	32,640,400	100.00%	-
2008	31,548,462	31,548,462	100.00%	-
2007	30,348,902	30,348,902	100.00%	-
2006	26,529,202	26,529,202	100.00%	-
2005	24,632,977	24,632,977	100.00%	-
2004	23,849,442	23,849,442	100.00%	-
2003	20,686,419	20,686,419	100.00%	-
2002	16,837,094	16,837,094	100.00%	-
2001	15,750,087	15,750,087	100.00%	-

(1) School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

Source: District records including the Certificate and Report of School Taxes (A4F form)

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	<u>Governmental Activities</u>				<u>Business-Type Activities</u>		Percentage of Personal Income (2)	<u>Per Capita (2)</u>
	<u>General Obligation Bonds (1)</u>	<u>Certificates of Participation</u>	<u>Capital Leases</u>	<u>Bond Anticipation Notes (BANS)</u>	<u>Capital Leases</u>	<u>Total District</u>		
2010	\$ 13,430,000	N/A	-	N/A	N/A	\$ 13,430,000	N/A	N/A
2009	14,280,000	N/A	-	N/A	N/A	14,280,000	N/A	N/A
2008	15,060,000	N/A	-	N/A	N/A	15,060,000	0.26%	\$ 39,040
2007	16,058,000	N/A	-	N/A	N/A	16,058,000	0.24%	37,754
2006	17,023,000	N/A	\$ 60,458	N/A	N/A	17,083,458	0.21%	36,401
2005	17,588,000	N/A	58,649	N/A	N/A	17,646,649	0.19%	34,373
2004	18,518,000	N/A	297,917	N/A	N/A	18,815,917	0.17%	32,888
2003	19,448,000	N/A	426,843	N/A	N/A	19,874,843	0.16%	31,317
2002	19,693,000	N/A	302,398	N/A	N/A	19,995,398	0.15%	30,726
2001	1,763,000	N/A	123,590	N/A	N/A	1,886,590	1.60%	30,096

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

- (1) Includes Early Retirement Incentive Plan (ERIP) refunding
- (2) See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Source: District CAFR Exhibits I-1, I-2

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
 Unaudited

General Bonded Debt Outstanding

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita (2)</u>
2010	\$ 13,430,000	-	\$ 13,430,000	0.77%	N/A
2009	14,280,000	-	14,280,000	0.82%	N/A
2008	15,060,000	-	15,060,000	0.88%	\$ 39,040
2007	16,058,000	-	16,058,000	0.95%	37,754
2006	17,023,000	-	17,023,000	1.03%	36,401
2005	17,588,000	-	17,588,000	1.10%	34,373
2004	18,518,000	-	18,518,000	1.20%	32,888
2003	19,448,000	-	19,448,000	1.26%	31,317
2002	19,693,000	-	19,693,000	1.35%	30,726
2001	1,763,000	-	1,763,000	0.13%	30,096

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

- (1) See Exhibit NJ J-6 for property tax data.
- (2) Population data can be found in Exhibit J-14.

Source: District Records.

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2010
 Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Deptford	\$ 18,799,533	100.000%	\$ 18,799,533
Other debt			
County of Gloucester	328,205,409	10.60%	34,789,773
Subtotal, overlapping debt			53,589,306
Deptford Township School District Direct Debt			14,280,000
Total direct and overlapping debt			<u>\$ 67,869,306</u>

Sources: Assessed value data used to estimate applicable percentages provided by County of Gloucester
 Debt outstanding provided by applicable 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 Deptford. 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.

(1) 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 governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2010

Equalized valuation basis	
2009	\$ 3,077,091,144
2008	3,108,301,149
2007	2,868,455,254
	<u>\$ 9,053,847,547</u>
	<u>\$ 3,017,949,182</u>
	\$ 120,717,967
	<u>13,430,000</u>
	<u>\$ 107,287,967</u>

Average equalized valuation of taxable property

Debt limit (4 % of \$3,017,949,182)
Total Net Debt Applicable to Limit

Legal Debt Margin

Fiscal Year

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Debt limit	\$ 107,287,967	\$ 102,383,824	\$ 91,579,344	\$ 77,732,460	\$ 79,722,976	\$ 68,040,251	\$ 61,470,893	\$ 56,391,382	\$ 53,493,389	\$ 50,711,110
Total net debt applicable to limit	13,430,000	14,280,000	15,060,000	16,058,000	17,023,000	17,588,000	18,518,000	19,448,000	19,693,000	1,763,000
Legal debt margin	<u>\$ 93,857,967</u>	<u>\$ 88,103,824</u>	<u>\$ 76,519,344</u>	<u>\$ 61,674,460</u>	<u>\$ 62,699,976</u>	<u>\$ 50,452,251</u>	<u>\$ 42,952,893</u>	<u>\$ 36,943,382</u>	<u>\$ 33,800,389</u>	<u>\$ 48,948,110</u>
Total net debt applicable to the limit as a percentage of debt limit	12.52%	13.95%	16.44%	20.66%	21.35%	25.85%	30.12%	34.49%	36.81%	3.48%

