

**SCHOOL DISTRICT OF THE  
LOGAN TOWNSHIP**

**LOGAN BOARD OF EDUCATION**  
Logan Township, New Jersey  
County of Gloucester

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



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

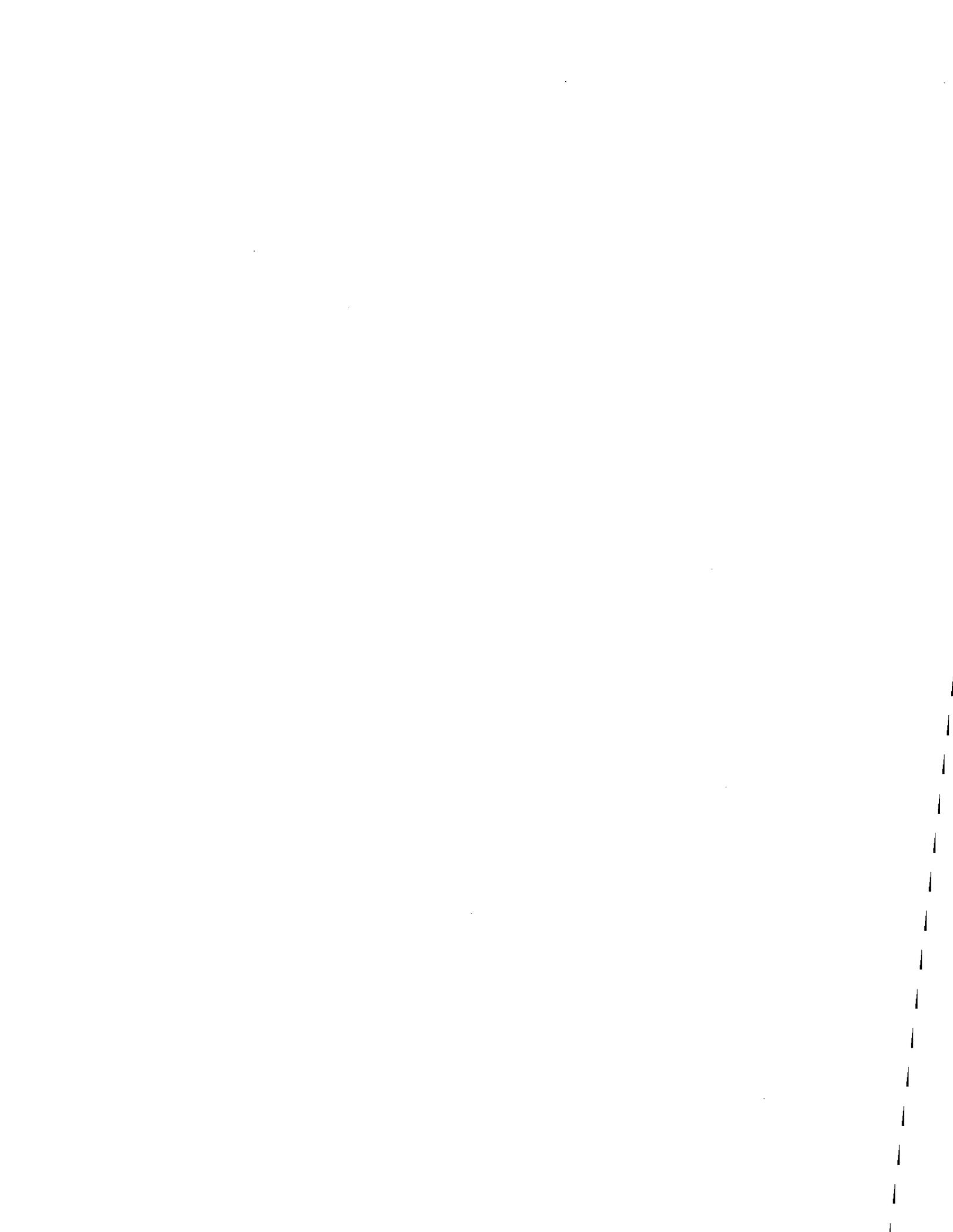
**LOGAN TOWNSHIP BOARD OF EDUCATION**

**LOGAN TOWNSHIP, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Prepared by**

**Logan Township Board of Education  
Business Office**



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**INTRODUCTORY SECTION**



# Logan Township School District

110 School Lane  
Logan Township, NJ 08085

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Frederick A. Berg  
Business Administrator/Board Secretary  
(856) 467-5133, Ext. 511  
(856) 467-9012 Fax

August 20, 2010

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

Dear Board Members:

The comprehensive annual financial report of the Logan Township School District (District) for fiscal year ended June 30, 2010, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Business Office of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report are 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: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended in 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

## **1. Reporting Entity and Its Services**

Logan Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Logan Township School District is a K - 12 School District operating 2 schools (an Early Childhood Educational Center serving grades Pre-Kindergarten to 1 and an Elementary/Middle School serving grades 2 to 8) while maintaining a sending relationship with the adjacent Regional High School District to serve grades 9 to 12.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, as well as special education for gifted and handicapped youngsters. The District completed the 2009-2010 fiscal year with an enrollment of 903 students, which represents a small increase of 3 students over

the previous year's enrollment. This increase is skewed by the fact that the preschool class increased in size by 23 students with funding from the federal ARRA program. Continuation of the expanded preschool after fiscal year 2011 will be dependent on parent tuition and District investment. The following details the changes in the student enrollment of the District over the last five years.

### Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2009-10	903.3	0.40%
2008-09	899.7	2.73%
2007-08	875.8	(6.17%)
2006-07	933.4	0.46%
2005-06	929.1	(1.22%)

## 2. Economic Condition and Outlook

Three large industrial parks are located in Logan Township. The Logistic Center at Logan comprises 1,100 acres and the Pureland Industrial Complex covers 3,000 acres. The third industrial park, the Commodore Business Center, is located along the Rt. 322 industrial corridor partially in Logan Township and partially in adjacent Woolwich Township. Pureland Industrial Park is the largest industrial park in the state and has been hailed as the top "ultra-successful" business park in the U.S. according to Site Selection magazine. The Logan Township population has continued to increase steadily from 3,078 in 1980 to 6,732 in 2010. However, the staggering fiscal woes in the State of New Jersey coupled with the recession plaguing the country since 2008 has led to decreasing state aid as well as contracting property values and tax rates. Increasing unemployment, property taxes, and the cost of living correlate to a higher burden on school districts to provide the accustomed services with diminishing resources. These combined forces are applying increased pressure on the District to practice fiscal discipline while maintaining a quality education.

## 3. Major Initiatives

Logan Township is an innovative school district which places a priority on excellence. To this end, technology tools are used to enhance student learning. Our District has a one-on-one laptop initiative for our 7<sup>th</sup> & 8<sup>th</sup> grade students. In addition to this, the number of computers in the district exceeds the number of students in our District. (This is due to the fact that all secretaries and Administrators have computers and the district houses three computer labs.) All students in grades 1 to 7 have regular Spanish instruction. Eighth grade students have the option to choose to take a full year of Spanish I or Italian I. Eighth grade students who are eligible may study Algebra I. Technology Education is provided for all students in grades 2 to 8. After school programs and clubs provide opportunities to participate in drama, gardening, athletics, and many other extra-curricular areas. Performing Arts activities provide opportunities for students to share their particular talent. As our schools are centered in a culturally diverse community, our faculty is dedicated to providing programs that feature a variety of world cultures and concepts.

The District strives to remain on the cutting edge in the area of technology in order that our students have the proper technological skills that are required in the 21<sup>st</sup> century workplace environment. The Three-Year Technology Plan (2010 to 2013) was developed during the latter part of the 2009-2010 school year which includes a heavy emphasis on upgrading hardware, software, and infrastructure. The plan emphasizes increased utilization of wireless technology and the use of Web 2.0 tools by both students and teachers. A tiered professional development plan, to address the technological needs of our teaching staff, is part of this newly-written technology plan.

The District continues to be a leader in pre-school education. A State grant has been used over the past six years to expand the District-funded program to service the at-risk population. Last year was the first year that the District was able to utilize ARRA Federal Stimulus Funds to expand the preschool program to welcome all four year olds in Logan Township to this program. Continuation of the pre-school program in the future will be dependent on the on-going commitment of the Board of Education, on State pre-school aid and or tuition from parents.

The District continues to be proactive in addressing building maintenance issues. Each component of the Five-Year Facility Maintenance Plan is being addressed. These include rug replacements, parking lot resurfacing, ceiling tile replacement, painting, and upgrades to the security cameras to include new placements in corridors and additional placements around the exterior of Logan Elementary School and Center Square School. The District also participated in a Board of Public Utilities grant program to perform an energy audit of the district facilities to identify energy conservation projects and strategies. Findings from this audit have been reviewed by a Board of Education sub-committee and recommendations were made for energy-cost savings initiatives including light sensors for all areas of both schools.

All District curricula are aligned to the state's core curriculum content standards. A continuous upgrading of instructional resources and teacher training helps focus the instruction on the State's Core Curriculum Standards.

Professional development is carefully planned and executed. A professional development plan is prepared and followed annually in accordance with state regulations. In addition, a comprehensive mentor plan outlines services and support provided to teachers new to the profession.

#### **4. Internal Accounting Controls**

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

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

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

#### **5. Budgetary Controls**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital

improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2009.

## 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 Statements", Note 1.

## 7. Financial Information at Fiscal Year-End

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2010, and the amount and percentage of increases and decreases in relation to the prior year's revenues:

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percent of Increase (Decrease)</u>
Local sources	\$ 12,308,453.00	62.74	\$ 73,812.00	0.60
State sources	5,931,624.00	30.23	(1,085,591.00)	(15.47)
Federal sources	1,378,380.00	7.03	1,035,575.00	302.09
Total	<u>\$ 19,618,457.00</u>	<u>100.00</u>	<u>\$23,796.00</u>	<u>0.12</u>

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

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 2009</u>	<u>Percent of Increase (Decrease)</u>
Current expense:				
Instruction	\$ 5,616,492.00	27.51	\$ 157,101.00	2.88
Undistributed expenditures	12,152,571.00	60.32	151,196.00	1.26
Capital outlay	151,955.00	2.25	(295,352.00)	(66.03)
Special schools	30,829.00	0.20	(8,905.00)	(22.41)
Special revenue:				
Federal	499,001.00	2.50	156,417.00	45.66
State	41,325.00	0.21	(852.00)	-2.02
Local	0.00	0.00	(5,091.00)	-100.00
Debt service:				
Principal	1,150,000.00	5.79	0.00	0.00
Interest	336,280.00	1.96	(53,495.00)	(13.72)
Total	<u>\$ 19,978,453.00</u>	<u>100.00</u>	<u>\$ 101,019.00</u>	<u>0.51</u>

## **8. Debt Administration**

The district took advantage of low interest rates in April 2005 and refinanced the callable bonds from July 1999. On April 28, 2005, the District sold \$4,840,000.00 of general obligation bonds dated April 28, 2005, which have annual maturities to July 15, 2018. Of these bonds, \$4,590,000.00 was outstanding at June 30, 2010.

The District has taken advantage of the current low interest rate and refinanced the October, 1992 bonds. Bonds in the amount of \$7,630,000.00 are dated April 15, 2002, and having maturities from July 15, 2004 through July 15, 2013. Of these bonds, \$2,735,000.00 was outstanding at June 30, 2010.

## **9. Cash Management**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

## **10. Risk Management**

In 1998, the district entered into an agreement with 14 other districts in Gloucester, Cumberland, and Salem Counties to form a Joint Insurance Fund (JIF). The JIF provides a comprehensive insurance package across all lines of coverage including, but not limited to, general liability, automobile liability and comprehensive/collision, hazard, and theft insurance on property and contents. Fidelity Bonds and Student/Volunteer Accident Insurance is also carried by the district separately from the JIF.

The JIF has been an excellent insurance program for the district providing stable premiums since its inception along with a proactive risk management program and over 59 safety training opportunities for the District employees.

## **11. Other Information**

### **A. Independent Audit**

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman & Frenia, LLP, 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 1984 as amended in 1996 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

## **12. Awards and Acknowledgements**

The District received the Association of School Business Officials (ASBO) International's Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the year ended June 30, 2009.

This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International.

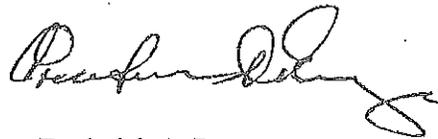
The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials and is valid for a period of one year. *Logan Township School District is one of 21 districts in the State of New Jersey that received the ASBO Certificate of Excellence for 2009.*

We would like to express our appreciation to the members of the Logan Township School Board 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,



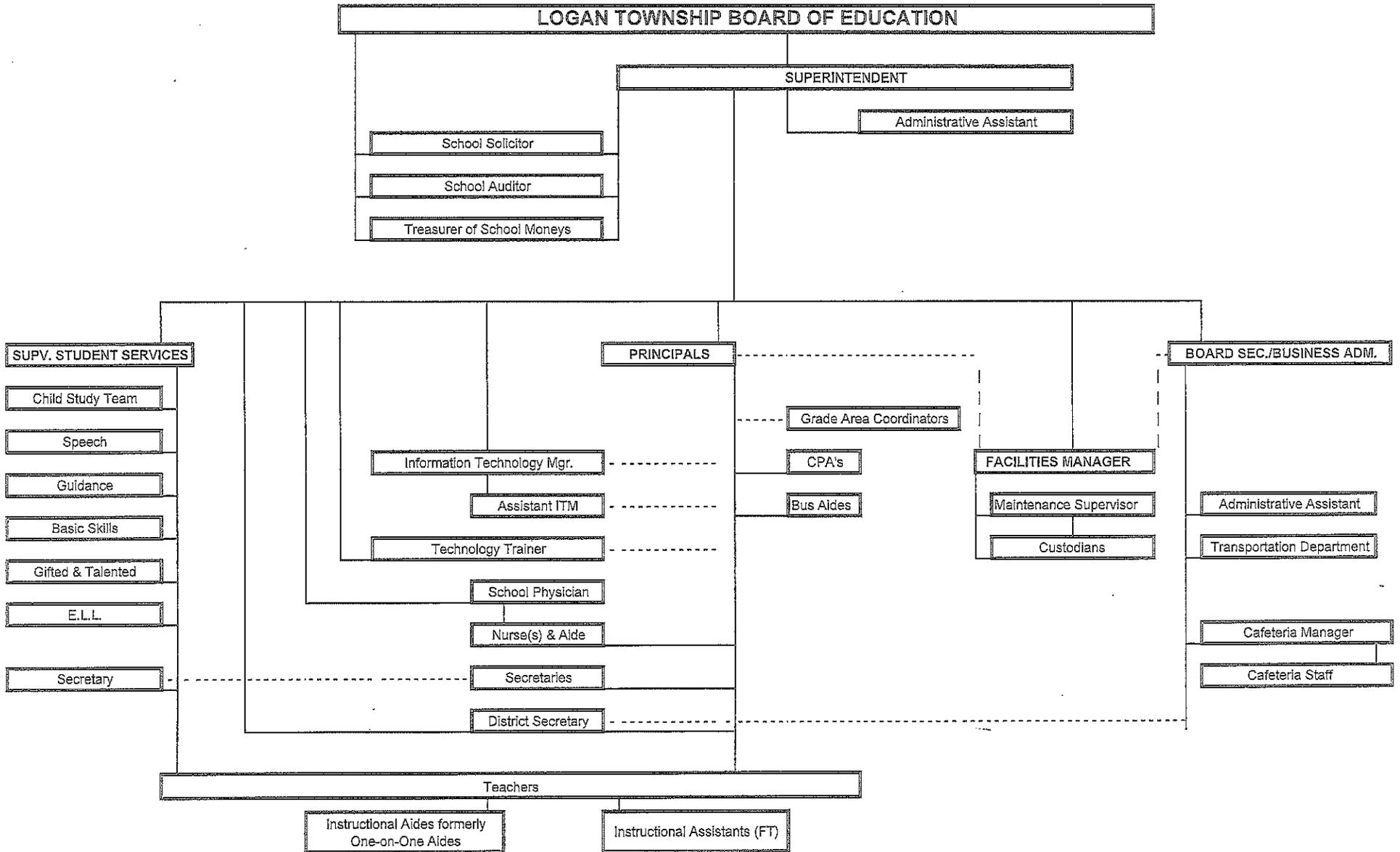
Patricia L. Haney  
Superintendent



Frederick A. Berg  
Board Secretary/Business Administrator

**LOGAN TOWNSHIP BOARD OF EDUCATION  
LOGAN TOWNSHIP, NEW JERSEY**

ORGANIZATIONAL CHART  
July 1, 2010



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL



This Certificate of Excellence in Financial Reporting is presented to

**LOGAN TOWNSHIP BOARD OF EDUCATION**

**For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2009**

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

*Erin Green*

President

*John D. Russo*

Executive Director

**LOGAN TOWNSHIP BOARD OF EDUCATION**  
**110 School Lane**  
**Logan Township, New Jersey 08085**

**ROSTER OF OFFICIALS**  
**JUNE 30, 2010**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>	<b>TERM EXPIRES</b>
Francis E. Donnelly, President	2012
William G. Toner, Jr., Vice President	2013
Mary Beth Barnes	2011
Brian K. Blackburn	2013
Carolyn W. Kegler	2012
Kelley Mason	2013
Ann J. Otten	2011
Charles David Perdue	2012
Amy Warlin-Mulholland	2011

**OTHER OFFICIALS**

Patricia L. Haney, Superintendent

Frederick A. Berg, Business Administrator/Board Secretary

Robert L. Best, Treasurer

Raymond J. Zane, Esq., Solicitor – General

Alan R. Schmoll, Esq., Solicitor - Personnel

**LOGAN TOWNSHIP BOARD OF EDUCATION  
110 School Lane  
Logan Township, New Jersey 08085**

**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

Holman & Frenia, P. C.  
Kevin P. Frenia, CPA, PSA  
618 Stokes Road  
Medford, New Jersey 08055

**ATTORNEY - GENERAL**

Raymond J. Zane, Esq.  
131 North Delaware Street  
Woodbury, New Jersey 08096

**ATTORNEY - PERSONNEL**

Alan R. Schmoll, Esq.  
Capehart & Scatchard  
Laurel Corporate Center, Suite 300  
8000 Midlantic Drive  
Mt. Laurel, New Jersey 08054

**FISCAL AGENT**

US Bank  
Corporate Trust Services  
EP-MN-WS3W  
60 Livingston Avenue  
St. Paul, Minnesota 55107

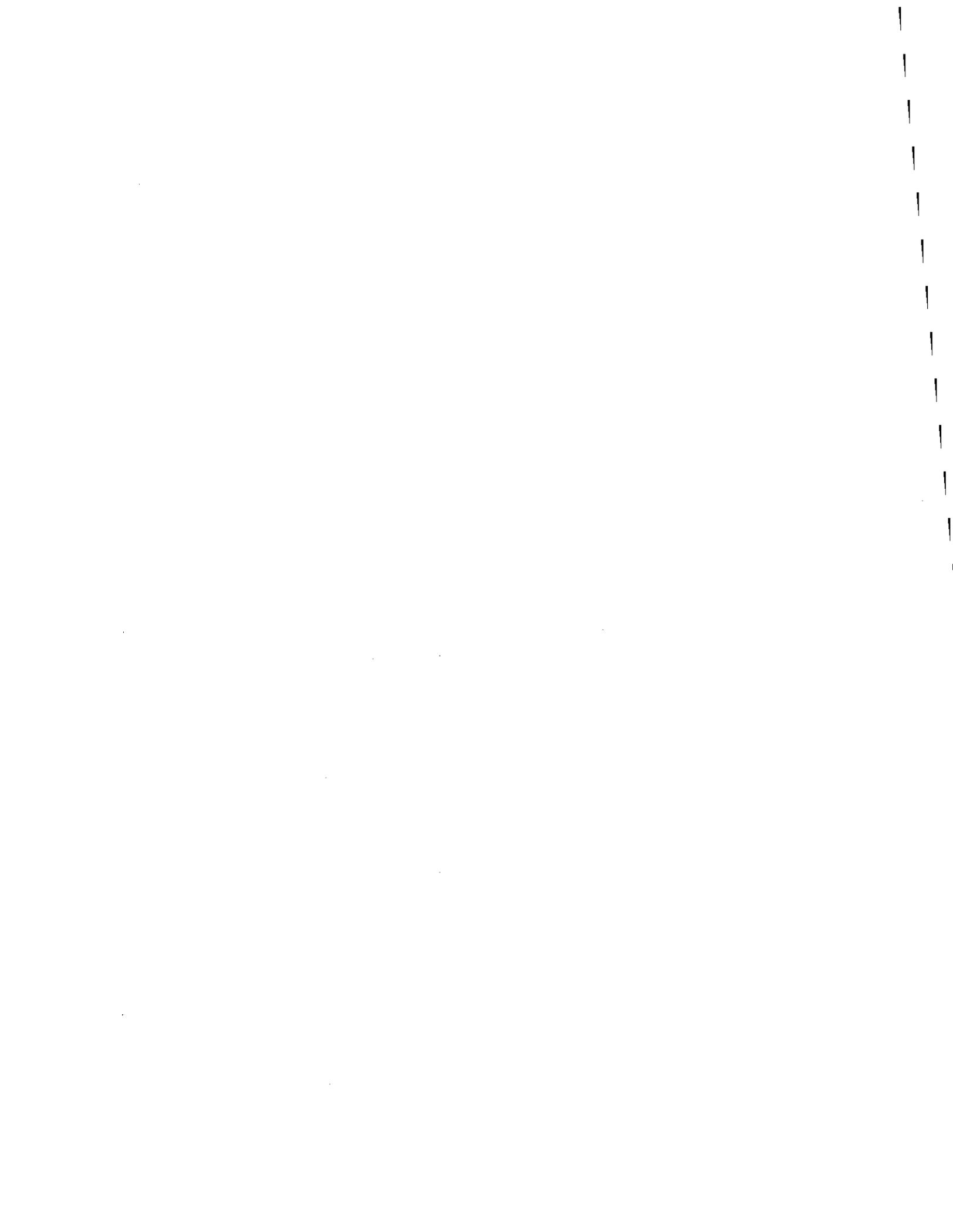
**OFFICIAL DEPOSITORY**

The Bank  
1100 Old Broadway  
Woodbury, New Jersey 08096

**FINANCIAL ADVISOR**

Capital Financial Advisors, Inc.  
Robbi Acampora  
8000 Midlantic Drive, Suite 110S  
Mt. Laurel, New Jersey 08054

**FINANCIAL SECTION**





Certified Public Accountants & Consultants

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Logan Township School District  
County of Gloucester  
Swedesboro, New Jersey 08085

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 20, 2010, on our consideration of the Logan Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis information and budgetary comparison information as listed in the table of contents is not a required part of the 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 principally of inquiries of management

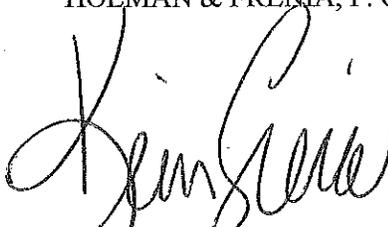
regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
August 20, 2010

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

Management's Discussion and Analysis



**LOGAN TOWNSHIP BOARD OF EDUCATION**  
**Management's Discussion and Analysis**  
**For the Fiscal Year ended June 30, 2010**  
**(unaudited)**

The discussion and analysis of the Logan Township School District's 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.

**Financial Highlights**

- Total revenues of \$19,618,457 were comprised of general revenues in the amount of \$19,078,131 or 97.25 percent and program specific revenues from charges for services, grants, and contributions in the amount of \$540,326 or 1.95 percent.
- The District had \$20,195,588 in expenses related to governmental activities; only \$540,326 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes and state aid) of \$19,618,457 along with designated fund balances were sufficient to provide for these programs.
- Among major funds, the General Fund had \$17,599,480 in revenues and \$17,951,847 in expenditures. The General Fund's balance decreased by \$352,367 under 2009. This decrease was the direct result of mid-year cuts in state aid. The economic malaise being experienced across the nation has impacted the State of New Jersey negatively and this has filtered down to all of the districts in the state.

**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 Logan Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the assets and liabilities of the District, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused sick leave).

The government-wide financial statements can be found on pages 19 to 21 of this report.

**Fund financial statements.** A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the special revenue fund, the debt service fund, and the capital projects fund, each of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22 to 29 of this report.

- **Proprietary funds.** The District maintains one proprietary fund type. The *food service fund* has historically operated as an *enterprise fund* using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the district as a whole.
- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are *not* reflected in the government-wide financial statement because the District cannot use these funds to finance its operations.

The District uses an agency fund to account for resources held for student activities and groups. The basic fiduciary fund financial statement can be found on page 28 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 to 52 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 53 to 79 of this report.

### **The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole. Net assets may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

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

**Table 1**  
**Net Assets**

Assets	2010			2009		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	1,142,262	87,723	1,229,985	1,675,450	110,303	1,785,753
Capital assets	12,184,748	32,965	12,217,713	12,477,486	31,782	12,509,268
<b>Total Assets</b>	<b>13,327,010</b>	<b>120,688</b>	<b>13,447,698</b>	<b>14,152,936</b>	<b>142,085</b>	<b>14,295,021</b>
<b>Liabilities</b>						
Current and other liabilities	210,357	12,850	223,207	409,720	51,812	461,532
Long-term liabilities	7,967,950		7,967,950	9,112,305		9,112,305
<b>Total liabilities</b>	<b>8,178,307</b>	<b>12,850</b>	<b>8,191,157</b>	<b>9,522,025</b>	<b>51,812</b>	<b>9,573,837</b>
<b>Net assets:</b>						
Invested in capital assets, net of related debt	4,377,078	32,965	4,410,043	3,529,498	31,782	3,561,280
Debt Service	(139,860)		(139,860)	(158,402)		(158,402)
Other purposes	1,267,217		1,267,217	1,616,301		1,616,301
Unrestricted	(355,732)	74,873	(280,859)	(356,486)	58,491	(297,995)
<b>Total Net Assets</b>	<b>5,148,703</b>	<b>107,838</b>	<b>5,256,541</b>	<b>4,630,911</b>	<b>90,273</b>	<b>4,721,184</b>

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

**Table 2**  
**Changes in Net Assets**

	2010			2009		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
<b>Revenues</b>						
Program revenues:						
Charges for services:		\$ 240,049	240,049		\$ 256,954	256,954
Operating grants & contributions	540,326	102,391	642,717	382,074	96,379	478,453
General Revenues:						
Property Taxes	12,146,909		12,146,909	12,140,104		12,140,104
Grants & Entitlements	6,769,678		6,769,678	6,983,037		6,983,037
Miscellaneous	161,544		161,544	89,446		89,446
Transfers In	(30,000)	30,000	-	(40,000)	48,701	8,701
<b>Total revenues</b>	<b>19,588,457</b>	<b>372,440</b>	<b>19,960,897</b>	<b>19,554,661</b>	<b>402,034</b>	<b>19,956,695</b>
<b>Expenses:</b>						
Program Expenses:						
Instruction	6,082,434		6,082,434	5,823,263		5,823,263
Tuition	4,441,648		4,441,648	4,627,793		4,627,793
Student & Instruction Related Svcs	1,276,585		1,276,585	1,138,680		1,138,680
School Administration	385,887		385,887	379,190		379,190
General & Business Services	518,127		518,127	511,764		511,764
Plant Operations & Maintenance	1,358,684		1,358,684	1,226,154		1,226,154
Transportation	1,250,299		1,250,299	1,267,775		1,267,775
Unallocated Benefit Expenses	2,741,355		2,741,355	2,619,071		2,619,071
Special Schools	30,829		30,829	39,734		39,734
Interest on long-term liabilities	310,109		310,109	366,909		366,909
Unallocated Depreciation	674,708		674,708	621,165		621,165
Food Service		354,875	354,875		368,575	368,575
<b>Total Expenses</b>	<b>19,070,665</b>	<b>354,875</b>	<b>19,425,540</b>	<b>18,621,498</b>	<b>368,575</b>	<b>18,990,073</b>
<b>Increase (Decrease) in net assets</b>	<b>\$ 517,792</b>	<b>\$ 17,565</b>	<b>\$ 535,357</b>	<b>\$ 933,163</b>	<b>\$ 33,459</b>	<b>\$ 966,622</b>

**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 61.92 percent of revenues for governmental activities for the Logan Township School District for fiscal year 2010 and 61.96 percent for fiscal year 2009. Property taxes increased by \$6,805, which is a 0.06 percent increase over the prior year. Significant savings in the key area of health benefits enabled the district to maintain a budget with a minimal increase in tax receipts.

The Statement of Activities shows the cost of program services and the charges for these services and offsetting grants. Table 3 shows, for government activities, the total cost and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3  
Government Activities**

	2010		2009	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 6,082,434	\$ 5,616,492	\$ 5,823,263	\$ 5,467,169
Tuition	4,441,648	4,441,648	4,627,793	4,627,793
Student & Instruction Related Svcs	1,276,585	1,202,201	1,138,680	1,112,700
School Administration	385,887	385,887	379,190	379,190
General Admin. & Business Svcs	518,127	518,127	511,764	511,764
Plant Operations & Maintenance	1,358,684	1,358,684	1,226,154	1,226,154
Pupil Transportation	1,250,299	1,250,299	1,267,775	1,267,775
Unallocated Benefit Expenses	2,741,355	2,741,355	2,619,071	2,619,071
Special Schools	30,829	30,829	39,734	39,734
Interest on long-term liabilities	310,109	310,109	366,909	366,909
Unallocated Depreciation	674,708	674,708	621,165	621,165
<b>Total Expenses</b>	<b>\$ 19,070,665</b>	<b>\$ 18,530,339</b>	<b>\$ 18,621,498</b>	<b>\$ 18,239,424</b>

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

Tuition expenses include the cost of sending the district’s students in grades 9 – 12 to Kingsway Regional High School, and all special education out of district placements.

Student & Instruction Related Services expenses include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

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

Plant Operations and Maintenance expenses involve keeping the school grounds, buildings, and equipment in effective working condition and maintaining the safety of all students and staff while on campus.

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.

Unallocated benefit expenses include the costs of providing health and welfare insurance programs for the school district staff as well as other fringe benefits.

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

Unallocated depreciation is the depreciation expense of the District fixed assets.

### The District's Funds

The District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$19,618,457 and expenditures of \$19,978,453. The net change in fund balance was most significant in the general fund due to the use of \$329,996 of fund balance for 2010 property tax relief. The tax revenues for payment of principal and interest on district debt flowed to the District's debt service fund in July 2009 and January 2010.

### 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.

During the course of fiscal 2010 the School District amended its General Fund budget numerous times. Generally these amendments are a reallocation of resources to facilitate changes in spending priorities in the district. The district uses a school-based budgeting system designed to tightly control the total school budget but provide the flexibility for location management.

For the General Fund, the final budget basis revenue was \$17,149,986 -- an amount very close to the original budget estimate. For the General Fund, the final budget basis expenditures were \$17,101,756.

The District's ending unobligated fund balance was \$370,122.

### Capital Assets and Debt Administration

#### Capital Assets

At the end of fiscal 2010, the District had \$22,928,708 invested in land, buildings, and equipment; \$22,766,135 in governmental activities. Please refer to Note 6 in the Notes to the Financial Statements for additional detail.

**Table 4**  
**Capital Assets at June 30, 2010**

	2010			2009		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	115,872		115,872	115,872		115,872
Site Improvements	594,456		594,456	594,456		594,456
Buildings and building improvements	19,105,303		19,105,303	19,105,303		19,105,303
Machinery and Equipment	3,197,639	162,573	3,360,212	2,815,669	156,525	2,972,194
Total	23,013,270	162,573	23,175,843	22,631,300	156,525	22,787,825

*Debt*

At June 30, 2010, the District had \$7,967,950 in debt outstanding; \$1,368,203 due within one year. Table 5 summarizes debt outstanding. Please refer to Note 7 in the Notes to the Financial Statements for additional detail.

**Table 5  
Outstanding Debt at June 30, 2010**

	2010		2009	
	Governmental Activities	Total	Governmental Activities	Total
Construction of Center Square School; addition and renovations to Logan Elementary School and the purchase of furniture and equipment 1999 School Bonds	-	-	400,000	400,000
Refunding of 1992 Bonds for the Construction of Logan Elementary School				
2002 School Bonds	2,735,000	2,735,000	3,445,000	3,445,000
Refunding bond issue 2005	4,590,000	4,590,000	4,630,000	4,630,000
Capital Leases	482,670	482,670	472,988	472,988
Compensated Absences	160,280	160,280	164,317	164,317
<b>Total</b>	<u>7,967,950</u>	<u>7,967,950</u>	<u>9,112,305</u>	<u>9,112,305</u>

On April 15, 2002, the District issued \$7,630,000.00 general obligation bonds at 3.00 – 5.00 percent variable rates to refund the 1992 School Bonds. The final maturity of these bonds is July 15, 2013. The District will realize a savings of approximately \$901,000 over the life of this refunding.

On April 20, 2005, the District issued \$4,840,000.00 general obligation bonds at 3.00-4.00 percent variable rates to refund the final 10 years on the 1999 School Bonds. The final maturity of these bonds is July 15, 2018. The District will realize a savings of approximately \$145,000.00 over the life of this refunding.

At June 30, 2010, the District’s overall legal debt margin was \$25,562,913. The District maintains an AAA bond rating.

**Current Financial Issues and Concerns**

- The Logan Township School District is financially stable. The District is proud of its community support of the public schools. The NJ Department of Education released Accountability Regulations in January 2009. These regulations established additional regulatory authority over district budgets by the Executive County Superintendent, established rules and regulations regarding district travel expenses, administrator compensation, budget preparation, excessive spending, district consolidation, etc. The district administration is still evaluating the effects of this sweeping legislation on future district budgets.
- In early 2010, the recently elected Governor Christy declared a Fiscal Crisis in the State of New Jersey, curtailing spending statewide. Shortly after that, the District saw an unprecedented reduction in current state aid funding. Furthermore, immense cuts in projected state aid for fiscal year 2011 (15%) will heavily impact the district going forward. For fiscal year 2011, the district did layoff some personnel but these layoffs will not have a negative effect on the district programs. The district was able to achieve savings in tuition and transportation in fiscal year 2011 to help offset these cuts.

- The Logan Township School District's budget for 2010-11 passed for the 25<sup>th</sup> consecutive year.
- The existing labor agreement for teachers, aides, and custodians will expire June 30, 2011. Future agreements will have an impact on the District's future operating budgets.
- The District routinely monitors the rules and regulations of the No Child Left Behind federal legislation to assess and ensure financial compliance.
- It is important that the District continues to be able to complete capital improvement projects. It is one of the Board of Education's goals and a budget priority to continue to upgrade and maintain the physical plants of the district. The District recently completed an energy audit funded by the State of New Jersey Board of Public Utilities to assess energy saving strategies. A sub-committee of the Board of Education is currently evaluating the audit findings.
- The District expects limited growth in enrollment over the next few years. The current schools' capacity is sufficient to accommodate this growth. There is a small tract of property being developed with approximately 78 new homes. There were plans being developed and proposed to the township for the development of large parcels of farmland in the Repaupo area of the township. However, the current economic recession which began in 2008 and still grips the nation appears to have halted any further planning for this project. It may be years before the economy rebounds sufficiently for this proposal to become economically viable. Nevertheless, it still must be noted that this proposal has the potential to develop into a significant impact upon the district.

In conclusion, the Logan Township School District has committed itself to financial excellence for many years. The School District plans to continue its sound fiscal management to meet the challenges of the future.

#### **Requests for Information**

This financial report is designed to provide a general overview of the Logan Township School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, Logan Township School District, 110 School Lane, Logan Township, NJ 08085. Please visit our website at [www.logan.k12.nj.us](http://www.logan.k12.nj.us).



**BASIC FINANCIAL STATEMENTS**



## A. District-Wide Financial Statements



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

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 2010	JUNE 30, 2009
Cash & Cash Equivalents	\$632,787	43,354	676,141	1,332,458
Receivables, Net	152,137	35,337	187,474	221,185
Inventory		9,032	9,032	6,811
Restricted Assets:				
Capital Reserve Account - Cash	357,338		357,338	225,299
Capital Assets, Net (Note 6)	12,184,748	32,965	12,217,713	12,509,268
<b>Total Assets</b>	<b>13,327,010</b>	<b>120,688</b>	<b>13,447,698</b>	<b>14,295,021</b>
LIABILITIES				
Accounts Payable	58,244	7,345	65,589	277,820
Accrued Interest on Debt	140,932		140,932	167,103
Prepaid Lunches		5,505	5,505	5,803
Accrued Salaries & Benefits	2,387		2,387	1,886
Unearned Revenue	8,794		8,794	8,920
Noncurrent Liabilities (Note 7):				
Due Within One Year	1,368,203		1,368,203	1,332,759
Due Beyond One Year	6,599,747		6,599,747	7,779,546
<b>Total Liabilities</b>	<b>8,178,307</b>	<b>12,850</b>	<b>8,191,157</b>	<b>9,573,837</b>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	4,377,078	32,965	4,410,043	3,561,280
Restricted For:				
Debt Service	(139,860)		(139,860)	(158,402)
Other Purposes	1,267,217		1,267,217	1,616,301
Unrestricted	(355,732)	74,873	(280,859)	(297,995)
<b>Total Net Assets</b>	<b>\$5,148,703</b>	<b>107,838</b>	<b>5,256,541</b>	<b>4,721,184</b>

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

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

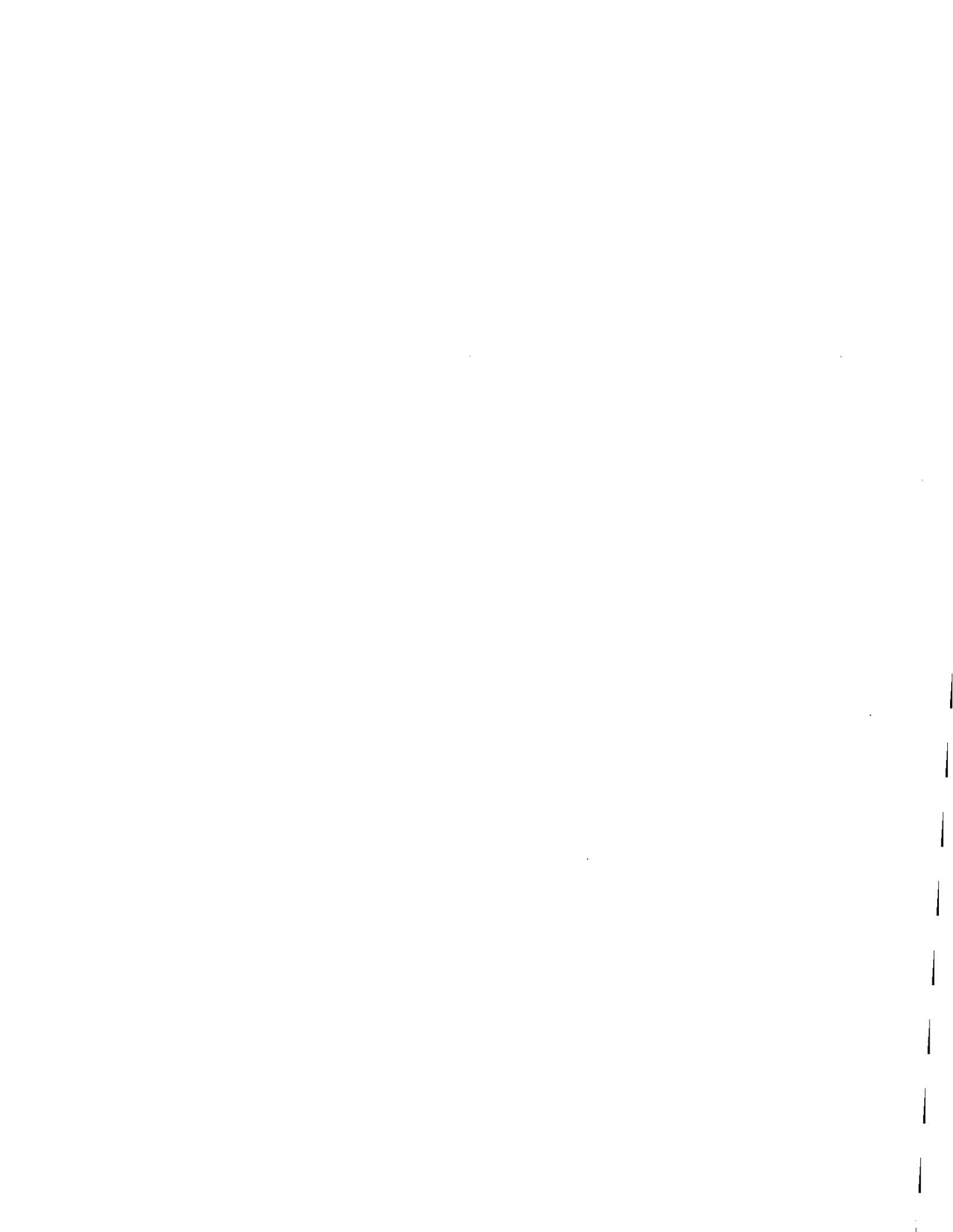
FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2010	JUNE 30, 2009
Governmental Activities:							
Instruction:							
Regular	\$5,100,450		465,942	(4,634,508)		(4,634,508)	(4,564,652)
Special Education	548,382			(548,382)		(548,382)	(525,053)
Basic Skill/Remedial Instruction	370,020			(370,020)		(370,020)	(326,229)
Bilingual Education							
Other Instruction	63,582			(63,582)		(63,582)	(51,235)
Support Services & Undistributed Costs:							
Tuition	4,441,648			(4,441,648)		(4,441,648)	(4,627,793)
Student & Instruction Related Services	1,276,585		74,384	(1,202,201)		(1,202,201)	(1,112,700)
School Administrative Services	385,887			(385,887)		(385,887)	(379,190)
General & Business Administrative Services	518,127			(518,127)		(518,127)	(511,764)
Plant Operations & Maintenance	1,358,684			(1,358,684)		(1,358,684)	(1,226,154)
Pupil Transportation	1,250,299			(1,250,299)		(1,250,299)	(1,267,775)
Unallocated Benefits	2,741,355			(2,741,355)		(2,741,355)	(2,619,071)
Special Schools	30,829			(30,829)		(30,829)	(39,734)
Interest on Long-Term Debt	310,109			(310,109)		(310,109)	(366,909)
Unallocated Depreciation	674,708			(674,708)		(674,708)	(621,165)
Total Governmental Activities	19,070,665		540,326	(18,530,339)		(18,530,339)	(18,239,424)