(1) Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

Source: Abstract of Rates and District Records CAFR Schedule J-7

DEPTFORD TOWNSHIP BOARD OF EDUCATION
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2009	30,722	N/A	N/A	10.30%
2008	30,643	\$ 1,196,302,720	\$ 39,040	4.10%
2007	30,539	1,152,969,406	37,754	3.30%
2006	30,157	1,097,744,957	36,401	3.50%
2005	29,579	1,016,718,967	34,373	N/A
2004	28,872	949,542,336	32,888	5.00%
2003	28,048	878,379,216	31,317	5.60%
2002	27,433	842,906,358	30,726	5.40%
2001	27,034	813,615,264	30,096	4.00%
2000	26,814	757,120,104	28,236	3.80%

Source:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita personal income by county is based on the U.S. Department of Commerce Bureau of Economic Analysis, April 2010 (which includes prior year revised amounts)
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

DEPTFORD TOWNSHIP BOARD OF EDUCATION
Principal Employers
Current Year and Four Years Ago
Unaudited

	2010				2006			
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of</u>		
Underwood Memorial Hospital	1,825	1	0.00%	1,780	1	0.00%		0.00%
Washington Township Public Schools	1,504	2	0.00%	1,645	2	0.00%		0.00%
County of Gloucester	1,500	3	0.00%	-		0.00%		0.00%
Rowan University	1,300	4	0.00%	1,637	3	0.00%		0.00%
Kennedy Hospital	1,200	5	0.00%	1,035	4	0.00%		0.00%
MISSA Bay LLC	950	6						
U.S. Foodservices	800	7	0.00%	900	5	0.00%		0.00%
Monroe Township School District	714	8	0.00%	698	8	0.00%		0.00%
Goodwin Pumps	640	9						
Valero	640	10						
Direct Group			0.00%	720	6	0.00%		0.00%
US Postal Service			0.00%	700	7	0.00%		0.00%
Deptford Township School District			0.00%	650	9	0.00%		0.00%
Compucon Systems, Inc.			0.00%	600	10	0.00%		0.00%
	<u>11,073</u>		<u>0.00%</u>	<u>10,365</u>		<u>0.00%</u>		<u>0.00%</u>

Source: Countywide Disclosure

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
 Unaudited

<u>Function/Program</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Instruction										
Regular	308	302	299	293	290	249	272	234	240	N/A
Special education	106	112	89	95	98	56	83	77	77	N/A
Other special education	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	65	64	62	62	61	56	54	61	62	N/A
General administrative services	4	3	4	4	4	5	5	6	6	N/A
School administrative services	29	29	33	45	47	28	27	24	23	N/A
Business administrative services	18	18	18	18	17	16	19	15	15	N/A
Plant operations and maintenance	62	59	62	62	62	62	62	52	52	N/A
Pupil transportation	70	70	66	65	67	67	66	64	59	N/A
Special Schools										
Food Service	37	37	37	36	35	35	-	-	33	N/A
Total	699	694	670	680	681	574	623	566	567	-

Source: District Personnel Records

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Operating Statistics
Last Ten Fiscal Years
Unaudited

<u>Fiscal</u>	<u>Enrollment</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff (2)</u>	<u>Elementary</u>	<u>Middle School</u>	<u>Pupil/Teacher Ratio</u>	<u>High School</u>	<u>Average Daily Enrollment (ADE) (3)</u>	<u>Average Daily Attendance (ADA) (3)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2010	4,352	\$ 57,223,761	\$ 13,148.84	5.95%	386	1:12	1:11	1:11	1:11	4,284	4,055	-0.30%	94.65%
2009	4,339	54,171,297	12,484.74	7.79%	385	1:12	1:11	1:11	1:11	4,355	4,131	2.43%	95.60%
2008	4,371	54,246,533	12,410.55	7.15%	383	1:12	1:10	1:11	1:11	4,339	4,148	2.86%	95.60%
2007	4,336	50,223,232	11,582.85	8.66%	380	1:12	1:11	1:12	1:12	4,300	4,067	1.35%	94.60%
2006	4,294	45,771,461	10,659.40	3.10%	361	1:08	1:28	1:20	1:20	4,262	4,033	-1.87%	94.60%
2005	4,277	44,217,986	10,338.55	8.37%	361	1:08	1:28	1:20	1:20	4,243	4,013	-2.36%	94.58%
2004	4,218	40,240,471	9,540.18	13.21%	349	1:13	1:12	1:12	1:12	4,346	4,110	6.42%	94.57%
2003	4,163	35,081,752	8,427.04	0.49%	346	1:13	1:13	1:13	1:13	4,076	3,862	1.15%	94.75%
2002	4,077	34,188,669	8,385.74	-1.46%	308	1:14	1:13	1:13	1:13	4,026	3,818	6.77%	94.83%
2001	3,855	32,805,933	8,509.97	2.75%	358	1:16	1:14	1:12	1:12	3,773	3,576	0.45%	94.78%