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS (MEMORANDUM ONLY)	
						JUNE 30, 2010	JUNE 30, 2009
Business-Type Activities:							
Food Service	354,875	240,049	102,391		(12,435)	(12,435)	(15,242)
Total Business - Type Activities	354,875	240,049	102,391		(12,435)	(12,435)	(15,242)
Total Primary Government	\$19,425,540	240,049	642,717	(18,530,339)	(12,435)	(18,542,774)	(18,254,666)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				11,224,583		11,224,583	11,176,687
Taxes Levied for Debt Service				922,326		922,326	963,417
Federal & State Aid Not Restricted				6,769,678		6,769,678	6,983,037
Tuition Received				124,076		124,076	66,803
Miscellaneous Income				37,468		37,468	22,643
Operating Transfer In/(Out)				(30,000)	30,000		
Total General Revenues, Special Items, Extraordinary Items & Transfers				19,048,131	30,000	19,078,131	19,212,587
Change In Net Assets				517,792	17,565	535,357	957,921
Net Assets - Beginning				4,630,911	90,273	4,721,184	3,763,263
Net Assets - Ending				\$5,148,703	107,838	5,256,541	4,721,184



## B. Fund Financial Statements



## Governmental Funds



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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
				JUNE 30, 2010	JUNE 30, 2009
<b>Assets:</b>					
Cash & Cash Equivalents	\$684,064		1,072	685,136	1,363,588
Receivables, Net	83,734	68,403		152,137	216,380
Due from Other Funds	133			133	12,013
Restrict Cash & Cash Equivalents	357,338			357,338	225,299
<b>Total Assets</b>	<b>\$1,125,269</b>	<b>68,403</b>	<b>1,072</b>	<b>1,194,744</b>	<b>1,817,280</b>
<b>Liabilities &amp; Fund Balances:</b>					
<b>Liabilities:</b>					
Cash Deficit		52,349		52,349	129,817
Accounts Payable	\$47,487	10,757		58,244	231,811
Interfund Payable		133		133	12,013
Accrued Salaries & Benefits	2,387			2,387	1,886
Deferred Revenue		8,794		8,794	8,920
<b>Total Liabilities</b>	<b>49,874</b>	<b>72,033</b>		<b>121,907</b>	<b>384,447</b>
<b>Fund Balances:</b>					
<b>Reserved for:</b>					
Encumbrances	19,119			19,119	36,141
Capital Reserve Account	125,299			125,299	125,299
Maintenance Reserve	232,039			232,039	100,000
Excess Surplus	356,288			356,288	505,472
Excess Surplus Designated for Subsequent Year's Expenditures	505,472			505,472	329,389
Unreserved Designated for Subsequent Year's Year's Expenditures	29,000			29,000	520,000
<b>Undesignated, Reported in:</b>					
General Fund	(191,822)			(191,822)	(188,539)
Special Revenue Fund		(3,630)		(3,630)	(3,630)
Debt Service Fund			1,072	1,072	8,701
<b>Total Fund Balances</b>	<b>1,075,395</b>	<b>(3,630)</b>	<b>1,072</b>	<b>1,072,837</b>	<b>1,432,833</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$1,125,269</b>	<b>68,403</b>	<b>1,072</b>		

Amounts reported for *governmental activities* in the statement of net assets (A-5) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$23,013,270, and the accumulated depreciation is \$10,828,522.	12,184,748	12,477,486
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.	(7,967,950)	(9,112,305)
Interest on long-term debt in the statement of activities, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(140,932)	(167,103)
<b>Net assets of Governmental Activities</b>	<b>\$5,148,703</b>	<b>4,630,911</b>

See Accompanying Notes to Financial Statements

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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS (MEMORANDUM ONLY)	
				JUNE 30, 2010	JUNE 30, 2009
<b>Revenues:</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$11,224,583		922,326	12,146,909	12,140,104
Tuition Charges	124,076			124,076	66,803
Miscellaneous	37,468			37,468	27,734
<b>Total Local Sources</b>	<b>11,386,127</b>		<b>922,326</b>	<b>12,308,453</b>	<b>12,234,641</b>
State Sources	5,333,974	41,325	556,325	5,931,624	7,017,215
Federal Sources	879,379	499,001		1,378,380	342,805
<b>Total Revenues</b>	<b>17,599,480</b>	<b>540,326</b>	<b>1,478,651</b>	<b>19,618,457</b>	<b>19,594,661</b>
<b>Expenditures:</b>					
<b>Current:</b>					
Regular Instruction	4,634,508	465,942		5,100,450	4,920,746
Special Education Instruction	548,382			548,382	525,053
Basic Skills/Remedial - Instruction	370,020			370,020	326,229
Other Instruction	63,582			63,582	51,235
<b>Support Services &amp; Undistributed Costs:</b>					
Tuition	4,441,648			4,441,648	4,627,793
Student & Instruction Related Services	1,447,580	66,458		1,514,038	1,377,304
School Administrative Services	385,887			385,887	379,190
General & Business Administrative Services	518,127			518,127	511,764
Plant Operations & Maintenance	1,333,638			1,333,638	1,226,154
Pupil Transportation	1,250,299			1,250,299	1,267,775
Unallocated Benefits	2,745,392			2,745,392	2,607,375
Capital Outlay	399,090	7,926		407,016	447,307
Special Schools	30,829			30,829	39,734
<b>Debt Service:</b>					
Principal			1,150,000	1,150,000	1,150,000
Interest & Other Charges			336,280	336,280	389,775
<b>Total Expenditures</b>	<b>18,168,982</b>	<b>540,326</b>	<b>1,486,280</b>	<b>20,195,588</b>	<b>19,847,434</b>
<b>Excess/(Deficiency) of Revenues Over/ (Under) Expenditures</b>	<b>(569,502)</b>		<b>(7,629)</b>	<b>(577,131)</b>	<b>(252,773)</b>
<b>Other Financing Sources/(Uses):</b>					
Capital Lease (Nonbudget)	247,135			247,135	406,290
Transfers In					8,701
Transfers Out	(30,000)			(30,000)	(48,701)
<b>Total Other Financing Sources &amp; Uses</b>	<b>217,135</b>			<b>217,135</b>	<b>366,290</b>
<b>Net Change in Fund Balances</b>	<b>(352,367)</b>		<b>(7,629)</b>	<b>(359,996)</b>	<b>113,517</b>
Fund Balance - July 1	1,427,762	(3,630)	8,701	1,432,833	1,319,316
<b>Fund Balance - June 30</b>	<b>\$1,075,395</b>	<b>(3,630)</b>	<b>1,072</b>	<b>1,072,837</b>	<b>1,432,833</b>

See Accompanying Notes to Financial Statements

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

Total Net Change in Fund Balances - Governmental Funds (From B-2) (\$359,996)

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

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

Depreciation Expense	(\$674,708)	
Capital Outlays	<u>381,970</u>	(292,738)

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

Capital Lease Proceeds		(247,135)
------------------------	--	-----------

Repayment of bond principal is an expenditure in the governmental funds,  
but the repayment reduces long-term liabilities in the Statements of Net  
Assets and is not reported in the Statement of Activities.

Serial Bonds	1,150,000	
Capital Lease Payments	<u>237,453</u>	1,387,453

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. The accrued interest is an addition in the  
reconciliation.

Prior Year	167,103	
Current Year	<u>(140,932)</u>	26,171

In the statement of activities, certain operating expenses, e.g., compensated absences  
(vacations) 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 paid amount exceeds the earned  
amount the difference is an addition to the reconciliation (+).

Prior Year	164,317	
Current Year	<u>(160,280)</u>	4,037

Change in Net Assets of Governmental Activities \$517,792

See Accompanying Notes to Financial Statements



## Proprietary Funds



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

ASSETS	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u>	TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2010	JUNE 30, 2009
Current Assets:			
Cash & Cash Equivalents	\$43,354	43,354	98,687
Accounts Receivable	35,337	35,337	4,805
Inventories	9,032	9,032	6,811
Total Current Assets	<u>87,723</u>	<u>87,723</u>	<u>110,303</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	162,573	162,573	156,525
Less: Accumulated Depreciation	(129,608)	(129,608)	(124,743)
Total Noncurrent Assets	<u>32,965</u>	<u>32,965</u>	<u>31,782</u>
Total Assets	<u>120,688</u>	<u>120,688</u>	<u>142,085</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	7,345	7,345	46,009
Prepaid Lunches	5,505	5,505	5,803
Total Liabilities	<u>12,850</u>	<u>12,850</u>	<u>51,812</u>
NET ASSETS			
Investments in Capital Assets -			
Net of Related Debt	32,965	32,965	31,782
Unrestricted	74,873	74,873	58,491
Total Net Assets	<u>\$107,838</u>	<u>107,838</u>	<u>90,273</u>

See Accompanying Notes to Financial Statements

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2010	JUNE 30, 2009
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$169,630	169,630	178,737
Daily Sales - Nonreimbursable Programs	70,419	70,419	78,217
	<hr/>		
Total Operating Revenues	240,049	240,049	256,954
	<hr/>		
Operating Expenses:			
Salaries & Benefits	174,423	174,423	172,623
Supplies & Materials	8,048	8,048	8,827
Cost of Sales	141,815	141,815	159,932
Depreciation	4,865	4,865	5,152
Miscellaneous	25,724	25,724	22,041
	<hr/>		
Total Operating Expenses	354,875	354,875	368,575
	<hr/>		
Operating Income/(loss)	(114,826)	(114,826)	(111,621)
	<hr/>		
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	4,942	4,942	5,076
Federal Sources:			
National School Lunch Program	69,887	69,887	63,888
Food Distribution Program	27,298	27,298	26,994
Interest & Investment Revenue	264	264	421
	<hr/>		
Total Nonoperating Revenues/(Expenses)	102,391	102,391	96,379
	<hr/>		
Income/(Loss) Before Contributions & Transfers	(12,435)	(12,435)	(15,242)
	<hr/>		
Board Contributions			
Transfer to Cover Deficit	30,000	30,000	40,000
	<hr/>		
Total Board Contribution	30,000	30,000	40,000
	<hr/>		
Change in Net Assets	17,565	17,565	24,758
Total Net Assets - Beginning	90,273	90,273	65,515
	<hr/>		
Total Net Assets - Ending	\$107,838	107,838	90,273
	<hr/> <hr/>		

See Accompanying Notes to Financial Statements

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	TOTALS (MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2010	JUNE 30, 2009
Cash Flows From Operating Activities:			
Receipts from Customers	\$168,334	168,334	297,605
Payments to Employees	(174,423)	(174,423)	(172,623)
Payments to Suppliers	(148,289)	(148,289)	(163,806)
Net Cash Provided/(Used) by Operating Activities	(154,378)	(154,378)	(38,824)
Cash Flows From Noncapital Financing Activities:			
State and Federal Sources	74,829	74,829	68,964
Operating Subsidies	30,000	30,000	40,000
Net Cash Provided/(Used) by Noncapital Financing Activities	104,829	104,829	108,964
Cash Flows From Capital & Related Financing Activities:			
Purchase of Capital Assets	(6,048)	(6,048)	
Net Cash Provided/(Used) by Capital & Related Financing Activities	(6,048)	(6,048)	
Cash Flows From Investing Activities:			
Net Cash Provided/(Used) by Investing Activities	264	264	421
Net Cash Provided/(Used) by Investing Activities	264	264	421
Net Increase/(Decrease) in Cash & Cash Equivalents	(55,333)	(55,333)	70,561
Balances - Beginning of Year	98,687	98,687	28,126
Balances - End of Year	\$43,354	43,354	98,687

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

Operating Income/(Loss)	(\$114,826)	(114,826)	(111,621)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	4,865	4,865	5,152
Food Distribution Program	27,298	27,298	26,994
Changes in Assets & Liabilities:			
(Increase)/Decrease in Accounts Receivable	(30,532)	(30,532)	(1,251)
(Increase)/Decrease in Inventories	(2,221)	(2,221)	(2,128)
Increase/(Decrease) in Current Liabilities	(38,962)	(38,962)	44,030
Total Adjustments	(39,552)	(39,552)	72,797
Net Cash Provided/(Used) by Operating Activities	(\$154,378)	(154,378)	(38,824)

See Accompanying Notes to Financial Statements



Fiduciary Fund



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

	PRIVATE PURPOSE				TOTALS	
	UNEMPLOYMENT COMPENSATION TRUST FUND	SCHOLARSHIP	AGENCY STUDENT ACTIVITY	PAYROLL	(MEMORANDUM ONLY) JUNE 30, 2010	JUNE 30, 2009
ASSETS						
Cash & Cash Equivalents	\$63,249	8,496	32,452	147,966	252,163	220,611
Total Assets	63,249	8,496	32,452	147,966	252,163	220,611
LIABILITIES						
Payroll Deductions & Withholdings				142,331	142,331	124,542
Flexible Spending			32,452	5,635	38,087	2,170
Due to Student Groups						29,119
Total Liabilities			32,452	147,966	180,418	155,831
NET ASSETS						
Held in Trust for Unemployment Claims & Other Purposes	63,249				63,249	56,147
Reserved for Scholarships		8,496			8,496	8,633
Total Net Assets	\$63,249	8,496	-	-	71,745	64,780

See Accompanying Notes to Financial Statements

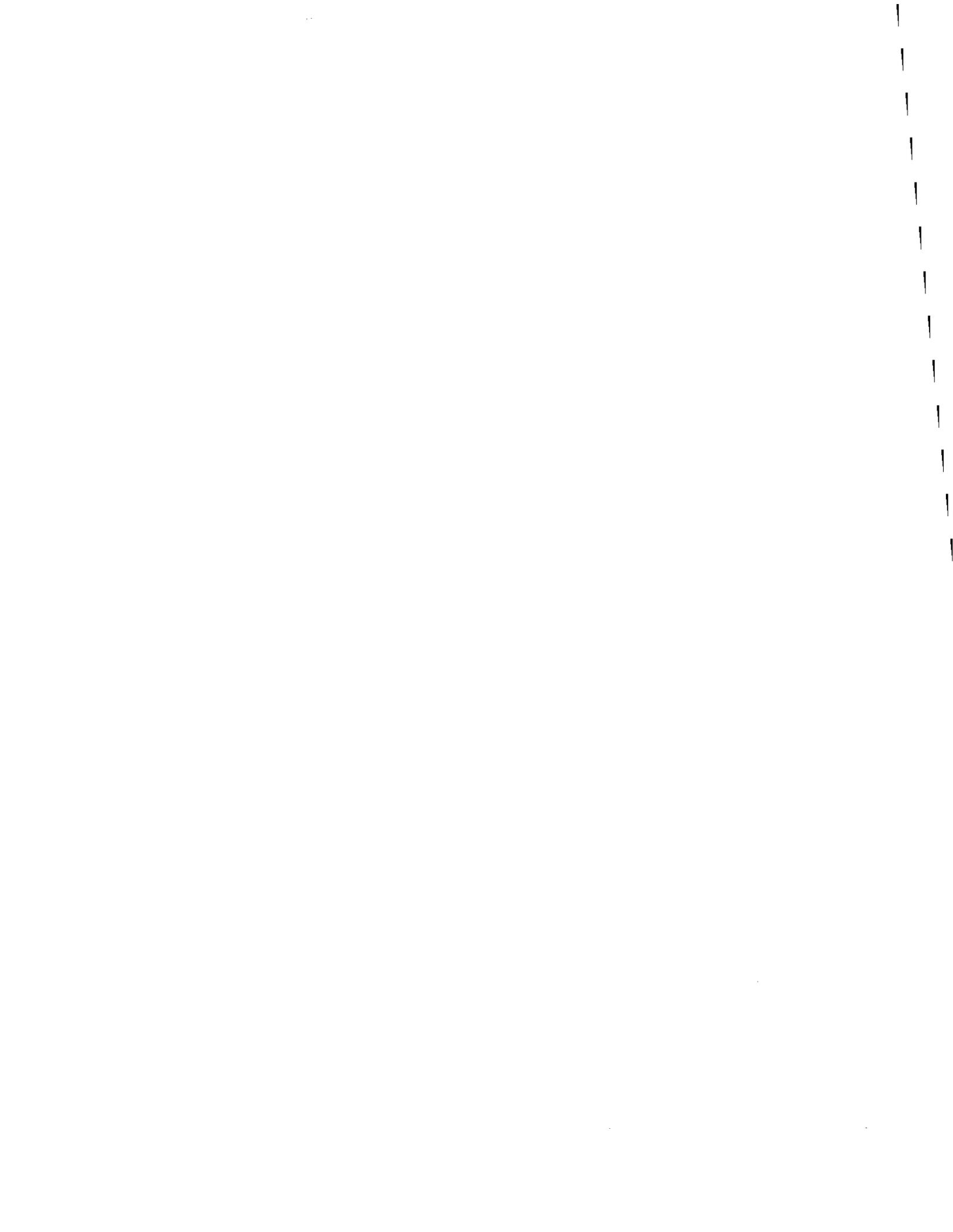
**LOGAN TOWNSHIP BOARD OF EDUCATION  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2010  
(With Comparative Totals for June 30, 2009)**

ADDITIONS	PRIVATE PURPOSE		TOTALS (MEMORANDUM ONLY)	
	SCHOLARSHIP	UNEMPLOYMENT COMPENSATION	JUNE 30, 2010	JUNE 30, 2009
Local Sources:				
Transfer from Payroll Agency Account		12,065	12,065	15,868
Scholarships Established	\$83		83	53
Investment Earnings:				
Interest	\$30	137	167	768
Total Additions	113	12,202	12,315	16,689
DEDUCTIONS				
Quarterly Contributions Reports		5,100	5,100	2,002
Scholarships Awarded	250		250	2,003
Total Deductions	250	5,100	5,350	4,005
Change in Net Assets	(137)	7,102	6,965	12,684
Net Assets - Beginning of the Year	8,633	56,147	64,780	52,096
Net Assets - End of the Year	\$8,496	63,249	71,745	64,780

See Accompanying Notes to Financial Statements

**LOGAN TOWNSHIP  
BOARD OF EDUCATION**

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



## LOGAN TOWNSHIP BOARD OF EDUCATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

#### Note 1. Summary of Significant Accounting Policies

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

The District has implemented these standards for the fiscal year-ending June 30, 2004. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management’s Discussion and Analysis*, which precedes the basic financial statements.

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

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

#### A. Reporting Entity:

The Logan Township Board of Education 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 appointed to three-year terms. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Logan Township Board of Education has an approximate enrollment at June 30, 2010 of 900 students.

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

- ◆ the organization is legally separate (can sue or be sued in their own name)
- ◆ the District holds the corporate powers of the organization
- ◆ the District appoints a voting majority of the organization’s board
- ◆ the District is able to impose its will on the organization
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

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

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

**B. District-Wide and Fund Financial Statements**

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

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

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

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

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

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

**Governmental Fund Financial Statements** – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

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

liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

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

**D. Fund Accounting:**

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

**Governmental Funds**

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings, and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

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

and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

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

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

**Proprietary Fund**

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

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

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

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

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

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

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

Food Service Fund:	
Equipment	5-15 Years

**Fiduciary Fund**

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

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

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

**E. Basis of Accounting:**

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

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

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

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

one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

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

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

**F. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6:20-2A(m)1*. All budget amendments must be approved by School Board resolution.

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

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

The following presents a reconciliation of the special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and



LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

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

**G. Encumbrances:**

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

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

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

**H. Cash, Cash Equivalents and Investments:**

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

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

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

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

**LOGAN TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

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

**I. Tuition Receivable/Payable**

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

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

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

**J. Inventories & Prepaid Expenses**

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

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

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

**K. Short-Term Interfund Receivables/Payables**

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

**L. Fixed Assets:**

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

General fixed assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital

LOGAN TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

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

assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

Buildings	20-50 Years
Machinery and Equipment	5-10 Years
Other Improvements	10-20 Years

**M. Accrued Salaries and Wages**

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is an accrual as of June 30, 2010 for such salaries.

**N. Compensated Absences**

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

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

**O. Deferred Revenue**

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

**P. Long-term Obligations**

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

**Q. Fund Equity**

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

**LOGAN TOWNSHIP BOARD OF EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

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

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

**Note 2. Cash and Cash Equivalents and Investments**

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

<b>Type</b>	<b>Carrying Value</b>
<b>Deposits:</b>	
Demand Deposits	<u>\$1,285,642</u>
Total Deposits	<u>\$1,285,642</u>
<b>Reconciliation of Cash and Cash Equivalents:</b>	
Governmental Activities	\$ 990,125
Business-type Activities	43,354
Fiduciary Funds	<u>252,163</u>
Total Cash and Cash Equivalents	<u>\$1,285,642</u>

**Custodial Credit Risk** – Deposits in financial institutions, reported as components of cash, cash equivalents and investments had a bank balance of \$1,525,904 at June 30, 2010. Of the bank balance \$750,000 was fully insured by the FDIC (Federal Depository Insurance Corporation) and \$775,904 was secured by a collateral pool held by the bank, but not in the District’s name, as required by New Jersey’s Governmental Unit Deposit Protection Act (GUDPA). The Governmental Unit Deposit Protection Act is more fully described in Note 3 of these financial statements.

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

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

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

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

**Note 3. Governmental Unit Deposit Protection Act (GUDPA)**

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

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

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

valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.I.C. or any other U.S. agency which insures public depository funds.

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

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

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

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

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

**Note 4. Capital Reserve Account**

A capital reserve account was established by the Logan Township Board of Education by inclusion of \$150,000 in the original 1995-96 annual capital budget, which was certified for taxes and for the

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Note 4. Capital Reserve Account (continued):**

accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2009	\$125,299
Interest Earnings	<u>          -</u>
Ending Balance, June 30, 2010	<u>\$125,299</u>

The June 30, 2010 LRFP balance of local support costs of uncompleted capital projects at June 30, 2010 is \$125,299.

**Note 5. Transfers to Capital Outlay**

During the year ending June 30, 2010, the District transferred \$-0- to the capital outlay account.

**Note 6. Capital Assets**

The following schedule is a summarization of the capital assets by source for the fiscal year ended June 30, 2010:

**LOGAN TOWNSHIP SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 6. Capital Assets (continued):**

	June 30, 2009	Additions	Deletions	June 30, 2010
Land	\$ 115,872		\$ -	\$ 115,872
Site Improvements	594,456			594,456
Buildings	19,105,303			19,105,303
Equipment	2,815,669	\$ 381,970		3,197,639
Subtotal	22,631,300	381,970		23,013,270
Accumulated Depreciation	(10,153,814)	(674,708)		(10,828,522)
Total	<u>\$12,477,486</u>	<u>\$(292,738)</u>	<u>\$ -</u>	<u>\$12,184,748</u>

The following schedule is a summarization of the proprietary fund capital assets recorded at historical cost by source for the fiscal year ended June 30, 2010:

	June 30, 2009	Additions	Deletions	June 30, 2010
Machinery & Equipment	\$156,525	\$6,048	\$ -	\$162,573
Less: Accumulated Depreciation	(124,743)	(4,865)		(129,608)
Net Fixed Assets	<u>\$ 31,782</u>	<u>\$1,183</u>	<u>\$ -</u>	<u>\$ 32,965</u>

**Note 7. Long-Term Debt**

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

	Balance 6/30/09	Issued	Retired/ Adjustments	Balance 6/30/10	Due Within One Year
Compensated Absences Payable	\$ 164,317	\$ 20,588	\$ 24,625	\$ 160,280	\$ 15,318
Capital Lease Obligations	472,988	247,135	237,453	482,670	192,885
Bonds Payable	8,475,000		1,150,000	7,325,000	1,160,000
Total	<u>\$9,112,305</u>	<u>\$267,723</u>	<u>\$1,412,078</u>	<u>\$7,967,950</u>	<u>\$1,368,203</u>

Bonds and loans payable have been liquidated in the Debt Service Fund compensated absences have been liquidated in the General Fund.

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Note 7. Long-Term Debt (continued):**

**A. Bonds Payable**

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

Principal and interest due on the 2002 Serial Bonds outstanding is as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$1,160,000	\$ 281,938	\$1,441,938
2012	1,165,000	231,419	1,396,419
2013	1,165,000	181,084	1,346,084
2014	1,160,000	130,678	1,290,678
2015	515,000	95,338	610,338
2016-2020	<u>2,160,000</u>	<u>171,554</u>	<u>2,331,554</u>
Total	<u>\$7,325,000</u>	<u>\$1,092,011</u>	<u>\$8,417,011</u>

**B. Bonds Authorized But Not Issued**

As of June 30, 2010, the Board had no authorized but not issued bonds.

**C. Capital Lease Payable**

As of June 30, 2010, the District had eight capital leases outstanding for the acquisition of equipment in the amount of \$482,670.

The following is a schedule of the future minimum lease payments under this lease and present value of the net minimum lease payments at June 30, 2010:

<b>Year-ending June 30,</b>	
2011	\$221,165
2012	197,674
2013	105,283
2014	<u>10,461</u>
Total Minimum Lease Payments	534,583
Less: Amount Representing Interest	<u>(51,913)</u>
Present Value of Net Minimum Lease Payments	<u>\$482,670</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Note 7. Long-Term Debt (continued):**

**D. Interest Expense**

No interest expense was capitalized during the fiscal year ending June 30, 2010. Interest expense totaling \$336,280 was paid by the debt service fund for the fiscal year ending June 30, 2010.

**E. Defeased Bonds**

On April 26, 2005, the District issued \$4,840,000 of refunding bonds to defease the School District's bonds dated June 29, 1999, maturing in the years 2009 through 2018; and pay costs and expenses incidental to the issuance of the bonds. The purpose of the refinancing was to achieve debt service savings.

The District has placed the proceeds from the refunding issue in an irrevocable escrow account with an agent to ensure payment of debt service on the refunding bonds.

Accordingly, the trust account's assets and liabilities for the defeased bonds are not included in the District's financial statements. Although defeased, the refinanced debt from the earlier issue will not actually be retired until the call dates have come due.

**Note 8. Pension Plans**

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

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

LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010

**Note 8. Pension Plans (continued):**

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

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

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

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 8. Pension Plans (continued):**

that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

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

**Three-Year Trend Information for PERS**

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$155,820	100%	\$ -0-
6/30/09	70,761	100%	-0-
6/30/08	54,231	100%	-0-

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

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/10	\$407,954	100%	\$ -0-
6/30/09	373,033	100%	-0-
6/30/08	680,155	100%	-0-

During the year ended June 30, 2010 the State of New Jersey contributed \$407,954 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A.18A:66-66* the State of New Jersey reimbursed the District \$466,712 for the year ended June 30, 2010 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

**LOGAN TOWNSHIP SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Note 9. Post-Retirement Benefits**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2009, there were 84,590 retirees eligible for post-retirement medical benefits. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

**Note 10. Risk Management**

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

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

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2009-2010	\$ 137	\$12,065	\$ 5,100	\$63,249
2008-2009	694	15,868	2,002	56,147
2007-2008	1,535	8,576	10,587	41,587

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Note 10. Risk Management (continued):**

**Joint Insurance Pool** – The Township of Logan School District participates in the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSDSIF), public entity risk pool, which was formed July 1, 1999. The Fund provides its members with the following coverage's:

- Property – Blanket Building and Grounds
- Boiler and Machinery
- General and Automobile Liability
- Workers' Compensation
- School Board Legal Liability
- Crime Coverage

**Note 11. Contingent Liabilities**

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2009 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

**Note 12. Economic Dependency**

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

**Note 13. Interfund Receivables and Payables**

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

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Note 13. Interfund Receivables and Payables (continued):**

Fund	Interfund Receivable	Interfund Payable
General Fund	\$335,388	\$ 3,898
Special Revenue		330,000
Trust & Agency Fund	<u>3,898</u>	<u>5,388</u>
Total	<u>\$339,286</u>	<u>\$339,286</u>

The purpose of these interfunds is short-term borrowing.

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$133	
Special Revenue Fund	<u>      </u>	<u>\$133</u>
Total	<u>\$133</u>	<u>\$133</u>

**Note 14. Fund Balance Appropriated**

**General Fund** – Of the \$1,075,395 General Fund balance at June 30, 2010; \$19,119 is reserved for encumbrances; \$125,299 is reserved for the Capital Reserve Account; \$232,039 is reserved for maintenance; \$861,760 is reserved for excess surplus in accordance with N.J.S.A.18A:7F-7 (\$505,472 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2010); \$29,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2010 and (\$191,822) is unreserved and undesignated.

**Note 15. Deferred Compensation**

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

Equitable Life Assurance Society

Lincoln Investment Planning, Inc,

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**Note 16. Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2010 is \$160,280.

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

**Note 17. Calculation of Excess Surplus**

In accordance with *N.J.S.A.18A:7F-7*, as amended by P.L. 2004, c.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2010 is \$356,288.

**Note 18. Inventory**

Inventory in the food service fund at June 30, 2010, consisted of the following:

Food	\$8,030
Supplies	<u>1,002</u>
 Total	 <u>\$9,032</u>

The value of federal donated commodities as reflected on Schedule A (required by Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.



**REQUIRED SUPPLEMENTARY INFORMATION – PART II**



### C. Budgetary Comparison Schedules



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

	ACCOUNT NUMBERS	JUNE 30, 2010			VARIANCE FINAL TO ACTUAL	JUNE 30, 2009			VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)		
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS		FINAL BUDGET	ACTUAL
<b>Revenues:</b>											
<b>Local Sources:</b>											
Local Tax Levy	10-1210-000-000	\$11,224,583		11,224,583	11,224,583		11,176,687		11,176,687	11,176,687	
Tuition	10-1300-000-000	87,000		87,000	124,076	37,076	96,000		96,000	66,803	(29,197)
Interest Earned on Capital Reserve	10-1000-000-000	1,600		1,600	446	(1,154)	2,000	(2,000)			
Interest Earned on Maintenance Reserve	10-1000-000-000	1,200		1,200	630	(570)					
Miscellaneous	10-1000-000-000	10,000		10,000	36,392	26,392	100,800		100,800	22,643	(78,157)
<b>Total Local Sources</b>		<b>11,324,383</b>		<b>11,324,383</b>	<b>11,386,127</b>	<b>61,744</b>	<b>11,375,487</b>	<b>(2,000)</b>	<b>11,373,487</b>	<b>11,266,133</b>	<b>(107,354)</b>
<b>State Sources:</b>											
Extraordinary Aid	10-3000-000-000				21,861	21,861	7,103		7,103	33,732	26,629
Other State Aid	10-3200-000-000				6,717	6,717				9,798	9,798
Categorical Special Education Aid	10-3132-000-000	614,020		614,020	614,020		592,832		592,832	592,832	
Equalization Aid	10-3176-000-000	4,846,503	(879,379)	3,967,124	3,400,903	(566,221)	4,933,145		4,933,145	4,902,995	(30,150)
Categorical Security Aid	10-3177-000-000	100,557		100,557	100,557		95,356		95,356	95,356	
Categorical Transportation Aid	10-3121-000-000	309,393		309,393	309,393		249,140		249,140	249,140	
<b>Nonbudgeted:</b>											
On-Behalf TPAF Pension Contributions					407,954	407,954				373,033	373,033
Reimbursed TPAF Social Contributions					466,712	466,712				447,166	447,166
<b>Total State Sources</b>		<b>5,870,473</b>	<b>(879,379)</b>	<b>4,991,094</b>	<b>5,328,117</b>	<b>337,023</b>	<b>5,877,576</b>		<b>5,877,576</b>	<b>6,704,052</b>	<b>826,476</b>
<b>Federal Sources:</b>											
ARRA - ESF			846,606	846,606	846,606						
ARRA - GSF			32,773	32,773	32,773						
<b>Total Federal Sources</b>			<b>879,379</b>	<b>879,379</b>	<b>879,379</b>						
<b>Total Revenues</b>		<b>17,194,856</b>		<b>17,194,856</b>	<b>17,593,623</b>	<b>398,767</b>	<b>17,253,063</b>	<b>(2,000)</b>	<b>17,251,063</b>	<b>17,970,185</b>	<b>719,122</b>
<b>Expenditures:</b>											
<b>Current Expense:</b>											
<b>Instruction - Regular Programs:</b>											
<b>Salaries of Teachers:</b>											
Preschool	11-105-100-101	47,491	51,411	98,902	98,130	772	52,621	(1,100)	51,521	47,055	4,466
Kindergarten	11-110-100-101	494,781	945	495,726	495,124	602	419,909	53,100	473,009	466,841	6,168
Grades 1 - 5	11-120-100-101	1,961,526	(40,134)	1,921,392	1,875,643	45,749	1,991,295	(116,172)	1,875,123	1,859,738	15,385
Grades 6 - 8	11-130-100-101	1,606,804		1,606,804	1,531,134	75,670	1,585,077	(30,980)	1,554,097	1,553,482	615

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

	ACCOUNT NUMBERS	JUNE 30, 2010			VARIANCE FINAL TO ACTUAL	JUNE 30, 2009			VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)		
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS		FINAL BUDGET	ACTUAL
<b>Instruction - Regular Programs:</b>											
Home Instruction:											
Salaries of Teachers	11-150-100-101	4,000		4,000	627	3,373	4,000		4,000	889	3,111
Purchased Professional - Educational Services	11-150-100-320	600	26,000	26,600	8,217	18,383	600	3,000	3,600	2,515	1,085
Other Purchased Services	11-150-100-500	100		100	100		100		100		100
Regular Programs - Undistributed Instruction:											
Purchased Professional - Educational Services	11-190-100-320	8,000		8,000	6,115	1,885	5,000		5,000	3,257	1,743
Purchased Technical Services	11-190-100-340	42,250		42,250	39,014	3,236	33,150		33,150	24,553	8,597
Other Purchased Services	11-190-100-500	331,238	(7,000)	324,238	314,081	10,157	314,614	40	314,654	294,604	20,050
General Supplies	11-190-100-610	271,976	9,500	281,476	231,676	49,800	273,290	10,251	283,541	267,714	15,827
Textbooks	11-190-100-640	33,493	4,139	37,632	34,245	3,387	82,370		82,370	39,995	42,375
Other Objects	11-190-100-800	2,600		2,600	402	2,198	2,630		2,630	379	2,251
<b>Total Regular Programs - Instruction</b>		<b>4,804,859</b>	<b>44,861</b>	<b>4,849,720</b>	<b>4,634,508</b>	<b>215,212</b>	<b>4,764,656</b>	<b>(81,861)</b>	<b>4,682,795</b>	<b>4,561,022</b>	<b>121,773</b>
<b>Special Education:</b>											
Learning & Language Disabilities:											
Salaries of Teachers	11-204-100-101	77,190	90	77,280	77,280			73,093	73,093	73,093	
Other Salaries for Instruction	11-204-100-106	16,653		16,653	16,653			16,920	16,920	16,408	512
General Supplies	11-204-100-610	1,650		1,650	225	1,425					
<b>Total Learning &amp; Language Disabilities</b>		<b>95,493</b>	<b>90</b>	<b>95,583</b>	<b>94,158</b>	<b>1,425</b>		<b>90,013</b>	<b>90,013</b>	<b>89,501</b>	<b>512</b>
Multiple Disabilities:											
Salaries of Teachers	11-212-100-101	102,388	624	103,012	103,010	2	52,161	45,825	97,986	97,986	
Other Salaries for Instruction	11-212-100-106	28,355		28,355	28,331	24	26,830	303	27,133	26,803	330
General Supplies	11-212-100-610	3,300		3,300	3,190	110	1,650	746	2,396	2,339	57
<b>Total Multiple Disabilities</b>		<b>134,043</b>	<b>624</b>	<b>134,667</b>	<b>134,531</b>	<b>136</b>	<b>80,641</b>	<b>46,874</b>	<b>127,515</b>	<b>127,128</b>	<b>387</b>
Resource Room/Resource Center:											
Salaries of Teachers	11-213-100-101	247,898	690	248,588	248,586	2	356,086	(120,873)	235,213	235,212	1
Other Salaries for Instruction	11-213-100-106	40,057	140	40,197	40,192	5	53,659	(13,806)	39,853	39,790	63
General Supplies	11-213-100-610	4,950		4,950	4,837	113	9,250	213	9,463	9,339	124
<b>Total Resource Room/Resource Center</b>		<b>292,905</b>	<b>830</b>	<b>293,735</b>	<b>293,615</b>	<b>120</b>	<b>418,995</b>	<b>(134,466)</b>	<b>284,529</b>	<b>284,341</b>	<b>188</b>
Preschool Disabilities - Part-Time:											
Salaries of Teachers	11-215-100-101	25,336		25,336	25,178	158	24,198		24,198	23,439	759
General Supplies	11-215-100-610	900		900	900		900		900	644	256

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

ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Preschool Disabilities - Part-Time	26,236		26,236	26,078	158	25,098		25,098	24,083	1,015	
Total Special Education	548,677	1,544	550,221	548,382	1,839	524,734	2,421	527,155	525,053	2,102	
Basic Skills/Remedial:											
Salaries of Teachers	11-230-100-101	307,617	54,387	362,004	361,300	704	264,481	59,728	324,209	323,500	709
General Supplies	11-230-100-610	7,000	1,944	8,944	8,720	224	5,000		5,000	2,729	2,271
Total Basic Skills/Remedial		314,617	56,331	370,948	370,020	928	269,481	59,728	329,209	326,229	2,980
S School Sponsored Cocurricular Activities:											
Salaries	11-401-100-100	28,200		28,200	25,835	2,365	26,110	4,050	30,160	30,159	1
Purchased Services	11-401-100-500	15,500	(3,000)	12,500	8,231	4,269	16,000	(3,140)	12,860	8,265	4,595
Supplies and Materials	11-401-100-600	12,300		12,300	3,963	8,337	8,000		8,000	4,599	3,401
Total School Sponsored Cocurricular Activities		56,000	(3,000)	53,000	38,029	14,971	50,110	910	51,020	43,023	7,997
Other Instructional Programs - Instruction:											
Salaries	11-403-100-100	4,200	245	4,445	4,441	4	3,500		3,500	2,965	535
Purchased Services	11-403-100-500	3,100		3,100	3,100		6,000		6,000	3,985	2,015
Supplies and Materials	11-403-100-600	2,200	(245)	1,955	955	1,000	2,160		2,160	1,262	898
Total Other Instructional Programs - Instruction		9,500		9,500	8,496	1,004	11,660		11,660	8,212	3,448
Before/After School Programs - Instruction:											
Salaries	11-421-100-101	6,700		6,700	2,965	3,735					
Supplies and Materials	11-421-100-600	225		225	133	92					
Total Before/After School Programs - Instruction		6,925		6,925	3,098	3,827					
Summer School - Instruction:											
Salaries	11-422-100-101	8,935		8,935	8,059	876					
Other Salaries of Instruction	11-422-100-106	4,431		4,431		4,431					
Supplies and Materials	11-422-100-610	500		500	96	404					
Total Summer School - Instruction		13,866		13,866	8,155	5,711					
Summer School - Support Services:											
Salaries	11-422-200-100	5,804		5,804	5,804						
Total Summer School - Support Services		5,804		5,804	5,804						

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

	ACCOUNT NUMBERS	JUNE 30, 2010			VARIANCE FINAL TO ACTUAL	JUNE 30, 2009			VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)		
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL	ORIGINAL BUDGET	BUDGET TRANSFERS		FINAL BUDGET	ACTUAL
Total Instruction		5,760,248	99,736	5,859,984	5,616,492	243,492	5,620,641	(18,802)	5,601,839	5,463,539	138,300
Undistributed Expenditures:											
Instruction:											
Tuition to Other LEA's -State Regular	11-000-100-561	3,496,193		3,496,193	3,494,353	1,840	3,641,959		3,641,959	3,641,959	
Tuition to Other LEA's -State Special	11-000-100-562	514,263	(98,216)	416,047	367,846	48,201	484,241	51,601	535,842	534,575	1,267
Tuition to County Vocational Special	11-100-100-564	59,580		59,580	57,475	2,105	65,071	(24,276)	40,795	36,726	4,069
Tuition to County Special Services & Day Schools	11-000-100-565	388,920	(16,200)	372,720	298,781	73,939	442,560	(15,642)	426,918	255,337	171,581
Tuition to Private Schools for the Handicapped - State	11-100-100-566	271,195	(26,000)	245,195	192,443	52,752	234,181	(14,683)	219,498	159,196	60,302
Tuition - State Facilities	11-100-100-568	30,750		30,750	30,750						
Total Undistributed Expenditures - Instruction		4,760,901	(140,416)	4,620,485	4,441,648	178,837	4,868,012	(3,000)	4,865,012	4,627,793	237,219
Attendance & Social Work Services:											
Salaries of Teachers	11-000-211-100	23,814		23,814	23,247	567	22,419	261	22,680	22,530	150
Total Attendance & Social Work Services		23,814		23,814	23,247	567	22,419	261	22,680	22,530	150
Health Services:											
Salaries	11-000-213-100	135,998	1,200	137,198	137,196	2	127,633	3,400	131,033	130,777	256
Purchased Professional & Technical Services	11-000-213-300	3,500		3,500	3,500		3,500		3,500	3,500	
Other Purchased Services	11-000-213-500	7,373		7,373	5,160	2,213	6,925	99	7,024	5,725	1,299
Supplies and Materials	11-000-213-600	2,957		2,957	1,787	1,170	3,150	50	3,200	2,781	419
Total Health Services		149,828	1,200	151,028	147,643	3,385	141,208	3,549	144,757	142,783	1,974
Other Support Services - Students - Related Services:											
Salaries	11-000-216-100	147,617		147,617	142,484	5,133	184,345	(30,000)	154,345	149,979	4,366
Purchased Professional - Educational Services	11-000-216-320	43,500	16,200	59,700	59,700			40,323	40,323	40,323	
Supplies and Materials	11-000-216-600	3,050		3,050	2,989	61	3,550	610	4,160	3,772	388
Total Other Support Services - Students - Related Services		194,167	16,200	210,367	205,173	5,194	187,895	10,933	198,828	194,074	4,754

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

	ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Other Support Services - Special Education -											
Extraordinary Services:											
Salaries	11-000-217-100	123,118	17,326	140,444	134,437	6,007	117,744	15,000	132,744	124,011	8,733
Total Other Support Services - Special Education - Extraordinary Services		123,118	17,326	140,444	134,437	6,007	117,744	15,000	132,744	124,011	8,733
Other Support Services - Students - Regular:											
Salaries of Other Professional Staff	11-000-218-104	77,690		77,690	77,690		77,036		77,036	76,334	702
Salaries of Secretarial & Clerical Assistants	11-000-218-105	10,150		10,150	9,908	242	9,555	111	9,666	9,666	
Other Purchased Professional & Technical Services	11-000-218-390	4,300		4,300	4,175	125	5,000		5,000	4,512	488
Other Purchased Services	11-000-218-500	350		350		350	350		350	159	191
Supplies and Materials	11-000-218-600	605		605	523	82	700		700	610	90
Total Other Support Services - Students- Regular		93,095		93,095	92,296	799	92,641	111	92,752	91,281	1,471
Other Support Services - Students - Special Services:											
Salaries of Other Professional Staff	11-000-219-104	294,605		294,605	293,379	1,226	279,492	1,084	280,576	280,576	
Salaries of Secretarial & Clerical Assistants	11-000-219-105	39,785		39,785	38,838	947	37,457	433	37,890	37,890	
Purchased Professional - Technical Services	11-000-219-390	4,600		4,600	3,350	1,250	4,600		4,600	1,730	2,870
Miscellaneous Purchased Services	11-000-219-592	5,000		5,000	165	4,835	5,000		5,000	596	4,404
Supplies and Materials	11-000-219-600	4,000		4,000	3,471	529	4,000	1,474	5,474	4,049	1,425
Other Objects	11-000-219-800	4,550		4,550	4,157	393	5,800		5,800	3,504	2,296
Total Other Support Services - Students Special Services		352,540		352,540	343,360	9,180	336,349	2,991	339,340	328,345	10,995
Improvement of Instruction Services/Other Support Services - Instruction Staff:											
Salaries of Supervisors of Instruction	11-000-221-102	101,430		101,430	99,015	2,415	95,220	1,380	96,600	96,600	
Salaries of Other Professional Staff	11-000-221-104						65,205	945	66,150	66,150	
Salaries of Secretarial & Clerical Assistants	11-000-221-105	23,682		23,682	23,118	564	22,293	261	22,554	22,554	
Salaries of Facilitators, Math & Literacy Coaches	11-000-221-176	75,490		75,490	66,490	9,000					