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

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

DEPTFORD TOWNSHIP BOARD OF EDUCATION
School Building Information
Last Ten Fiscal Years
Unaudited

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<u>District Building</u>										
<u>Elementary</u>										
Central Elementary School (2004)										
Square Feet	71,000	71,000	71,000	71,000	71,000	71,000	71,000	n/a	16,800	16,800
Capacity (students)	552	552	552	552	552	552	552	n/a	552	552
Enrollment	587	601	625	569	520	654	459	n/a	152	104
Good Intent Elementary School (1960)										
Square Feet	23,565	23,565	23,565	23,565	23,565	23,565	23,565	23,565	23,565	23,565
Capacity (students)	515	515	515	515	515	515	515	515	515	515
Enrollment	414	428	404	396	397	307	318	506	485	476
Lake Tract Elementary School (1964)										
Square Feet	25,256	25,256	25,256	25,256	25,256	25,256	25,256	25,256	25,256	25,256
Capacity (students)	294	294	294	294	294	294	294	294	294	294
Enrollment	412	426	423	410	398	396	450	630	496	469
New Sharon Elementary School (1924)										
Square Feet	9,282	9,282	9,282	9,282	9,282	9,282	9,282	9,282	9,282	9,282
Capacity (students)	70	70	70	70	70	70	70	70	70	70
Enrollment	21	25	27	29	34	31	30	32	23	22
Oak Valley Elementary School (1959)										
Square Feet	35,238	35,238	35,238	35,238	35,238	35,238	35,238	35,238	35,238	35,238
Capacity (students)	276	276	276	276	276	276	276	276	276	276
Enrollment	413	400	364	364	376	368	372	445	443	415
Pine Acres Elementary School (1964)										
Square Feet	35,540	35,540	35,540	35,540	35,540	35,540	35,540	35,540	35,540	35,540
Capacity (students)	290	290	290	290	290	290	290	290	290	290
Enrollment	255	231	273	256	197	216	210	201	174	194
Shady Lane Elementary School (1957)										
Square Feet	63,015	63,015	63,015	63,015	63,015	63,015	63,015	63,015	63,015	63,015
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	517	491	499	507	500	424	529	499	488	425
<u>Middle School</u>										
Monongahela Middle School (1984)										
Square Feet	93,186	93,186	93,186	93,186	93,186	93,186	93,186	93,186	93,186	93,186
Capacity (students)	560	560	560	560	560	560	560	560	560	560
Enrollment	663	652	611	634	700	709	657	687	697	655
<u>High School</u>										
Deptford High School (1974)										
Square Feet	221,992	221,992	221,992	221,992	221,992	221,992	221,992	221,992	221,992	221,992
Capacity (students)	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468
Enrollment	1,070	1,085	1,145	1,171	1,172	1,172	1,193	1,163	1,119	1,095
<u>Other</u>										
District Wide										
Square Feet	24,988	24,988	24,988	24,988	24,988	24,988	24,988	24,988	24,988	24,988
Number of Schools at June 30, 2010		Elementary = 7		Middle School = 1		High School = 1		Other = 1		

Source: District records, ASSA

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

DEPTFORD TOWNSHIP BOARD OF EDUCATION
 Schedule of Required Maintenance
 Last Ten Fiscal Years
 Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES

* School Facilities	Project # (s)	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Deptford High School	N/A	\$ 170,695	\$ 156,305	\$ 169,446	\$ 170,695	\$ 177,551	\$ 234,051	\$ 301,704	\$ 261,467	\$ 771,779	\$ 836,953
Monongahela Middle School	N/A	55,929	64,684	67,963	74,305	73,273	73,273	104,546	156,880	434,192	367,443
Central Elementary School	N/A	28,006	26,269	30,429	30,800	30,040	30,040	52,335		68,671	102,067
Good Intent Elementary School	N/A	18,836	16,388	26,232	27,400	25,732	25,732	32,703	104,587	104,494	122,481
Lake Tract Elementary School	N/A	14,034	18,569	13,706	21,075	19,288	19,288	32,045	156,880	131,954	122,481
New Sharon Elementary School	N/A	6,625	5,525	4,186	6,343	4,741	8,602	6,829	52,293	19,574	40,827
Pine Acres Elementary School	N/A	15,040	18,388	21,111	24,794	24,604	35,711	33,465	104,587	75,402	142,894
Oak Valley Elementary School	N/A	19,207	18,468	17,297	23,672	22,051	24,604	30,715	104,587	121,911	102,067
Shady Lane Elementary School	N/A	33,946	30,916	32,770	36,400	33,060	33,060	52,369	104,587	138,078	204,136
District Wide	N/A						1,021				
Total School Facilities		\$ 362,318	\$ 355,512	\$ 383,140	\$ 415,484	\$ 410,340	\$ 485,382	\$ 646,711	\$ 1,045,868	\$ 1,866,055	\$ 2,041,349

* School Facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District Records

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Insurance Schedule

June 30, 2010

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - GCSSDJIF		
Property - Blanket Building and Contents	\$ 150,000,000	\$ 500
Comprehensive Automobile Liability	10,000,000	None
Workers' Compensation - GCSSDJIF	Statutory	None
Self-Insured Retention		
Boiler and Machinery	100,000,000	1,000
Inspection and Insurance Co.		
Property Damage		
Educator's Legal Liability Excess Coverage	10,000,000	None
Public Employees' Faithful Performance Bond - GCSSDJIF		
Employee Dishonesty, Money and Securities	500,000	500
Pollution Legal Liability and Mold Legal Liability	3,000,000	25,000
Third Party Micro-dial Liability	1,000,000	50,000
Surety Bonds (3)		
Treasurer	718,000	None
Board Secretary/Business Administrator	2,000	None
Student Accident Insurance (Excess)		
Student Accident non Athletic	1,000,000	None
Student Accident Athletic	5,000,000	None
Volunteer	25,000	None

Source: District Records

SINGLE AUDIT SECTION

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 04-04-OMB

The Honorable President and
Members of the Board of Education
Township of Deptford School District
County of Gloucester

Compliance

We have audited Township of Deptford School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2010. The 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 School District's management. Our responsibility is to express an opinion on the 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; 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 State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, 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 the Township of Deptford 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 School District's compliance with those requirements.

In our opinion, Township of Deptford School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2010.

Internal Control Over Compliance

Management of the Township of Deptford School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, 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 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.

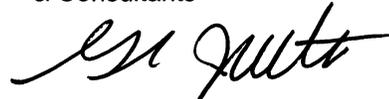
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did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

This report is intended solely for the information and use of the management of the School District, the Division of Division of Finance of the New Jersey Department of Education, and federal and state 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,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Glen J. Walton
Certified Public Accountant
Public School Accountant
No. 20CS00205000