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

	ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Improvement of Instruction Services/Other Support											
Services - Instruction Staff (continued):											
Purchased Professional -											
Educational Services	11-000-221-320	4,000		4,000		4,000	4,000		4,000	668	3,332
Other Purchased Services	11-000-221-500	2,500	1,000	3,500	3,446	54	4,100	264	4,364	3,514	850
Supplies and Materials	11-000-221-600	3,500		3,500	1,595	1,905	4,000	490	4,490	2,045	2,445
Other Objects	11-000-221-800	1,325		1,325	826	499	1,175	412	1,587	1,587	
Total Improvement of Instruction Services/ Other Support Services Instructional Staff		211,927	1,000	212,927	194,490	18,437	195,993	3,752	199,745	193,118	6,627
58 Educational Media Services/School Library:											
Salaries	11-000-222-100	242,644	(37,000)	205,644	204,349	1,295	243,749	(10,323)	233,426	224,118	9,308
Salaries of Technology Coordinators	11-000-222-177	69,458		69,458	67,804	1,654					
Purchased Professional & Technical Services	11-000-222-300	5,000		5,000		5,000	10,265		10,265		10,265
Other Purchased Services	11-000-222-500	4,000		4,000	467	3,533	2,000		2,000	253	1,747
Supplies and Materials	11-000-222-600	26,780		26,780	19,376	7,404	25,500	211	25,711	17,386	8,325
Total Educational Media Services/Library		347,882	(37,000)	310,882	291,996	18,886	281,514	(10,112)	271,402	241,757	29,645
Instructional Staff Training Services:											
Purchased Professional -											
Educational Services	11-000-223-320	6,500		6,500	2,071	4,429	9,000		9,000		9,000
Other Purchased Services	11-000-223-500	14,304	46	14,350	9,900	4,450	18,300	636	18,936	9,856	9,080
Supplies & Materials	11-000-223-600	4,000		4,000	2,565	1,435	6,000	2,434	8,434	2,735	5,699
Other Objects	11-000-223-800	4,865		4,865	402	4,463	3,000		3,000	834	2,166
Total Instructional Staff Training Services		29,669	46	29,715	14,938	14,777	36,300	3,070	39,370	13,425	25,945
Support Services General Administration:											
Salaries	11-000-230-100	206,922		206,922	191,627	15,295	169,434	2,755	172,189	172,100	89
Legal Services	11-000-230-331	10,000	4,000	14,000	9,915	4,085	13,000	5,095	18,095	16,057	2,038
Audit Fees	11-000-230-332	20,700		20,700	20,300	400	19,500	200	19,700	19,700	
Other Purchased											
Professional Services	11-000-230-339	2,430		2,430		2,430	7,620		7,620	6,500	1,120
Purchased Technical Services	11-000-230-340	9,500		9,500	5,969	3,531	9,400		9,400	6,821	2,579
Communications/Telephone	11-000-230-530	28,554		28,554	17,052	11,502	24,732	5,297	30,029	26,823	3,206
BOE Other Purchased Services	11-000-230-585	10,770	(4,000)	6,770	2,055	4,715	14,420		14,420	1,225	13,195
Other Purchased Services	11-000-230-590	29,199		29,199	27,325	1,874	27,885	4,000	31,885	27,344	4,541
General Supplies	11-000-230-610	5,700		5,700	3,890	1,810	5,700		5,700	1,322	4,378

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

	ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Support Services General Administration (continued):												
BOE In-House Training/Meeting												
	Supplies	11-000-230-630	2,000		2,000	949	1,051	2,000		2,000	1,088	912
	Miscellaneous Expenditures	11-000-230-890	3,000		3,000	2,025	975	3,370		3,370	2,730	640
	BOE Membership Dues & Fees	11-000-230-895	11,820		11,820	11,283	537	11,985	(124)	11,861	11,363	498
<b>Total Support Services General Administration</b>			<b>340,595</b>		<b>340,595</b>	<b>292,390</b>	<b>48,205</b>	<b>309,046</b>	<b>17,223</b>	<b>326,269</b>	<b>293,073</b>	<b>33,196</b>
Support Services School Administration:												
Salaries of Principals & Assistant Principals												
	11-000-240-103	265,598		265,598	260,108	5,490	249,301	3,649	252,950	252,950		
Salaries of Secretarial & Clerical Assistants												
	11-000-240-105	118,089		118,089	114,332	3,757	110,783	1,555	112,338	110,352	1,986	
	Other Purchased Services	11-000-240-500	3,500		3,500	587	2,913	8,000		8,000	3,076	4,924
	Supplies and Materials	11-000-240-600	8,000		8,000	7,523	477	9,270	100	9,370	9,188	182
	Other Objects	11-000-240-800	3,615		3,615	3,337	278	3,500	124	3,624	3,624	
<b>Total Support Services School Administration</b>			<b>398,802</b>		<b>398,802</b>	<b>385,887</b>	<b>12,915</b>	<b>380,854</b>	<b>5,428</b>	<b>386,282</b>	<b>379,190</b>	<b>7,092</b>
Central Services:												
	Salaries	11-000-251-100	146,838	6,776	153,614	150,790	2,824	152,579	1,152	153,731	147,214	6,517
	Purchased Professional Services	11-000-251-330	8,757		8,757	6,852	1,905	8,420		8,420	6,694	1,726
	Purchased Technical Services	11-000-251-340	2,375		2,375	1,660	715	9,781		9,781	9,220	561
Miscellaneous Purchased Services												
	11-000-251-592	10,800	(1,000)	9,800	4,141	5,659	7,300		7,300	3,274	4,026	
	Supplies and Materials	11-000-251-600	4,000	40	4,040	4,040		7,000		7,000	4,008	2,992
	Miscellaneous Expenditures	11-000-251-890	1,110		1,110	1,084	26	1,070		1,070	1,028	42
<b>Total Central Services</b>			<b>173,880</b>	<b>5,816</b>	<b>179,696</b>	<b>168,567</b>	<b>11,129</b>	<b>186,150</b>	<b>1,152</b>	<b>187,302</b>	<b>171,438</b>	<b>15,864</b>
Administrative Information Technology:												
	Salaries	11-000-252-100	44,783		44,783	43,290	1,493	42,642	861	43,503	43,503	
	Purchased Technical Services	11-000-252-340	13,980		13,980	13,880	100	3,750		3,750	3,750	
<b>Total Administrative Information Technology</b>			<b>58,763</b>		<b>58,763</b>	<b>57,170</b>	<b>1,593</b>	<b>46,392</b>	<b>861</b>	<b>47,253</b>	<b>47,253</b>	
Allowable Maintenance for School Facilities:												
	Salaries	11-000-261-100	70,572		70,572	67,099	3,473	66,562	1,418	67,980	67,623	357
Cleaning, Repair & Maintenance Services												
	11-000-261-420	31,570	240	31,810	29,170	2,640	31,000	3,673	34,673	27,379	7,294	
	General Supplies	11-000-261-610	44,900	(1,788)	43,112	30,362	12,750	40,000	233	40,233	20,686	19,547
<b>Total Allowable Maintenance for School Facilities</b>			<b>147,042</b>	<b>(1,548)</b>	<b>145,494</b>	<b>126,631</b>	<b>18,863</b>	<b>137,562</b>	<b>5,324</b>	<b>142,886</b>	<b>115,688</b>	<b>27,198</b>

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

	ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Operation & Maintenance of Plant Services & School Facilities:											
Salaries	11-000-262-100	75,948	1,100	77,048	77,037	11	106,615	2,298	108,913	106,092	2,821
Salaries of Noninstructional Aides	11-000-262-107	37,133	(1,100)	36,033	31,763	4,270					
Cleaning, Repair & Maintenance Services	11-000-262-420	531,015	(3,221)	527,794	522,669	5,125	669,393	2,870	672,263	536,040	136,223
Other Purchased Property Services	11-000-262-490	48,857		48,857	48,532	325	68,050		68,050	58,748	9,302
Insurance	11-000-262-520	43,950	5	43,955	41,366	2,589	42,079		42,079	42,057	22
General Supplies	11-000-262-610	22,380		22,380	21,071	1,309	27,100		27,100	19,945	7,155
Energy (Natural Gas)	11-000-262-621	77,500	3,221	80,721	80,721						
Energy (Electricity)	11-000-262-622	305,000		305,000	296,001	8,999	362,000		362,000	347,077	14,923
Other Objects	11-000-262-800	1,000	(11)	989	857	132	1,000		1,000	507	493
Total Operation & Maintenance of Plant Services & School Facilities		1,142,783	(6)	1,142,777	1,120,017	22,760	1,276,237	5,168	1,281,405	1,110,466	170,939
Care & Upkeep of Grounds:											
Other Purchased Professional Technical Services	11-000-263-300	59,000	8,474	67,474	63,676	3,798					
Total Care & Upkeep of Grounds		59,000	8,474	67,474	63,676	3,798					
Security:											
Other Purchased Professional Technical Services	11-000-266-300	25,000	(2,000)	23,000	16,040	6,960					
Cleaning, Repair & Maintenance Services	11-000-266-420	8,324		8,324	7,274	1,050					
Total Security		33,324	(2,000)	31,324	23,314	8,010					
Student Transportation Services:											
Salaries of Noninstructional Aides	11-000-270-107		9,097	9,097	8,437	660					
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	17,436		17,436	16,316	1,120	20,883	384	21,267	21,267	
Other Purchased Professional Technical Services	11-000-270-390	2,000		2,000	1,950	50	2,000		2,000		2,000
Contracted Services (Between Home & School) - Vendors	11-000-270-511	781,071		781,071	781,028	43	755,825	900	756,725	755,002	1,723

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

	ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Student Transportation Services (continued):											
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	124,126	(6,500)	117,626	75,348	42,278	121,871	(900)	120,971	100,906	20,065
Contracted Services (Special Education Students) - Vendors	11-000-270-514	12,200		12,200		12,200	12,200		12,200	708	11,492
Contracted Services (Between Home & School) - Joint Agreements	11-000-270-515	405,000		405,000	327,155	77,845	390,627		390,627	348,486	42,141
Contracted Service - Aid in Lieu of Payments	11-000-270-503	45,700		45,700	40,065	5,635	46,000		46,000	41,406	4,594
Supplies and Materials	11-000-270-600	500		500		500	500		500		500
Miscellaneous Expenditures	11-000-270-800	125		125		125	125		125		125
<b>Total Student Transportation Services</b>		<b>1,388,158</b>	<b>2,597</b>	<b>1,390,755</b>	<b>1,250,299</b>	<b>140,456</b>	<b>1,350,031</b>	<b>384</b>	<b>1,350,415</b>	<b>1,267,775</b>	<b>82,640</b>
Unallocated Benefits - Employee Benefits:											
Social Security Contributions	11-000-291-220	101,032	1,326	102,358	101,271	1,087	103,517		103,517	97,446	6,071
Other Retirement Contribution - Regular	11-000-291-241	87,224		87,224	83,271	3,953	85,814		85,814	70,761	15,053
Workmen's Compensation	11-000-291-260	54,947	6	54,953	54,953		52,606		52,606	52,580	26
Health Benefits	11-000-291-270	1,659,488	20,747	1,680,235	1,598,231	82,004	1,880,000	(31,014)	1,848,986	1,524,725	324,261
Tuition Reimbursements	11-000-291-280	40,000	(13,000)	27,000	23,740	3,260	35,000		35,000	27,641	7,359
Other Employee Benefits	11-000-291-290	17,200		17,200	9,260	7,940	8,900	6,500	15,400	14,023	1,377
<b>Total Unallocated Benefits - Employee Benefits</b>		<b>1,959,891</b>	<b>9,079</b>	<b>1,968,970</b>	<b>1,870,726</b>	<b>98,244</b>	<b>2,165,837</b>	<b>(24,514)</b>	<b>2,141,323</b>	<b>1,787,176</b>	<b>354,147</b>
Nonbudgeted:											
On-Behalf TPAF Pension Contributions					407,954	(407,954)				373,033	(373,033)
Reimbursed TPAF Social Security Contributions					466,712	(466,712)				447,166	(447,166)
<b>Total Undistributed Expenditures</b>		<b>11,989,179</b>	<b>(119,232)</b>	<b>11,869,947</b>	<b>12,122,571</b>	<b>(252,624)</b>	<b>12,132,184</b>	<b>37,581</b>	<b>12,169,765</b>	<b>11,971,375</b>	<b>198,390</b>
<b>Total Expenditures - Current Expense</b>		<b>17,749,427</b>	<b>(19,496)</b>	<b>17,729,931</b>	<b>17,739,063</b>	<b>(9,132)</b>	<b>17,752,825</b>	<b>18,779</b>	<b>17,771,604</b>	<b>17,434,914</b>	<b>336,690</b>
Capital Outlay:											
Increase in Capital Reserve	10-604-000-000						132,000		132,000		132,000
Interest Deposit to Capital Reserve	10-604-000-000	1,600		1,600		1,600	2,000	(2,000)			
Increase in Maintenance Reserve	10-606-000-000	130,000		130,000		130,000					
Interest Deposit to Maintenance Reserve	10-606-000-000	1,200		1,200		1,200					

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

	ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Equipment:</b>											
Undistributed Expenditures:											
Instruction	12-400-100-730	43,318	29,541	72,859	72,859		7,000	9,325	16,325	16,324	1
Custodial Services	12-000-262-730	20,000		20,000	20,000						
Security	12-000-266-730	33,000	1,050	34,050	34,050						
Assets Acquired Under Capital											
Lease (Nonbudget) - Instruction					247,135	(247,135)				406,290	(406,290)
Facilities Acquisition & Construction Services:											
Other Purchased Professional & Technical Services											
Construction Services	12-000-400-390		25,046	25,046	25,046		28,000	(2,954)	25,046	24,693	25,046
Construction Services	12-000-400-450						20,000	4,693	24,693	24,693	
Capital Reserve - Transfer to Repayment of Debt	12-000-400-933	1,600		1,600		1,600					
<b>Total Capital Outlay</b>		<b>230,718</b>	<b>55,637</b>	<b>286,355</b>	<b>399,090</b>	<b>(112,735)</b>	<b>189,000</b>	<b>9,064</b>	<b>198,064</b>	<b>447,307</b>	<b>(249,243)</b>
<b>Summer School:</b>											
Instruction:											
Salaries of Teachers	13-422-100-101	28,500		28,500	25,102	3,398	31,600	2,061	33,661	33,653	8
Other Purchased Services	13-422-100-500	5,700		5,700	5,646	54	5,490		5,490	5,490	
General Supplies	13-422-100-610	1,500		1,500	81	1,419	2,000	(1,250)	750	591	159
<b>Total Summer School</b>		<b>35,700</b>		<b>35,700</b>	<b>30,829</b>	<b>4,871</b>	<b>39,090</b>	<b>811</b>	<b>39,901</b>	<b>39,734</b>	<b>167</b>
<b>Total Expenditures</b>		<b>18,015,845</b>	<b>36,141</b>	<b>18,051,986</b>	<b>18,168,982</b>	<b>(116,996)</b>	<b>17,980,915</b>	<b>28,654</b>	<b>18,009,569</b>	<b>17,921,955</b>	<b>87,614</b>
<b>Excess/(Deficiency) of Revenues Over/(Under)</b>											
Expenditures Before Other Financing Sources/(Uses)		(820,989)	(36,141)	(857,130)	(575,359)	281,771	(727,852)	(30,654)	(758,506)	48,230	806,736
<b>Other Financing Sources/(Uses):</b>											
Capital Lease (Nonbudget)					247,135	247,135				406,290	406,290
Transfers to Debt Service Fund - Debt Service Relief										(8,701)	(8,701)
Transfers to Food Service Fund - Board Contribution		(30,000)		(30,000)	(30,000)		(40,000)		(40,000)	(40,000)	
<b>Total Other Financing Sources/(Uses)</b>		<b>(30,000)</b>		<b>(30,000)</b>	<b>217,135</b>	<b>247,135</b>	<b>(40,000)</b>		<b>(40,000)</b>	<b>357,589</b>	<b>397,589</b>

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

ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Excess/(Deficiency) of Revenues Over/(Under)										
Expenditures After Other Financing Sources/(Uses)	(850,989)	(36,141)	(887,130)	(358,224)	528,906	(767,852)	(30,654)	(798,506)	405,819	1,204,325
Fund Balances, July 1	1,995,563		1,995,563	1,995,563		1,589,744		1,589,744	1,589,744	
Fund Balances, June 30	<u>\$1,144,574</u>	<u>(36,141)</u>	<u>1,108,433</u>	<u>1,637,339</u>	<u>528,906</u>	<u>821,892</u>	<u>(30,654)</u>	<u>791,238</u>	<u>1,995,563</u>	<u>1,204,325</u>

**RECAPITULATION OF FUND BALANCE**

Reserve for Encumbrances	\$19,119
Excess Surplus - Designated for Subsequent Year	505,472
Excess Surplus	356,288
Capital Reserve	125,299
Maintenance Reserve	232,039
Unreserved Fund Balance - Designated for Subsequent Year's Expenditures	29,000
Unreserved Fund Balance - Undesignated	<u>370,122</u>
Subtotal	<u>1,637,339</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	<u>(561,944)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$1,075,395</u>

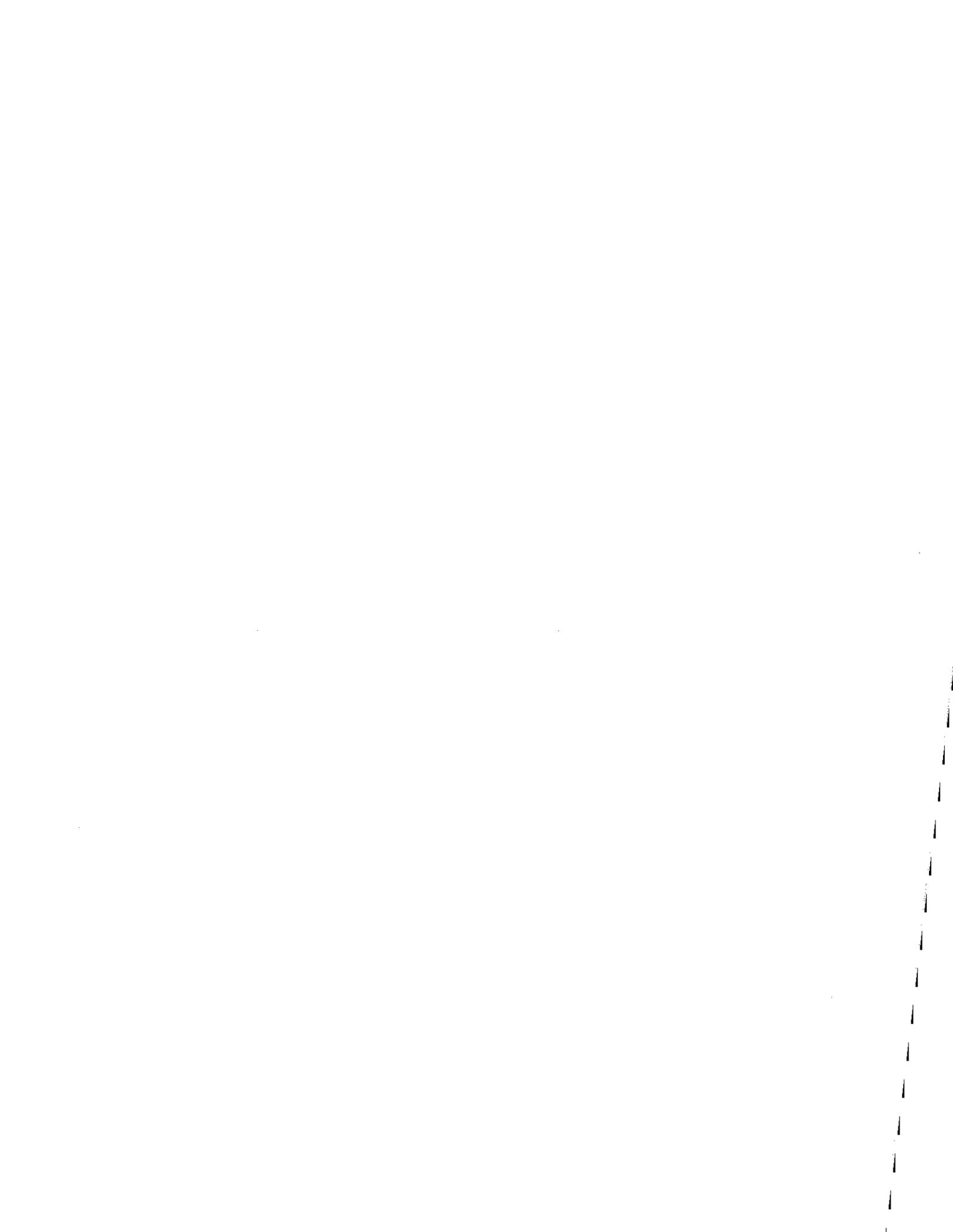
**LOGAN TOWNSHIP BOARD OF EDUCATION  
AMERICAN RECOVERY AND REINVESTMENT ACT -  
BUDGET AND ACTUAL  
FOR FISCAL YEAR ENDED JUNE 30, 2010**