Voorhees, New Jersey
November 15, 2010

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2010

Federal Grantor/Pass Through Grantor Program Title	Grant or State Project Number	Federal CFDA Number	Grant Period	Award Amount	Balance June 30, 2009	Carryover Amount
U.S. Department of Agriculture Passed through State Department of Education						
Food Distribution Program	N/A	10.550	7/1/09 - 6/30/10	\$ 119,197		
National School Lunch Program	N/A	10.555	7/1/09 - 6/30/10	529,599		
National School Lunch Program	N/A	10.555	7/1/08 - 6/30/09	486,360	\$ (143,545)	
National School Breakfast Program	N/A	10.553	7/1/09 - 6/30/10	124,716		
National School Breakfast Program	N/A	10.553	7/1/08 - 6/30/09	110,735	(37,212)	
Special Milk Program	N/A	10.556	7/1/09 - 6/30/10	3,838		
Special Milk Program	N/A	10.556	7/1/08 - 6/30/09	5,128	(1,544)	
Total U.S. Department of Agriculture					(182,301)	-
U.S. Department of Defense						
NJROTC	N/A	N/A	7/1/09 - 6/30/10	85,804		
NJROTC	N/A	N/A	7/1/08 - 6/30/09	83,717	(19,702)	
NJROTC	N/A	N/A	7/1/07 - 6/30/08	80,435	(271)	
Total U.S. Department of Defense					(19,973)	-
U.S. Department of Education Passed through State Department of Education						
NCLB Title I, Part A	10-1100	84.010	9/1/09 - 8/31/10	519,763		
NCLB Title I, Part A	09-1100	84.010	9/1/08 - 8/31/09	442,998	(419,566)	
NCLB Title I, Part A	08-1100	84.010	9/1/07 - 8/31/08	328,813		\$ 3,249
NCLB Title I, Part A SIA	09-1100	84.010	9/1/08 - 8/31/09	100,000	(29,581)	
NCLB Title I, Part A SIA	07-1100	84.010	9/1/06 - 8/31/07	7,545		7,545
ARRA - NCLB Title I, Part A	09-1100	84.389	9/1/09 - 8/31/11	374,758		
NCLB Title II-A	10-1100	84.367	9/1/09 - 8/31/10	134,914		
NCLB Title II-A	09-1100	84.367	9/1/08 - 8/31/09	125,995	(63,462)	
NCLB Title II-A	08-1100	84.367	9/1/07 - 8/31/08	119,523		10,550
NCLB Title II-A	07-1100	84.367	9/1/06 - 8/31/07	120,769		3,327
NCLB Title II-D	10-1100	84.318	9/1/09 - 8/31/10	5,318		
NCLB Title II-D	09-1100	84.318	9/1/08 - 8/31/09	3,669	(134)	
NCLB Title II-D	08-1100	84.318	9/1/07 - 8/31/08	2,220		5
NCLB Title II-D	07-1100	84.318	9/1/06 - 8/31/07	1,529		405
NCLB Title III	10-1100	84.365A	9/1/09 - 8/31/10	14,057		
NCLB Title III	09-1100	84.365A	9/1/08 - 8/31/09	13,149		
NCLB Title III	08-1100	84.365A	9/1/07 - 8/31/08	13,864		10,760
NCLB Title IV	09-1100	84.184	9/1/09 - 8/31/10	12,356		
NCLB Title IV	09-1100	84.184	9/1/08 - 8/31/09	11,811		
NCLB Title IV	08-1100	84.184	9/1/07 - 8/31/08	14,343		13,122
NCLB Title IV	07-1100	84.184	9/1/06 - 8/31/07	13,295		2,980
Sub - Total					(512,743)	51,943
I.D.E.A., Part B Basic Regular						
I.D.E.A., Part B Basic Preschool	FT-1100-10	84.027	9/1/09 - 8/31/10	1,093,883		
I.D.E.A., Part B Basic Preschool	PS-1100-10	84.173	9/1/09 - 8/31/10	34,668		
I.D.E.A., Part B Basic Regular	FT-1100-09	84.027	9/1/08 - 8/31/09	1,083,837	(995,912)	
I.D.E.A., Part B Basic Preschool	PS-1100-09	84.173	9/1/08 - 8/31/09	34,528	(32,636)	
ARRA - I.D.E.A., Part B Basic Regular	FT-1100-09	84.391	9/1/09 - 8/31/11	1,083,478	(913)	
ARRA - I.D.E.A., Part B Basic Preschool	PS-1100-09	84.173	9/1/09 - 8/31/11	39,065		
Sub - Total					(1,029,461)	-
Total U.S. Department of Education Passed through State Department of Education					(1,542,204)	51,943
U.S. Department of Education						
ARRA - SFSF-ESF(Education State Grants)	N/A	84.394	7/1/09 - 6/30/10	3,379,630		
ARRA - SFSF-GSF(Government Services)	N/A	84.397	7/1/09 - 6/30/10	130,831		
Medical Assistance Program (SEMI)	N/A	93.778	7/1/09 - 6/30/10	86,722		
Total U.S. Department of Education					-	-
Total Federal Financial Awards					\$ (1,744,478)	\$ 51,943

The accompanying Notes to Financial Statement and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year's Balance	(Accounts Receivable) June 30, 2010	Deferred/ Revenue June 30, 2010	Due to Grantor June 30, 2010
\$ 119,197	\$ 119,197					
487,505	529,599			\$ (42,094)		
143,545						
112,864	124,716			(11,852)		
37,212						
3,509	3,838			(329)		
1,544						
<u>905,376</u>	<u>777,350</u>	<u>-</u>	<u>-</u>	<u>(54,275)</u>	<u>-</u>	<u>-</u>
66,246	85,804	\$ (512)		(19,558)	\$ 512	
19,629				(73)		
				(271)		
<u>85,875</u>	<u>85,804</u>	<u>(512)</u>	<u>-</u>	<u>(19,902)</u>	<u>512</u>	<u>-</u>
316,789	399,543			(82,754)		
440,892	23,432			(2,106)		
	3,249	(5)			5	
	67,267			(96,848)		
	357,052			(357,052)	7,545	
101,060	80,715				20,345	
80,485	7,213				9,810	
					10,550	
	3,327					
	5,318			(5,318)		
3,669	2,244				1,291	
	5					
					405	
7,792	5,948				1,844	
13,149	2,555				10,594	
	9,796				964	
9,401	11,902			(2,501)		
11,811	811				11,000	
	13,598	(476)				
	2,980					
<u>985,048</u>	<u>996,955</u>	<u>(481)</u>	<u>-</u>	<u>(546,579)</u>	<u>74,353</u>	<u>-</u>
	586,444			(586,444)		
1,054,034	48,064				10,058	
32,636	1,350			(1,350)		
598,188	614,235			(16,960)		
37,780	17,900				19,880	
<u>1,722,638</u>	<u>1,267,993</u>	<u>-</u>	<u>-</u>	<u>(604,754)</u>	<u>29,938</u>	<u>-</u>
<u>2,707,686</u>	<u>2,264,948</u>	<u>(481)</u>	<u>-</u>	<u>(1,151,333)</u>	<u>104,291</u>	<u>-</u>
2,929,014	3,379,630			(450,616)		
113,380	130,831			(17,451)		
81,558	81,558					
<u>3,123,952</u>	<u>3,592,019</u>	<u>-</u>	<u>-</u>	<u>(468,067)</u>	<u>-</u>	<u>-</u>
<u>\$ 6,822,889</u>	<u>\$ 6,720,121</u>	<u>\$ (993)</u>	<u>\$ -</u>	<u>\$ (1,693,577)</u>	<u>\$ 104,803</u>	<u>\$ -</u>