REVENUES	ACCOUNT NUMBERS	JUNE 30, 2010			VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Federal Sources		\$ -		879,379	879,379
Total Revenues				879,379	879,379
EXPENDITURES:					
Instruction:					
ARRA - State Fiscal Stabilization Fund					
Education Stabilization Fund:					
Salaries of Teachers Gr 1-5	16-000-120-101			846,606	846,606
Total Education Stabilization Fund				846,606	846,606
ARRA - State Fiscal Stabilization Fund - ESF					
Government Services Fund:					
Salaries of Teachers Gr 1-5	17-000-120-101			32,773	32,773
Total Government Services Fund				32,773	32,773
Total State Fiscal Stabilization Fund				879,379	879,379
Total Expenditures				879,379	879,379
Total Outflows				879,379	879,379
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)		\$ -	-	-	-

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

	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
<b>REVENUES:</b>										
Local Sources							5,091	5,091	5,091	
State Sources	\$36,300	4,005	40,305	37,540	(2,765)	36,300	8,242	44,542	42,177	(2,365)
Federal Sources	290,274	364,254	654,528	503,902	(150,626)	298,845	46,008	344,853	342,584	(2,269)
<b>Total Revenues</b>	<b>326,574</b>	<b>368,259</b>	<b>694,833</b>	<b>541,442</b>	<b>(153,391)</b>	<b>335,145</b>	<b>59,341</b>	<b>394,486</b>	<b>389,852</b>	<b>(4,634)</b>
<b>EXPENDITURES:</b>										
<b>Instruction:</b>										
Salaries of Teachers	34,300	90,132	124,432	112,080	12,352	113,602	(19,981)	93,621	93,621	
Other Salaries for Instruction	43,969	(35,886)	8,083	8,083			8,380	8,380	8,380	
Other Purchased Professional & Technical Services							2,181	2,181	2,181	
General Supplies		40,622	40,622	14,270	26,352		16,518	16,518	12,346	4,172
Tuition	220,015	155,262	375,277	332,625	42,652	219,313	28,031	247,344	247,344	
<b>Total Instruction</b>	<b>298,284</b>	<b>250,130</b>	<b>548,414</b>	<b>467,058</b>	<b>81,356</b>	<b>332,915</b>	<b>35,129</b>	<b>368,044</b>	<b>363,872</b>	<b>4,172</b>
<b>Support Services:</b>										
Teacher Stipends										
Employee Benefits		16,048	16,048	54,584	(38,536)		13,407	13,407	13,407	
Purchased Professional Technical Services	26,290	72,210	98,500	3,947	94,553	2,230	3,948	6,178	6,178	
Purchased Professional Services		3,195	3,195	1,195	2,000		1,702	1,702	1,702	
General Supplies		7,809	7,809	873	6,936		3,220	3,220	3,220	
Other Purchased Services	2,000	10,941	12,941	5,859	7,082		1,935	1,935	1,473	462
<b>Total Support Services</b>	<b>28,290</b>	<b>110,203</b>	<b>138,493</b>	<b>66,458</b>	<b>72,035</b>	<b>2,230</b>	<b>24,212</b>	<b>26,442</b>	<b>25,980</b>	<b>462</b>
<b>Facilities Acquisition &amp; Construction Services:</b>										
Instructional Equipment		7,926	7,926	7,926						
<b>Total Facilities Acquisition &amp; Construction Services</b>		<b>7,926</b>	<b>7,926</b>	<b>7,926</b>						
<b>Total Expenditures</b>	<b>326,574</b>	<b>368,259</b>	<b>694,833</b>	<b>541,442</b>	<b>153,391</b>	<b>335,145</b>	<b>59,341</b>	<b>394,486</b>	<b>389,852</b>	<b>4,634</b>
<b>Total Outflows</b>	<b>326,574</b>	<b>368,259</b>	<b>694,833</b>	<b>541,442</b>	<b>153,391</b>	<b>335,145</b>	<b>59,341</b>	<b>394,486</b>	<b>389,852</b>	<b>4,634</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures &amp; Other Financing Sources/ (Uses)</b>										
	\$ -	-	-	-	-	-	-	-	-	-

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

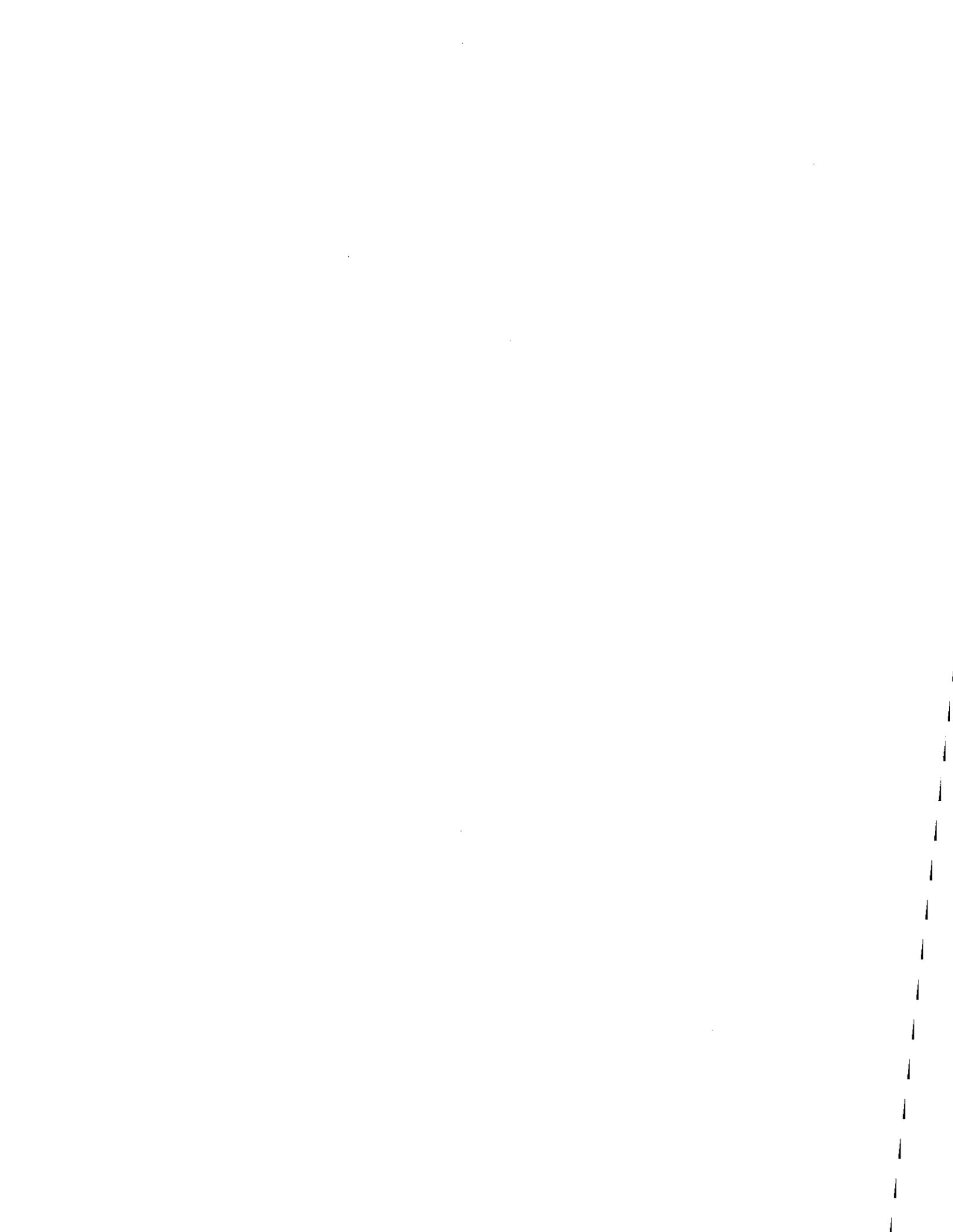


LOGAN TOWNSHIP BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE  
 NOTE TO RSI  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

	GENERAL FUND N-1	SPECIAL REVENUE FUND
<b>Sources/Inflows of Resources:</b>		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$17,593,623	541,442
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized		(1,116)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	567,801	3,630
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	(561,944)	(3,630)
	\$17,599,480	540,326
Total Revenue as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	\$17,599,480	540,326
<b>Uses/outflows of resources:</b>		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$18,168,982	541,442
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year		4,913
Current Year		(6,029)
		(1,116)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$18,168,982	540,326

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



**OTHER SUPPLEMENTARY INFORMATION**



D. School Based Budget Schedules

Not Applicable



E. Special Revenue Fund



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

	I.D.E.A. - PART B						
	BASIC REGULAR PROGRAM	BASIC REGULAR PROGRAM CARRYOVER	BASIC REGULAR PROGRAM ARRA	PRESCHOOL INCENTIVE PROGRAM	PRESCHOOL INCENTIVE PROGRAM ARRA	TITLE II PART D CARRYOVER	TITLE I
Revenues:							
Federal Sources	\$247,005	218	136,459	8,701	9,425	408	73,691
State Sources							
Local Sources							
<b>Total Revenues</b>	<b>\$247,005</b>	<b>218</b>	<b>136,459</b>	<b>8,701</b>	<b>9,425</b>	<b>408</b>	<b>73,691</b>
Expenditures:							
Instruction:							
Salaries of Teachers							58,500
Other Salaries				8,083			
Purchase Professional & Technical Services							
Tuition	\$245,000		87,625				
General Supplies	1,602	218	8,824		1,499		541
<b>Total Instruction</b>	<b>246,602</b>	<b>218</b>	<b>96,449</b>	<b>8,083</b>	<b>1,499</b>		<b>59,041</b>
Support Services:							
Teacher Stipends							
Employee Benefits			39,481	618			10,836
Purchase Professional & Technical Services							3,000
Purchased Professional Services							
General Supplies							
Other Purchased Services	403		529			408	814
<b>Total Support Services</b>	<b>403</b>		<b>40,010</b>	<b>618</b>		<b>408</b>	<b>14,650</b>
Facilities Acquisition & Construction Services:							
Instructional Equipment					7,926		
<b>Total Facilities Acquisition &amp; Construction Services</b>					<b>7,926</b>		
<b>Total Expenditures</b>	<b>\$247,005</b>	<b>218</b>	<b>136,459</b>	<b>8,701</b>	<b>9,425</b>	<b>408</b>	<b>73,691</b>

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

	TITLE I ARRA	TITLE II PART A	TITLE II PART D	TITLE IV
<b>Revenues:</b>				
Federal Sources	\$764	24,325	756	2,150
State Sources				
Local Sources				
<b>Total Revenues</b>	<b>\$764</b>	<b>24,325</b>	<b>756</b>	<b>2,150</b>
<b>Expenditures:</b>				
<b>Instruction:</b>				
Salaries of Teachers		17,600		1,680
Other Salaries				
Purchase Professional & Technical Services				
Tuition				
General Supplies				341
<b>Total Instruction</b>		<b>17,600</b>		<b>2,021</b>
<b>Support Services:</b>				
Teacher Stipends				
Employee Benefits		3,520		129
Purchase Professional & Technical Services		947		
Purchased Professional Services				
General Supplies	\$564	309		
Other Purchased Services	200	1,949	756	
<b>Total Support Services</b>	<b>764</b>	<b>6,725</b>	<b>756</b>	<b>129</b>
<b>Facilities Acquisition &amp; Construction Services:</b>				
Instructional Equipment				
<b>Total Facilities Acquisition &amp; Construction Services</b>				
<b>Total Expenditures</b>	<b>\$764</b>	<b>24,325</b>	<b>756</b>	<b>2,150</b>

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

	PRESCHOOL EDUCATION AID	EARLY LAUNCH LEARNING INITIATIVE CARRYOVER	CHARACTER EDUCATION CARRYOVER
<b>Revenues:</b>			
Federal Sources			
State Sources	\$34,300	2,440	800
Local Sources			
<b>Total Revenues</b>	<b>\$34,300</b>	<b>2,440</b>	<b>800</b>
<b>Expenditures:</b>			
<b>Instruction:</b>			
Salaries of Teachers	\$34,300		
Other Salaries			
Purchase Professional & Technical Services			
Tuition			
General Supplies		1,245	
<b>Total Instruction</b>	<b>34,300</b>	<b>1,245</b>	
<b>Support Services:</b>			
Teacher Stipends			
Employee Benefits			
Purchased Professional & Technical Services			
Purchased Professional Services		1,195	
General Supplies			
Other Purchased Services			800
<b>Total Support Services</b>		<b>1,195</b>	<b>800</b>
<b>Facilities Acquisition &amp; Construction Services:</b>			
Instructional Equipment			
<b>Total Facilities Acquisition &amp; Construction Services</b>			
<b>Total Expenditures</b>	<b>\$34,300</b>	<b>2,440</b>	<b>800</b>

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

	2010	2009
Revenues:		
Federal Sources	\$503,902	342,584
State Sources	37,540	42,177
Local Sources		5,091
		<hr/>
Total Revenues	\$541,442	389,852
		<hr/> <hr/>
Expenditures:		
Instruction:		
Salaries of Teachers	\$112,080	93,621
Other Salaries	8,083	8,380
Purchase Professional & Technical Services		2,181
Tuition	332,625	247,344
General Supplies	14,270	12,346
		<hr/>
Total Instruction	467,058	363,872
		<hr/>
Support Services:		
Teacher Stipends		
Employee Benefits	54,584	13,407
Purchased Professional & Technical Services	3,947	6,178
Purchased Professional Services	1,195	1,702
General Supplies	873	3,220
Other Purchased Services	5,859	1,473
		<hr/>
Total Support Services	66,458	25,980
		<hr/>
Facilities Acquisition & Construction Services:		
Instructional Equipment	7,926	
		<hr/>
Total Facilities Acquisition & Construction Services	7,926	
		<hr/>
Total Expenditures	\$541,442	389,852
		<hr/> <hr/>

F. Capital Projects Fund

Not Applicable



## G. Proprietary Funds



## Enterprise Funds



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

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE	2010	2009
Current Assets:			
Cash & Cash Equivalents	\$43,354	43,354	98,687
Accounts Receivable:			
Federal	5,000	5,000	4,463
State	337	337	342
Other	30,000	30,000	
Inventories	9,032	9,032	6,811
Total Current Assets	87,723	87,723	110,303
Noncurrent assets:			
Furniture, Machinery & Equipment	162,573	162,573	156,525
Less: Accumulated Depreciation	(129,608)	(129,608)	(124,743)
Total Noncurrent Assets	32,965	32,965	31,782
Total Assets	120,688	120,688	142,085
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	7,345	7,345	46,009
Prepaid Lunch Fees	5,505	5,505	5,803
Total Liabilities	12,850	12,850	51,812
<b>NET ASSETS</b>			
Investments in Capital Assets - Net of Related Debt	32,965	32,965	31,782
Unrestricted	74,873	74,873	58,491
Total Net Assets	\$107,838	107,838	90,273

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

	BUSINESS-TYPE ACTIVITIES -		
	FOOD SERVICE	2010	2009
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs:			
School Lunch Program	\$169,630	169,630	178,628
Daily Sales - Nonreimbursable Programs	70,419	70,419	70,967
<b>Total Operating Revenues</b>	<b>240,049</b>	<b>240,049</b>	<b>249,595</b>
Operating Expenses:			
Salaries & Benefits	174,423	174,423	172,623
Supplies & Materials	8,048	8,048	8,827
Cost of Sales	141,815	141,815	159,932
Depreciation	4,865	4,865	5,152
Miscellaneous	25,724	25,724	22,041
<b>Total Operating Expenses</b>	<b>354,875</b>	<b>354,875</b>	<b>368,575</b>
<b>Operating Income/(loss)</b>	<b>(114,826)</b>	<b>(114,826)</b>	<b>(111,621)</b>
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	4,942	4,942	5,076
Federal Sources:			
National School Lunch Program	69,887	69,887	63,888
Food Distribution Program	27,298	27,298	26,994
Interest Revenue	264	264	421
<b>Total Nonoperating Revenues/(Expenses)</b>	<b>102,391</b>	<b>102,391</b>	<b>96,379</b>
<b>Income/(Loss) Before Contributions &amp; Transfers</b>	<b>(12,435)</b>	<b>(12,435)</b>	<b>(15,242)</b>
Board Contributions			
Transfer to Cover Deficit	30,000	30,000	40,000
<b>Total Board Contribution</b>	<b>30,000</b>	<b>30,000</b>	<b>40,000</b>
<b>Net Income</b>	<b>17,565</b>	<b>17,565</b>	<b>24,758</b>
<b>Total Net Assets - Beginning</b>	<b>90,273</b>	<b>90,273</b>	<b>65,515</b>
<b>Total Net Assets - Ending</b>	<b>\$107,838</b>	<b>107,838</b>	<b>90,273</b>

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

	BUSINESS-TYPE ACTIVITIES -		
	FOOD SERVICE	2010	2009
Cash Flows From Operating Activities:			
Receipts from Customers	\$168,334	168,334	297,605
Payments to Employees	(174,423)	(174,423)	(172,623)
Payments to Suppliers	(148,289)	(148,289)	(163,806)
Net Cash Provided/(Used) by Operating Activities	<u>(154,378)</u>	<u>(154,378)</u>	<u>(38,824)</u>
Cash Flows From Investing Activities:			
Interest & Dividends	264	264	421
Net Cash Provided/(Used) by Investing Activities	<u>264</u>	<u>264</u>	<u>421</u>
Cash Flows From Noncapital Financing Activities:			
Cash Received from Federal & State Reimbursements	74,829	74,829	68,964
Board Contribution	30,000	30,000	40,000
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>104,829</u>	<u>104,829</u>	<u>108,964</u>
Cash Flows From Capital & Related Financing Activities:			
Purchase of Capital Assets	(6,048)	(6,048)	
Net Cash Provided/(Used) by Capital & Related Financing Activities	<u>(6,048)</u>	<u>(6,048)</u>	
Net Increase/(Decrease) in Cash & Cash Equivalents	(55,333)	(55,333)	70,561
Balances - Beginning of Year	98,687	98,687	28,126
Balances - End of Year	<u>\$43,354</u>	<u>43,354</u>	<u>98,687</u>

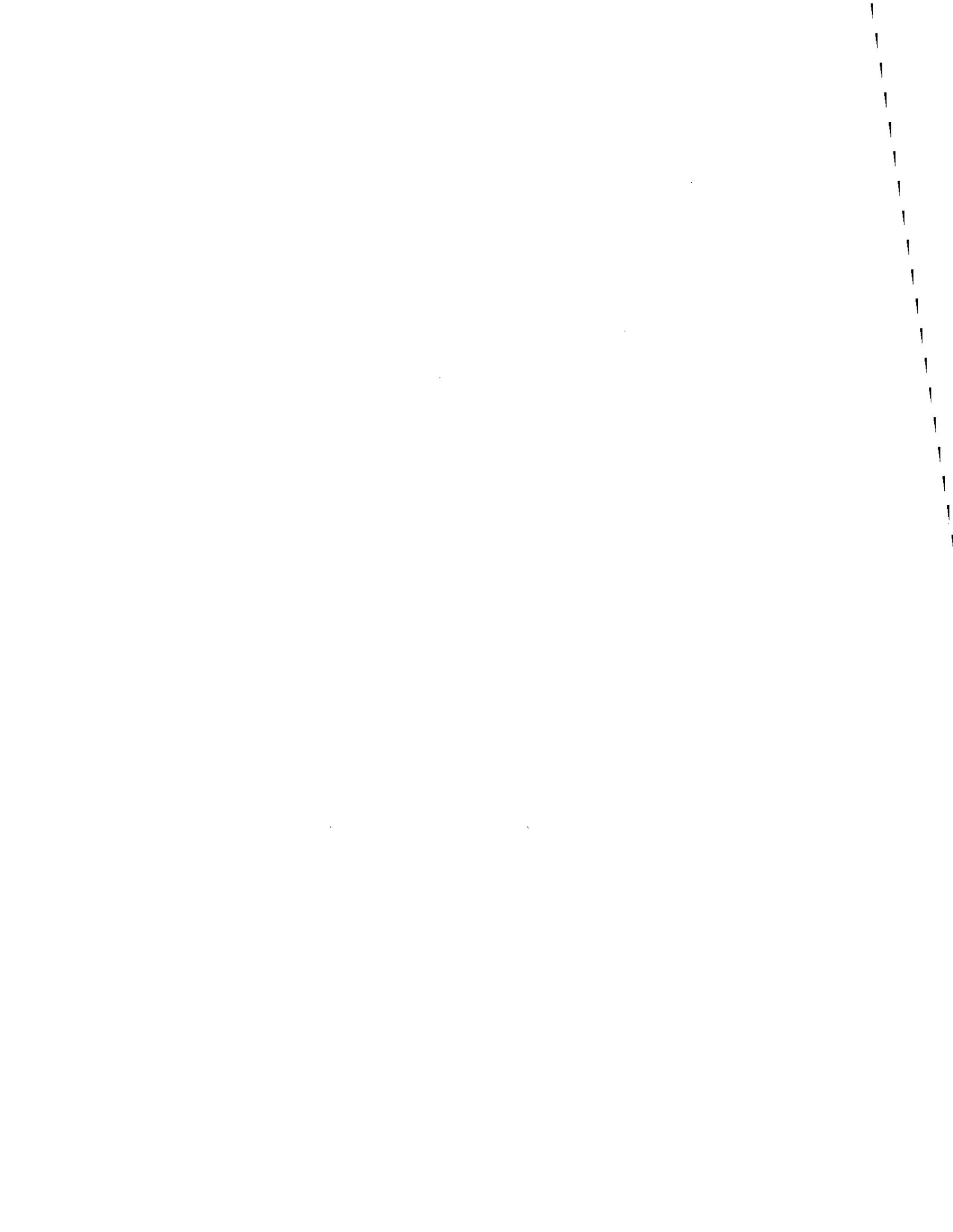
**Reconciliation of Operating Income/(Loss) to Net Cash Provided (Used) by Operating Activities:**