DEPTFORD TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2010

Federal Grantor/Pass Through Grantor Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2009	Carryover / (Walkover) Amount
State Department of Education					
General Fund:					
Equalization Aid	10-495-034-5120-078	7/1/09 - 6/30/10	\$ 15,836,671		
Equalization Aid	09-495-034-5120-078	7/1/08 - 6/30/09	19,813,209	\$ (1,806,915)	
Transportation Aid	10-495-034-5120-014	7/1/09 - 6/30/10	1,497,901		
Transportation Aid	09-495-034-5120-014	7/1/08 - 6/30/09	1,190,699	(108,589)	
Special Education Aid Categorical Aid	10-495-034-5120-089	7/1/09 - 6/30/10	2,152,520		
Special Education Aid Categorical Aid	09-495-034-5120-089	7/1/08 - 6/30/09	2,059,957	(187,863)	
Security Aid	10-495-034-5120-084	7/1/09 - 6/30/10	684,542		
Security Aid	09-495-034-5120-084	7/1/08 - 6/30/09	618,230	(56,381)	
Extraordinary Aid	10-100-034-5120-473	7/1/09 - 6/30/10	206,095		
Extraordinary Aid	09-100-034-5120-473	7/1/08 - 6/30/09	247,503	(247,503)	
Non Public School Transportation Aid	10-103-190	7/1/09 - 6/30/10	19,516		
Non Public School Transportation Aid	09-103-190	7/1/08 - 6/30/09	43,321	(43,321)	
Non Public School Transportation Aid	08-103-190	7/1/07 - 6/30/08	33,243	(826)	
Post School Outcomes	10-495-034-5065-086	7/1/09 - 6/30/10	2,100		
Reimbursed T.P.A.F. Social Security Contributions	10-495-034-5095-002	7/1/09 - 6/30/10	2,024,182		
Reimbursed T.P.A.F. Social Security Contributions	09-495-034-5095-002	7/1/08 - 6/30/09	1,948,352	(95,962)	
Total General Fund				(2,547,360)	-
Special Revenue Fund:					
PreSchool Education Aid	10-495-034-5120-086	7/1/09 - 6/30/10	817,113		
PreSchool Education Aid	09-495-034-5120-086	7/1/08 - 6/30/09	787,509	(71,819)	
Distance Network Learning Aid	03-100-034-5120-348	7/1/02 - 6/30/03	170,074		\$ 20,236
New Jersey Nonpublic Aid					
Textbook Aid	10-100-034-5120-064	7/1/09 - 6/30/10	17,741		
Textbook Aid	09-100-034-5120-064	7/1/08 - 6/30/09	17,163	451	
Textbook Aid	08-100-034-5120-064	7/1/07 - 6/30/08	18,416	(1,146)	
Auxiliary Services					
Compensatory Education	10-100-034-5120-067	7/1/09 - 6/30/10	108,153		
English as a Second Language	10-100-034-5120-067	7/1/09 - 6/30/10	3,121		
Transportation	10-100-034-5120-067	7/1/09 - 6/30/10	39,293		
Auxiliary Services					
Compensatory Education	09-100-034-5120-067	7/1/08 - 6/30/09	131,284	1,941	
English as a Second Language	09-100-034-5120-067	7/1/08 - 6/30/09	4,060	60	
Transportation	09-100-034-5120-067	7/1/08 - 6/30/09	23,865	353	
Auxiliary Services					
Compensatory Education	08-100-034-5120-067	7/1/07 - 6/30/08	100,528		
English as a Second Language	08-100-034-5120-067	7/1/07 - 6/30/08	1,015		
Transportation	08-100-034-5120-067	7/1/07 - 6/30/08	23,057		
Handicapped Services					
CST Evaluation	10-100-034-5120-066	7/1/09 - 6/30/10	27,828		
Annual Exam & Classification	10-100-034-5120-066	7/1/09 - 6/30/10	10,319		
Corrective Speech	10-100-034-5120-066	7/1/09 - 6/30/10	45,918		
Supplemental Instruction	10-100-034-5120-066	7/1/09 - 6/30/10	16,313		
Handicapped Services					
CST Evaluation	08-100-034-5120-066	7/1/07 - 6/30/08	26,523	(69)	
Annual Exam & Classification	08-100-034-5120-066	7/1/07 - 6/30/08	11,400	(29)	
Corrective Speech	08-100-034-5120-066	7/1/07 - 6/30/08	39,990	(104)	
Supplemental Instruction	08-100-034-5120-066	7/1/07 - 6/30/08	18,998	(49)	
Home Instructions					
Nursing Services	10-100-034-5120-070	7/1/09 - 6/30/10	12,000		
Nursing Services	09-100-034-5120-070	7/1/08 - 6/30/09	21,153	2,625	
Technology Grant	09-100-034-5120-038	7/1/08 - 6/30/09	11,087	1,233	
Technology Grant	07-100-034-5120-038	7/1/06 - 6/30/07	8,120		99
Technology Grant	05-100-034-5120-038	7/1/04 - 6/30/05	9,400		1,887
IDEAL Grant	N/A	7/1/09 - 6/30/10	60,000		
IDEAL Grant	N/A	7/1/08 - 6/30/09	41,566		41,566
Character Education Aid	06-495-034-5120-053	7/1/05 - 6/30/06	10,830		949
Include Grant	N/A	7/1/09 - 6/30/10	240,000		
Include Grant	N/A	7/1/08 - 6/30/09	226,000		59,071
Include Grant	N/A	7/1/07 - 6/30/08	161,538		7,320
Matrix Grant	N/A	7/1/07 - 6/30/08	23,594		23,594
Martin Luther King Commission	N/A	7/1/05 - 6/30/06	2,400		714
Principal of the Year Grant	N/A	7/1/03 - 6/30/04	10,000		43
Crossing Guard Arm	N/A	7/1/08 - 6/30/09	600		600
NJ Center for Teacher/Learn Math	N/A	7/1/09 - 6/30/10	25,000		
NJ Center for Teacher/Learn Math	N/A	7/1/08 - 6/30/09	25,000		12,236
Total Special Revenue				(66,553)	168,315
Capital Projects:					
SCC - Grant	N/A	N/A	1,100,601		
State Department of Agriculture					
Enterprise Fund:					
National School Lunch Program (State Share)	10-100-010-3350-023	7/1/09 - 6/30/10	26,552		
National School Lunch Program (State Share)	09-100-010-3350-023	7/1/08 - 6/30/09	26,373	(7,701)	
National School Breakfast Program (State Share)	10-100-010-3350-021	7/1/09 - 6/30/10	9,324		
National School Breakfast Program (State Share)	09-100-010-3350-021	7/1/08 - 6/30/09	8,657	(2,951)	
Total Enterprise Fund				(10,652)	-
Total State Financial Awards				\$ (2,624,565)	\$ 168,315