Operating Income/(Loss)	(\$114,826)	(114,826)	(111,621)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	4,865	4,865	5,152
Food Distribution Program	27,298	27,298	26,994
Changes in Assets & Liabilities:			
(Increase)/Decrease Accounts Receivable	(30,532)	(30,532)	(1,251)
(Increase)/Decrease in Inventory	(2,221)	(2,221)	(2,128)
Increase/(Decrease) in Current Liabilities	(38,962)	(38,962)	44,030
Total Adjustments	<u>(39,552)</u>	<u>(39,552)</u>	<u>72,797</u>
Net Cash Provided/(Used) by Operating Activities	<u>(\$154,378)</u>	<u>(154,378)</u>	<u>(38,824)</u>



Internal Service Fund

Not Applicable



## H. Fiduciary Fund



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

ASSETS	PRIVATE PURPOSE		AGENCY		2010	2009
	UNEMPLOYMENT COMPENSATION INSURANCE TRUST	SCHOLARSHIP	STUDENT ACTIVITY	PAYROLL		
Cash & Cash Equivalents	\$63,249	8,496	32,452	147,966	252,163	220,611
Total Assets	63,249	8,496	32,452	147,966	252,163	220,611
LIABILITIES						
Payroll Deductions & Withholdings				142,331	142,331	124,542
Flexible Spending				5,635	5,635	2,170
Due to Student Groups			32,452		32,452	29,119
Total Liabilities			32,452	147,966	180,418	155,831
NET ASSETS						
Reserved for Unemployment Compensation	63,249				63,249	56,147
Unreserved		8,496			8,496	8,633
Total Net Assets	\$63,249	8,496	-	-	71,745	64,780

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

ADDITIONS	PRIVATE PURPOSE		2010	2009
	SCHOLARSHIP	UNEMPLOYMENT COMPENSATION		
Local Sources:				
Transfer from Payroll Agency Account		12,065	12,065	15,868
Scholarships Established	\$83		83	53
Investment Earnings:				
Interest	30	137	167	768
Total Additions	113	12,202	12,315	16,689
DEDUCTIONS				
Quarterly Unemployment Contribution Reports		5,100	5,100	2,002
Scholarship Payments	250		250	2,003
Total Deductions	250	5,100	5,350	4,005
Change in Net Assets	(137)	7,102	6,965	12,684
Net Assets - Beginning of the Year	8,633	56,147	64,780	52,096
Net Assets - End of the Year	\$8,496	63,249	71,745	64,780

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

	BALANCE JULY 1, 2009	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2010
Student Activity	\$29,119	38,706	35,373	32,452
Total Student Activity	\$29,119	38,706	35,373	32,452

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

ASSETS	BALANCE JULY 1, 2009	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2010
Cash & Cash Equivalents	\$126,712	8,094,100	8,072,846	147,966
Total Assets	\$126,712	8,094,100	8,072,846	147,966
<b>LIABILITIES</b>				
Payroll Deductions & Withholding Net Payroll	\$124,542	3,185,230	3,167,441	142,331
Flexible Spending	2,170	13,883	10,418	5,635
Interfund Accounts Payable		621	621	
Total Liabilities	\$126,712	8,094,100	8,072,846	147,966



## I. Long-Term Debt



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

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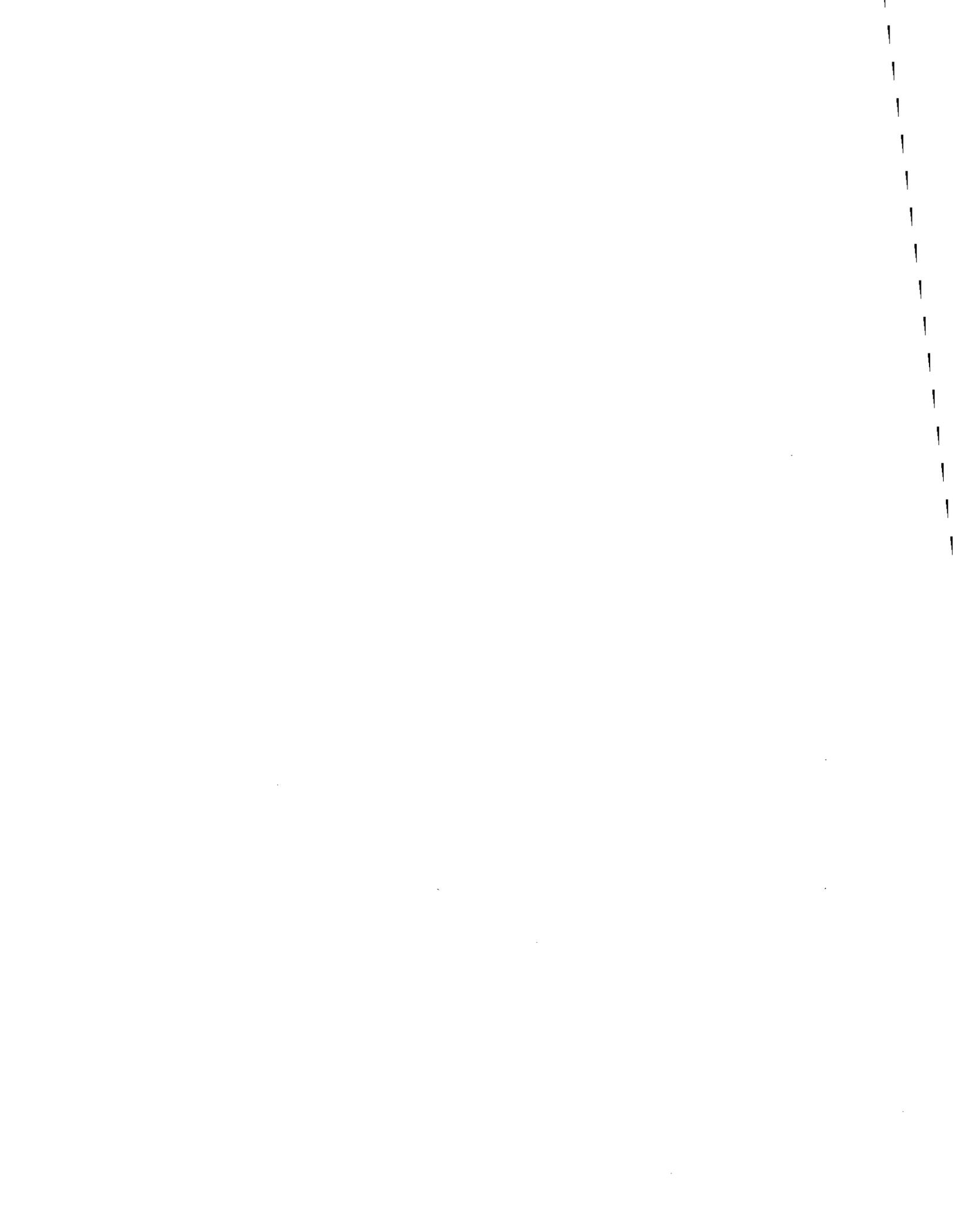
ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JULY 1, 2009	ISSUED	RETIRED	BALANCE JUNE 30, 2010
			DATE	AMOUNT					
School Building Renovations & Fixtures	06/29/1999	\$7,852,000				\$400,000		400,000	
Refunding Bonds - Series 2002	04/15/2002	7,630,000	7/15/2010	\$700,000	5.00%	3,445,000		710,000	2,735,000
			7/15/2011	690,000	5.00%				
			7/15/2012	680,000	5.00%				
			7/15/2013	665,000	5.00%				
Refunding Bonds - Series 2005	04/20/2005	4,840,000	7/15/2010	460,000	3.50%	4,630,000		40,000	4,590,000
			7/15/2011	475,000	3.25%				
			7/15/2012	485,000	3.45%				
			7/15/2013	495,000	3.40%				
			7/15/2014	515,000	4.00%				
			7/15/2015	530,000	4.00%				
			7/15/2016	545,000	3.75%				
			7/15/2017	540,000	4.00%				
7/15/2018	545,000	4.00%							
Total						\$8,475,000	-	1,150,000	7,325,000



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

	ACCOUNT NUMBERS	JUNE 30, 2010				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	JUNE 30, 2009				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	TRANSFERS	FINAL BUDGET	ACTUAL		ORIGINAL BUDGET	TRANSFERS	FINAL BUDGET	ACTUAL	
<b>Revenues:</b>											
Local Sources:											
Local Tax Levy	40-1210	\$922,326		922,326	922,326		963,417		963,417	963,417	
State Sources:											
Debt Service Aid Type II	40-3160	556,325		556,325	556,325		576,357		576,357	576,357	
<b>Total Revenues</b>		<b>1,478,651</b>		<b>1,478,651</b>	<b>1,478,651</b>		<b>1,539,774</b>		<b>1,539,774</b>	<b>1,539,774</b>	
<b>Expenditures:</b>											
Regular Debt Service:											
Interest	40-701-510-834	336,280		336,280	336,280		389,775		389,775	389,775	
Redemption of Principal	40-701-510-910	1,150,000		1,150,000	1,150,000		1,150,000		1,150,000	1,150,000	
<b>Total Expenditures</b>		<b>1,486,280</b>		<b>1,486,280</b>	<b>1,486,280</b>		<b>1,539,775</b>		<b>1,539,775</b>	<b>1,539,775</b>	
<b>Other Financing Sources/(Uses):</b>											
Transfers from General Fund - Debt Service Relief											
		1,600		1,600		1,600				8,701	8,701
<b>Total Other Financing Sources/(Uses)</b>		<b>1,600</b>		<b>1,600</b>		<b>1,600</b>				<b>8,701</b>	<b>8,701</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>											
		(6,029)		(6,029)	(7,629)	1,600	(1)		(1)	8,700	8,701
Fund Balance, July 1		8,701		8,701	8,701		1		1	1	
<b>Fund Balance, June 30</b>		<b>\$2,672</b>	<b>-</b>	<b>2,672</b>	<b>1,072</b>	<b>1,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,701</b>	<b>8,701</b>

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**STATISTICAL SECTION (Unaudited)**



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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
<b>Governmental Activities:</b>								
Invested in Capital Assets, Net of Related Debt	\$4,377,078	3,529,498	2,721,022	1,864,857	1,301,386	620,037	(399,942)	(621,047)
Restricted	1,127,357	1,457,899	1,039,811	1,245,159	1,634,354	950,426	562,567	893,337
Unrestricted	(355,732)	(356,486)	(63,085)	(87,744)	(331,565)	135,515	328,775	115,003
<b>Total Governmental Activities</b>								
Net Assets	<u>\$5,148,703</u>	<u>4,630,911</u>	<u>3,697,748</u>	<u>3,022,272</u>	<u>2,604,175</u>	<u>1,705,978</u>	<u>491,400</u>	<u>387,293</u>
<b>Business-Type Activities:</b>								
Invested in Capital Assets, Net of Related Debt	\$32,965	31,782	36,934	42,107	3,690	4,914	6,138	
Unrestricted	74,873	58,491	28,581	4,949	7,107	2,730	46,049	87,256
<b>Total Business-Type Activities</b>								
Net Assets	<u>\$107,838</u>	<u>90,273</u>	<u>65,515</u>	<u>47,056</u>	<u>10,797</u>	<u>7,644</u>	<u>52,187</u>	<u>87,256</u>
<b>District-Wide:</b>								
Invested in Capital Assets, Net of Related Debt	\$4,410,043	3,561,280	2,757,956	1,906,964	1,305,076	624,951	(393,804)	(621,047)
Restricted	1,127,357	1,457,899	1,039,811	1,245,159	1,634,354	950,426	562,567	893,337
Unrestricted	(280,859)	(297,995)	(34,504)	(82,795)	(324,458)	138,245	374,824	202,259
<b>Total District Net Assets</b>	<u>\$5,256,541</u>	<u>4,721,184</u>	<u>3,763,263</u>	<u>3,069,328</u>	<u>2,614,972</u>	<u>1,713,622</u>	<u>543,587</u>	<u>474,549</u>

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
<b>Expenses:</b>								
<b>Governmental Activities</b>								
<b>Instruction:</b>								
Regular	\$5,100,450	4,920,746	4,789,042	4,466,348	4,379,210	4,287,725	4,159,840	4,000,059
Special Education	548,382	525,053	504,639	516,752	470,881	463,204	412,094	421,702
Basic Skill/Remedial Instruction	370,020	326,229	247,916	204,011	162,890	201,387	204,627	276,989
Bilingual Education			5,810	5,401	5,746	5,685	5,014	5,685
Other Instruction	63,582	51,235	42,960	46,584	47,084	40,738	44,365	43,041
<b>Support Services:</b>								
Tuition	4,441,648	4,627,793	4,848,260	4,308,893	3,864,931	3,699,124	3,565,822	3,325,273
<b>Student &amp; Instruction Related Services</b>								
School Administrative Services	1,276,585	1,138,680	1,142,732	1,163,638	1,164,174	1,010,406	1,032,383	1,019,114
General & Business Administrative Services	385,887	379,190	395,626	374,193	377,218	377,541	362,468	352,391
<b>Plant Operations &amp; Maintenance</b>								
Pupil Transportation	518,127	511,764	501,896	527,044	522,473	552,859	532,583	510,294
Allocated Benefits	1,358,684	1,226,154	1,228,585	1,251,158	1,211,558	1,187,609	1,148,341	1,089,894
Unallocated Benefits	1,250,299	1,267,775	1,251,819	1,288,866	1,102,199	1,086,698	1,045,758	1,146,020
Special Schools	2,741,355	2,619,071	1,338,359	2,898,605	2,336,448	2,157,418	2,012,614	1,820,955
Interest on Long-Term Debt	30,829	39,734	38,065	32,943	29,770	29,330	32,530	40,412
Unallocated Depreciation	310,109	366,909	416,784	466,131	512,928	536,518	653,912	597,193
	674,708	621,165	621,165	614,338	549,445	549,654	566,688	662,758
<b>Total Governmental Activities Expenses</b>	<b>19,070,665</b>	<b>18,621,498</b>	<b>19,043,737</b>	<b>18,164,905</b>	<b>16,736,955</b>	<b>16,185,896</b>	<b>15,779,039</b>	<b>15,311,780</b>
<b>Business-Type Activities:</b>								
Food Service	354,875	368,575	359,708	375,970	345,118	349,899	327,702	339,109
<b>Total Business-Type Activities Expense</b>	<b>354,875</b>	<b>368,575</b>	<b>359,708</b>	<b>375,970</b>	<b>345,118</b>	<b>349,899</b>	<b>327,702</b>	<b>339,109</b>
<b>Total District Expenses</b>	<b>\$19,425,540</b>	<b>18,990,073</b>	<b>19,403,445</b>	<b>18,540,875</b>	<b>17,082,073</b>	<b>16,535,795</b>	<b>16,106,741</b>	<b>15,650,889</b>
<b>Program Revenues:</b>								
Operating Grants & Contributions	540,326	382,074	372,755	391,729	1,029,820	1,567,607	1,430,797	1,417,042
<b>Total Governmental Activities Program Revenues</b>	<b>540,326</b>	<b>382,074</b>	<b>372,755</b>	<b>391,729</b>	<b>1,029,820</b>	<b>1,567,607</b>	<b>1,430,797</b>	<b>1,417,042</b>
<b>Business-Type Activities:</b>								
<b>Charges for Services:</b>								
Food Service	240,049	256,954	249,595	249,704	237,530	216,354	226,814	235,729
Operating Grants & Contribution	102,391	96,379	88,572	123,456	72,496	64,355	65,629	74,018
<b>Total Business Type Activities Program Revenues</b>	<b>342,440</b>	<b>353,333</b>	<b>338,167</b>	<b>373,160</b>	<b>310,026</b>	<b>280,709</b>	<b>292,443</b>	<b>309,747</b>
<b>Total District Program Revenues</b>	<b>\$882,766</b>	<b>735,407</b>	<b>710,922</b>	<b>764,889</b>	<b>1,339,846</b>	<b>1,848,316</b>	<b>1,723,240</b>	<b>1,726,789</b>

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Net (Expense)/Revenue:								
Governmental Activities	(\$18,530,339)	(18,239,424)	(18,670,982)	(17,773,176)	(15,707,135)	(14,618,289)	(14,348,242)	(13,894,738)
Business-Type Activities	(12,435)	(15,242)	(21,541)	(2,810)	(35,092)	(69,190)	(35,259)	(29,362)
<b>Total District-Wide Net Expense</b>	<b>(\$18,542,774)</b>	<b>(18,254,666)</b>	<b>(18,692,523)</b>	<b>(17,775,986)</b>	<b>(15,742,227)</b>	<b>(14,687,479)</b>	<b>(14,383,501)</b>	<b>(13,924,100)</b>
General Revenues & Other Changes in Net Assets:								
Governmental Activities:								
Property Taxes Levied for General Purposes, Net	\$11,224,583	11,176,687	10,746,814	10,122,574	9,245,179	8,553,494	8,142,401	7,318,785
Taxes Levied for Debt Service	922,326	963,417	980,886	992,917	1,013,324	1,023,449	1,017,321	855,296
Unrestricted Grants & Contributions	6,769,678	6,983,037	7,481,572	7,156,367	6,344,194	5,624,630	5,467,604	5,078,551
Tuition	124,076	66,803	95,991	160,522	82,027	71,543	54,972	30,673
Investment Earnings	10,172	21,801	80,963	136,620	102,569	51,463	21,512	34,366
Miscellaneous Income	27,296	842	232	14,178	38,857	7,471	7,989	41,454
Transfers	(30,000)	(48,701)	(40,000)	(39,069)	(37,000)	(24,000)		(33,000)
Net Increase in Capital Assets				(352,837)	(188,208)	524,816	(259,449)	(500)
Increase in Compensated Absences					4,400			
<b>Total Governmental Activities</b>	<b>19,048,131</b>	<b>19,163,886</b>	<b>19,346,458</b>	<b>18,191,272</b>	<b>16,605,342</b>	<b>15,832,866</b>	<b>14,452,350</b>	<b>13,325,625</b>
Business-Type Activities:								
Investment Earnings					1,245	551	189	534
Transfers	30,000	40,000	40,000	39,069	37,000	24,000		33,000
<b>Total Business-Type Activities</b>	<b>30,000</b>	<b>40,000</b>	<b>40,000</b>	<b>39,069</b>	<b>38,245</b>	<b>24,551</b>	<b>189</b>	<b>33,534</b>
<b>Total District-Wide</b>	<b>19,078,131</b>	<b>19,203,886</b>	<b>19,386,458</b>	<b>18,230,341</b>	<b>16,643,587</b>	<b>15,857,417</b>	<b>14,452,539</b>	<b>13,359,159</b>
Change in Net Assets:								
Governmental Activities	517,792	924,462	675,476	418,096	898,207	1,214,577	104,108	(569,113)
Business-Type Activities	17,565	24,758	18,459	36,259	3,153	(44,639)	(35,070)	4,172
<b>Total District</b>	<b>\$535,357</b>	<b>949,220</b>	<b>693,935</b>	<b>454,355</b>	<b>901,360</b>	<b>1,169,938</b>	<b>69,038</b>	<b>(564,941)</b>

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

	FISCAL YEAR ENDING JUNE 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
General Fund:								
Reserved	\$1,238,217	1,096,301	901,779	1,184,642	1,384,469	912,714	555,398	467,903
Unreserved	(162,822)	331,461	417,536	319,446	25,768	347,613	678,200	823,095
<b>Total General Fund</b>	<b>\$1,075,395</b>	<b>1,427,762</b>	<b>1,319,315</b>	<b>1,504,088</b>	<b>1,410,237</b>	<b>1,260,327</b>	<b>1,233,598</b>	<b>1,290,998</b>
All Other Governmental Funds:								
Reserved					240,287			856
Unreserved, Reported in:								
Special Revenue Fund	(\$3,630)	(3,630)	(3,630)					(2,792)
Capital Projects Fund						30,729	30,729	29,873
Debt Service Fund	1,072	8,701	1	10,494	9,597	1	1	1,814
<b>Total All Other Governmental Funds</b>	<b>(\$2,558)</b>	<b>5,071</b>	<b>(3,629)</b>	<b>10,494</b>	<b>249,884</b>	<b>30,730</b>	<b>30,730</b>	<b>29,751</b>