The accompanying Notes to Financial Statement and Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year's Balance	(Accounts Receivable) June 30, 2010	Deferred/ Revenue June 30, 2010	Due to Grantor June 30, 2010
\$ 10,417,810	\$ 12,103,107			\$ (1,685,297)		
1,806,915						
814,233	973,636			(159,403)		
108,589						
1,923,454	2,152,520			(229,066)		
187,863						
372,105	444,952			(72,847)		
56,381						
	206,095			(206,095)		
247,503						
	19,516			(19,516)		
43,321						
				(826)		
2,100	2,100					
1,924,175	2,024,182			(100,007)		
95,962						
<u>18,000,411</u>	<u>17,926,108</u>	<u>-</u>	<u>-</u>	<u>(2,473,057)</u>	<u>-</u>	<u>-</u>
730,158	817,113			(86,955)		
71,819					\$ 20,236	
18,618	17,741		\$ 451	(1,146)		\$ 877
108,153	101,728					6,425
3,121	2,936					185
39,293	36,959					2,334
			1,941			
			60			
			353			
27,828	21,738					6,090
10,319	8,061					2,258
45,918	35,868					10,050
16,313	12,743					3,570
				(69)		
				(29)		
				(104)		
				(49)		
	1,291			(1,291)		
22,079	10,561					11,518
			2,625			
			1,233			
					99	
					1,887	
52,250	57,721			(5,471)		
7,821	504					
					48,883	
					949	
118,842	174,274			(55,432)		
28,916	56,964	\$ 1,265				32,288
	7,320					
					23,594	
					714	
					43	
					600	
25,000	11,418				13,582	
	12,082				155	
<u>1,326,448</u>	<u>1,387,022</u>	<u>1,265</u>	<u>6,663</u>	<u>(150,546)</u>	<u>143,030</u>	<u>43,307</u>
				<u>(1,100,601)</u>	<u>1,100,601</u>	
24,486	26,552			(2,066)		
7,701						
8,434	9,324			(890)		
2,951						
<u>43,572</u>	<u>35,876</u>	<u>-</u>	<u>-</u>	<u>(2,956)</u>	<u>-</u>	<u>-</u>
<u>\$ 19,370,431</u>	<u>\$ 19,349,006</u>	<u>\$ 1,265</u>	<u>\$ 6,663</u>	<u>\$ (3,727,160)</u>	<u>\$ 1,243,631</u>	<u>\$ 43,307</u>

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DEPTFORD TOWNSHIP BOARD OF EDUCATION

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

For the Fiscal Year Ended June 30, 2010

Note 1 - General

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal and state financial assistance programs of the Board of Education of the Township of Deptford, New Jersey. The Board of Education is defined in Note 1 to the general purpose financial statements. All federal awards and state financial assistance passed through other governmental agencies is included on the schedules of expenditures of federal awards and state financial assistance.

Note 2 - Basis of Accounting

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Note 1 to the Board's general purpose financial statements.

Note 3 - Relationship to general purpose financial statement

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 P.L. 2003, c97.(A3521). 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 net adjustment to reconcile from the budgetary basis to the GAAP basis is \$2,208 for the special revenue fund. See Exhibit C-3 (Note A - the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

DEPTFORD TOWNSHIP BOARD OF EDUCATION (CONTINUED)

Notes to Schedules of Expenditures of Federal Awards
and State Financial Assistance (Cont'd)Note 3 - Relationship to general purpose financial statement (continued)

Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 3,592,019	\$ 19,654,212	\$ 23,246,231
Special Revenue Fund	2,353,080	1,371,766	3,724,846
Capital Projects		1,100,601	1,100,601
Food Service Fund	<u>777,350</u>	<u>35,876</u>	<u>813,226</u>
Total Financial Awards	<u>\$ 6,722,449</u>	<u>\$ 22,162,455</u>	<u>\$ 28,884,904</u>

Note 4 - Relationship to federal and state financial reports

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

Note 5 – Adjustments

Amounts reported in the column entitled "Adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2009-2010.

Note 6 - 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 fiscal 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 7 – Major Programs

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes x no

Were significant deficiencies identified that were not considered to be a material weakness? yes x none reported

Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over compliance:

Material weaknesses identified? yes x no

Were significant deficiencies identified that were not considered to be material weaknesses? yes x none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a))? yes x no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.010A	Title I, Part A
84.010A	Title I SIA
84.389	ARRA - Title I, Part A
84.027	IDEA Part B - Basic
84.137	IDEA Part B - Preschool
84.391	ARRA - IDEA Part B - Basic
84.394	ARRA - SFSF - ESF (Educ. State Grants)
84.397	ARRA - SFSF - GSF (Government Services)
10.553	School Breakfast Program
10.555	National School Lunch Program
10.555	Food Distribution Program

Dollar threshold used to determine Type A programs \$ 300,000

Auditee qualified as low-risk auditee? yes x no

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weaknesses identified? _____ yes no

Were significant deficiencies identified that were not considered to be material weaknesses? _____ yes none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a)) or New Jersey Circular 04-04-OMB? _____ yes no

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education
495-034-5120-084	Security Aid
495-034-5120-014	Transportation Aid
495-034-5120-017	Reimbursed T.P.A.F Social Security Contributions
495-034-5120-086	Preschool Education Aid

Dollar threshold used to determine Type A programs \$ 580,470

Auditee qualified as low-risk auditee? _____ yes no

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

No Current Year Findings

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

No Current Year Findings.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2010

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

No Current Year Findings.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings.

FEDERAL AWARDS

No Prior Year Findings.

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings.