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

	2010	2009	2008	2007	2006	2005	2004	2003
<b>Revenues:</b>								
Tax Levy	\$12,146,909	12,140,104	11,727,700	11,115,491	10,258,503	9,576,943	9,159,722	8,174,081
Tuition Charges	\$124,076	66,803	95,991	160,522	82,027	71,543	54,972	30,672
Interest Earnings						75	174	5,871
Miscellaneous	37,468	27,734	83,790	154,499	141,426	58,859	29,327	81,134
State Sources	5,931,624	7,017,215	7,518,262	7,193,428	7,034,950	6,826,270	6,572,298	6,234,856
Federal Sources	1,378,380	342,805	333,470	350,967	339,064	365,968	326,102	249,552
<b>Total Revenue</b>	<b>19,618,457</b>	<b>19,594,661</b>	<b>19,759,213</b>	<b>18,974,907</b>	<b>17,855,970</b>	<b>16,899,658</b>	<b>16,142,595</b>	<b>14,776,166</b>
<b>Expenditures:</b>								
<b>Instruction:</b>								
Regular Instruction	5,100,450	4,920,746	4,789,042	4,562,001	4,446,265	4,287,725	4,159,840	4,000,059
Special Education Instruction	548,382	525,053	504,639	516,752	470,881	463,204	412,094	421,702
Basic Skill/Remedial Instruction	370,020	326,229	247,916	204,011	162,890	201,387	204,627	276,989
Bilingual Education			5,810	5,401	5,746	5,685	5,014	5,685
Other Instruction	63,582	51,235	42,960	46,584	47,084	40,738	44,365	43,041
<b>Support Services:</b>								
Tuition	4,441,648	4,627,793	4,848,260	4,308,893	3,864,931	3,699,124	3,565,822	3,325,273
Student & Instruction Related Services	1,514,038	1,377,304	1,286,174	1,163,638	1,164,174	1,010,406	1,032,383	1,019,114
School Administrative Services	385,887	379,190	395,626	374,193	377,218	377,541	362,468	352,391
General & Business Administration Services	518,127	511,764	501,896	527,044	522,473	552,859	532,583	510,294
Plant Operations & Maintenance	1,333,638	1,226,154	1,228,585	1,251,158	1,211,558	1,187,609	1,148,341	1,089,894
Pupil Transportation	1,250,299	1,267,775	1,251,819	1,288,866	1,102,199	1,086,698	1,045,758	1,146,020
Allocated Benefits			1,670,079					
Unallocated Benefits	2,745,392	2,607,375	1,330,237	2,876,703	2,336,448	2,157,418	2,012,614	1,820,955
Special Schools	30,829	39,734	38,065	32,943	29,770	29,330	32,530	40,412
Capital Outlay	159,881	447,307	401,991	473,924	349,397	113,469	11,741	121,345
<b>Debt Service:</b>								
Principal	1,150,000	1,150,000	1,145,000	1,110,000	1,125,000	1,010,000	965,000	870,000
Interest & Other Charges	336,280	389,775	439,483	488,198	483,307	625,737	663,835	622,957
<b>Total Expenditures</b>	<b>19,948,453</b>	<b>19,847,434</b>	<b>20,127,582</b>	<b>19,230,309</b>	<b>17,699,341</b>	<b>16,848,930</b>	<b>16,199,015</b>	<b>15,666,131</b>
<b>Excess (Deficiency) of Revenues Over/(Under) Expenditures</b>	<b>(329,996)</b>	<b>(252,773)</b>	<b>(368,369)</b>	<b>(255,402)</b>	<b>156,629</b>	<b>50,728</b>	<b>(56,420)</b>	<b>(889,965)</b>
<b>Other Financing Sources/(Uses):</b>								
Capital Leases		406,290	213,103	148,931	249,437			
Cancellation of Prior Years Grant Revenue								(500)
Transfers In		8,701			113,075			
Transfers Out	(30,000)	(48,701)	(40,000)	(39,069)	(150,075)	(24,000)		(33,000)
<b>Total Other Financing Sources/(Uses)</b>	<b>(30,000)</b>	<b>366,290</b>	<b>173,103</b>	<b>109,862</b>	<b>212,437</b>	<b>(24,000)</b>		<b>(33,500)</b>
<b>Net Change in Fund Balances</b>	<b>(\$359,996)</b>	<b>113,517</b>	<b>(195,266)</b>	<b>(145,540)</b>	<b>369,066</b>	<b>26,728</b>	<b>(56,420)</b>	<b>(923,465)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>7.5%</b>	<b>7.9%</b>	<b>8.0%</b>	<b>8.5%</b>	<b>9.3%</b>	<b>10.8%</b>	<b>11.2%</b>	<b>10.6%</b>

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

FISCAL YEAR ENDING JUNE 30,	TUITION	INTEREST ON INVESTMENTS	CONTRIBUTIONS FROM PRIVATE SOURCES	PRIOR YEAR'S REFUNDS	MISCELLANEOUS	TOTAL
2010	\$124,076	10,172		3,889	23,407	161,544
2009	66,803	21,801	5,091		5,933	94,537
2008	95,991	80,963			2,827	179,781
2007	160,522	136,620	3,701	539	13,639	315,021
2006	82,027	102,592	50	6,914	34	191,617
2005	71,543	50,108			204	121,855
2004	54,972	21,512			785	77,269
2003	20,673	34,366	32,500	34,733	8,954	131,226
2002	11,733	75,583	65,000	4,517	5,919	162,752
2001	14,450	166,014	115,000	200	24,603	320,267
Total	<u>\$578,714</u>	<u>689,559</u>	<u>221,342</u>	<u>46,903</u>	<u>62,898</u>	<u>1,594,325</u>

Source: District records

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM		COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY		NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
			REG.	QFARM					PUBLIC UTILITIES				
2009	\$13,725,300	219,312,700	5,234,600	3,203,300	58,936,600	327,547,190	127,200	628,086,890	20,520,700	1,638,069	629,724,959	1.928	1,181,195,346
2008	13,990,100	215,398,700	5,011,200	3,208,400	334,464,800	45,871,890	127,200	618,072,290	18,838,900	1,632,771	619,705,061	1.959	1,095,967,784
2007	13,986,800	212,717,300	5,011,200	3,208,600	346,504,900	34,662,590	127,200	616,218,590	18,838,900	1,763,988	617,982,578	1.898	968,320,693
2006	11,442,500	211,523,600	5,078,800	3,264,400	343,138,500	34,662,590	127,200	609,237,590	18,671,800	2,009,766	611,247,356	1.818	812,200,130
2005	12,917,300	203,020,500	4,896,100	3,301,800	329,017,300	34,662,590	127,200	587,942,790	18,633,600	2,335,253	590,278,043	1.738	712,688,976
2004	14,172,100	197,361,300	4,887,600	3,249,900	327,228,800	34,869,390	127,200	581,896,290	18,280,700	2,573,429	584,469,719	1.638	636,527,488
2003	11,494,500	196,753,600	4,874,900	3,373,300	301,649,500	34,869,390	127,200	553,142,390	15,083,600	3,074,770	556,217,160	1.647	525,273,521
2002	10,855,400	195,651,600	4,860,000	3,406,000	285,116,200	45,871,990	127,200	545,888,390	15,035,600	2,824,904	548,713,294	1.490	562,521,204
2001	11,779,000	194,918,400	4,813,300	3,425,500	249,606,300	45,871,990	127,200	510,541,690	10,715,700	2,753,428	513,295,118	1.409	519,904,321
2000	10,642,000	193,092,500	4,834,700	3,516,400	240,730,000	45,871,990	127,200	498,814,790	10,819,600	2,642,024	501,456,814	1.309	496,904,081

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.  
 Reassessment occurs when ordered by the County Board of Taxation  
 a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies  
 b. Tax rates are per \$100

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES				TOTAL DIRECT & OVERLAPPING TAX RATE
	LOCAL SCHOOL	DEBT SERVICE	TOTAL DIRECT	LOGAN TOWNSHIP	GLOUCESTER COUNTY	COUNTY LIBRARY	OTHER	
2009	1.782	0.146	1.928	0.345	0.975	0.079	0.077	3.404
2008	1.804	0.155	1.959	0.345	0.924	0.075	0.072	3.375
2007	1.739	0.159	1.898	0.326	0.801	0.067	0.063	3.155
2006	1.638	0.180	1.818	0.309	0.738	0.059	0.053	2.977
2005	1.547	0.191	1.738	0.286	0.715	0.055	0.041	2.835
2004	1.456	0.182	1.638	0.289	0.603	0.052	0.032	2.614
2003	1.475	0.172	1.647	0.278	0.585	0.044	0.029	2.583
2002	1.267	0.223	1.490	0.199	0.570	0.043	0.030	2.332
2001	1.201	0.208	1.409	0.140	0.559	0.043	0.031	2.182
2000	1.178	0.131	1.309	0.091	0.603			2.003

Source: District Records and Municipal Tax Collector

**LOGAN TOWNSHIP BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND TEN YEARS AGO**

TAXPAYER	2010		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Liberty Venture I Ltd Partnership	\$73,015,900	1	11.595%
Pureland VI Limited Partnership	14,832,900	2	2.355%
US Industrial REIT II	13,475,000	3	2.140%
Cardinal Health 200, Inc	12,905,200	4	2.049%
Mid-Atlantic Ind. LLC	12,535,700	5	1.991%
SunTrust Bank	12,289,100	6	1.952%
Baker-Properties, LP	12,065,700	7	1.916%
Mid-Atlantic (Pureland)	11,626,000	8	1.846%
Liberty Property LTD Partnership	8,036,400	9	1.276%
Allen Commercial Realty	7,502,800	10	1.191%
Total	<u>\$178,284,700</u>		<u>28.311%</u>

TAXPAYER	2001		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Pureland VI Limited Partnership	\$14,805,700	1	2.88%
Safety-Kleen Systems, Inc	14,441,700	2	2.81%
First Security Bank Trust	12,289,100	3	2.39%
The Realty Associates Fund V	10,954,700	4	2.13%
Liberty Property LTD Partnership	8,423,600	5	1.64%
Liberty Property LTD Partnership	7,305,700	6	1.42%
Prucow Industrial Properties	7,140,200	7	1.39%
Liberty Property LTD Partnership	7,089,100	8	1.38%
Gateway Brentwood	7,031,200	9	1.37%
Ferro Corporation	6,888,600	10	1.34%
Total	<u>\$96,369,600</u>		<u>18.77%</u>

Source: Municipal Tax Assessor

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2010	\$12,146,909	12,146,909	100.00%	-
2009	12,140,104	12,140,104	100.00%	-
2008	11,727,700	11,727,700	100.00%	-
2007	11,115,491	11,115,491	100.00%	-
2006	10,258,503	10,258,503	100.00%	-
2005	9,576,943	9,576,943	100.00%	-
2004	9,159,722	9,159,722	100.00%	-
2003	8,174,081	8,174,081	100.00%	-
2002	7,231,397	7,231,397	100.00%	-
2001	6,558,306	6,558,306	100.00%	-

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

**LOGAN TOWNSHIP BOARD OF EDUCATION  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION	CAPITAL LEASES		
2010	\$7,325,000	-	482,670	7,807,670	1,133
2009	8,475,000	-	472,988	8,947,988	1,433
2008	9,625,000	-	305,322	9,930,322	1,605
2007	10,770,000	-	235,661	11,005,661	1,788
2006	11,880,000	-	182,383	12,062,383	1,955
2005	13,005,000	-	-	13,005,000	2,135
2004	13,632,000	-	-	13,632,000	2,266
2003	14,597,000	-	-	14,597,000	2,428
2002	15,467,000	-	-	15,467,000	2,578
2001	16,312,000	-	-	16,312,000	2,707

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

**LOGAN TOWNSHIP BOARD OF EDUCATION  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2010	\$7,325,000	-	7,325,000	N/A	N/A
2009	8,475,000	-	8,475,000	N/A	1,357
2008	9,625,000	-	9,625,000	1.55%	1,555
2007	10,770,000	-	10,770,000	1.74%	1,750
2006	11,880,000	-	11,880,000	1.94%	1,925
2005	13,005,000	-	13,005,000	2.20%	2,135
2004	13,632,000	-	13,632,000	2.33%	2,266
2003	14,597,000	-	14,597,000	2.62%	2,428
2002	15,467,000	-	15,467,000	2.82%	2,578
2001	16,312,000	-	16,312,000	3.18%	2,707

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2010**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Logan	\$4,856,135	100.000%	4,856,135
County of Gloucester General Obligation Debt		4.080%	<u>13,381,778</u>
Subtotal, Overlapping Debt			18,237,913
Logan Township School District Direct Debt			<u>7,325,000</u>
Total Direct & Overlapping Debt			<u><u>\$25,562,913</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Logan Township or Gloucester County Board of Taxation.

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

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt Limit	\$34,501,243	32,190,631	28,195,875	24,322,278	20,798,779	19,059,307	17,262,100	16,276,448	15,018,675	14,593,393
Total Net Debt Applicable to Limit	<u>7,325,000</u>	<u>8,475,000</u>	<u>9,625,000</u>	<u>10,770,000</u>	<u>11,880,000</u>	<u>13,005,000</u>	<u>13,632,000</u>	<u>14,597,000</u>	<u>15,467,000</u>	<u>16,312,000</u>
Legal Debt Margin	<u>\$27,176,243</u>	<u>23,715,631</u>	<u>18,570,875</u>	<u>13,552,278</u>	<u>8,918,779</u>	<u>6,054,307</u>	<u>3,630,100</u>	<u>1,679,448</u>	<u>(448,325)</u>	<u>(1,718,607)</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	21.23%	26.33%	34.14%	44.28%	57.12%	68.23%	78.97%	89.68%	102.99%	111.78%

**Legal Debt Margin Calculation for Fiscal Year 2010**

	Equalized Valuation Basis
	2009     \$1,183,739,251
	2008     1,178,620,548
	2007 <u>1,087,764,501</u>
	<u>\$3,450,124,300</u>
Average Equalized Valuation of Taxable Property	<u>\$1,150,041,433</u>
Debt Limit (3 % of Average Equalization Value)	\$34,501,243
Net Bonded School Debt	<u>7,325,000</u>
Legal Debt Margin	<u>\$27,176,243</u>

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

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

YEAR	POPULATION	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2010	6,732	N/A	N/A
2009	6,245	N/A	4.1%
2008	6,189	N/A	2.7%
2007	6,154	37,331	2.1%
2006	6,171	36,076	2.3%
2005	6,091	34,309	2.1%
2004	6,017	32,866	2.1%
2003	6,013	31,086	2.3%
2002	6,000	30,422	2.2%
2001	6,025	29,514	1.7%

Source: State of New Jersey, Department of Labor and Workforce Development, Labor Planning and Analysis.

**LOGAN TOWNSHIP BOARD OF EDUCATION  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO**

	2010		
	(1) EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Underwood Memorial Hospital	1,825	1	1.27%
Washington Twp School District	1,504	2	1.04%
County of Gloucester	1,500	3	1.04%
Rowan University	1,300	4	0.90%
Kennedy Hospital	1,200	5	0.83%
MISSA Bay LLC	950	6	0.66%
U.S. Foodservice	800	7	0.56%
Monroe Twp School District	714	8	0.50%
Godwin Pumps	640	9	0.44%
Valero	640	10	0.44%
	<u>11,073</u>		<u>7.68%</u>

2001

NOT AVAILABLE

This exhibit reflects principal employers for Gloucester County.

Source: (1) Gloucester County Office of Economic Development for company and employee data.

(2) New Jersey Department of Labor and Workforce Development for the total employment data.

**LOGAN TOWNSHIP BOARD OF EDUCATION  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEAR**

Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Instruction:										
Regular	73	71	75	75	75	76	75	76	73	69
Special Education	9	9	7	7	7	7	6	6	6	6
Other Special Education	3	3	3	3	3	3	3	4	4	4
Support Services:										
Student & Instruction Related Services	20	20	20	20	20	17	17	17	17	17
General & Business Administrative Services	2	2	2	2	2	2	2	2	2	2
School Administrative Services	6	6	5	5	5	5	5	5	5	5
Central Services	3	3	4	4	4	4	4	4	4	4
Administrative Information Technology	3	3	2	2	2	2	2	2	1	1
Plant Operations & Maintenance	6	6	3	3	3	3	3	3	3	3
Pupil Transportation	1	1	1	1	1	1	1	1		
Food Service	2	2	4	4	4	6	6	6	6	6
Total	128	126	126	126	126	126	124	126	121	117

Source: School District Records.

**LOGAN TOWNSHIP BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/ TEACHER RATIO ELEMENTARY	AVERAGE DAILY ENROLLMENT (ADA) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2010	903	\$18,302,292	20,268	2.13%	85	10.6:1	903.3	865.5	0.40%	95.82%
2009	900	17,860,352	19,845	-4.17%	82	11.0:1	899.7	863.7	2.73%	96.00%
2008	876	18,141,108	20,709	12.61%	82	10.7:1	875.8	842.1	-6.17%	96.15%
2007	933	17,158,187	18,390	8.53%	82	11.4:1	933.4	895.7	0.46%	95.96%
2006	929	15,741,638	16,945	5.60%	82	11.3:1	929.1	892.1	-1.22%	96.02%
2005	941	15,099,724	16,046	7.47%	83	11.2:1	940.6	903.1	-3.57%	96.01%
2004	975	14,558,440	14,932	5.52%	81	12.1:1	975.4	936.2	-1.81%	95.98%
2003	993	14,051,827	14,151	7.74%	82	12.1:1	993.4	948.6	3.21%	95.49%
2002	963	12,648,301	13,134	7.34%	79	12.2:1	962.5	925.9	2.89%	96.20%
2001	936	11,452,616	12,236	9.40%	75	12.5:1	935.5	896.4	-2.45%	95.82%

Sources: District records

**LOGAN TOWNSHIP BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEAR  
REVISED**

DISTRICT BUILDINGS	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Elementary Schools:										
Logan Township (1991):										
Square Feet	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	125,884
Capacity (Students)	877	877	877	877	877	877	877	877	877	850
Enrollment	651	672	658	728	728	712	747	769	747	936
Center Square (2001):										
Square Feet	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	-
Capacity (Students)	266	266	266	266	266	266	266	266	266	-
Enrollment (a)	252	227	218	202	202	229	229	224	215	-

Number of Buildings at June 30, 2010:

- Elementary = 2
- Middle = 0
- High School = 0
- Other = 0

Source: District Facilities Office, Long Range Facility Plan - FES and District Capacity report.

**LOGAN TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS**

UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES  
11-000-261-xxx

	LOGAN TOWNSHIP ELEMENTARY	CENTER SQUARE ELEMENTARY	TOTAL
2010	\$95,490	31,141	126,631
2009	87,605	28,083	115,688
2008	24,564	99,644	124,208
2007	72,864	36,367	109,231
2006	97,956	17,253	115,209
2005	93,695	62,464	156,159
2004	80,125	53,635	133,760
2003	96,698	18,937	115,635
2002	68,600	19,349	87,949
2001	77,912		77,912

Total School Facilities

\* 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

**LOGAN TOWNSHIP BOARD OF EDUCATION  
INSURANCE SCHEDULE  
JUNE 30, 2010**

	COVERAGE	GCSSDJIF SELF INSURED RETENTION	DEDUCTIBLE
<b>School Package Policy - Gloucester, Cumberland &amp; Salem School Districts Joint Insurance Fund:</b>			
Property - Blanket Building & Contents	\$150,000,000	200,000	500
Automotive Physical Damages	150,000,000	100,000	500
General Automobile Liability	10,000,000	150,000	None
Commercial Inland Marine	150,000,000	100,000	500
Boiler & Machinery	50,000,000	None	1,000
Crime	500,000	200,000	500
Educator's Legal Liability	10,000,000	100,000	None
Worker's Compensation	Statutory	250,000	None
Pollution Legal Liability	3,000,000	None	25,000
<b>Public Employees' Faithful Performance Blanket Position Bond - Ohio Casualty Insurance:</b>			
Board Secretary/Business Administrator	5,000	None	N/A
Treasurer of School Monies	250,000	None	N/A
Volunteers Accident Coverage - Monumental Life	25,000	None	N/A
Student Accident Insurance - Monummetal Life	5,000,000	None	N/A
<b>Excess Carriers Involved:</b>			
Property, Crime, General Liability, Automobile Liability, Workers' Compensation	SPELLJIF & Selective Insurance Company of America		
Catastrophic Excess General & Automobile Liability	"	"	"
Catastrophic Property Excess	"	"	"
Educator's Legal Liability	SPELLJIF & ACE American Insurance Company		
<b>Primary Insurance Coverage Carrier:</b>			
Boiler & Machinery	Travelers Insurance Company		
Pollution Legal Liability	ACE American Insurance Company		

Source: District records

**SINGLE AUDIT SECTION**





Certified Public Accountants & Consultants

EXHIBIT K-1

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Honorable President and Members  
of the Board of Education  
Logan Township School District  
County of Gloucester  
Swedesboro, New Jersey 08085

We have audited the financial statements of the Logan Township School District, 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 August 20, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Logan Township Board of Education'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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over 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 Logan Township Board of Education'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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

We noted certain matters that we reported to management of Logan Township Board of Education, in a separate letter titled Administrative Findings Financial, Compliance and Performance, dated August 20, 2010.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read "Kevin P. Frenia", is written over the printed name and title.

Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
August 20, 2010



Certified Public Accountants & Consultants

EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Logan Township School District  
County of Gloucester  
Swedesboro, New Jersey 08085

**Compliance**

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

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

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

## Internal Control Over Compliance

The management of the Logan Township 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 Logan Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal and state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Logan Board of Education's internal control over compliance.

A control deficiency in a District's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal and state program such that there is more than a remote likelihood that a noncompliance with a type of compliance requirement of a federal and state program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal and state program will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. Logan Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Logan Board of Education's response and, accordingly, we express no opinion on it.

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

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Keyin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
August 20, 2010

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

FEDERAL GRANTOR PASS-THROUGH GRANTOR GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2009	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2010	DUE TO GRANTOR JUNE 30, 2010
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:</b>								
<b>Enterprise Fund:</b>								
Food Distribution Program	10.550	\$27,298	7/1/09-6/30/10		27,298	(27,298)		
National School Lunch Program	10.555	69,887	7/1/09-6/30/10		64,887	(69,887)	(5,000)	
National School Lunch Program	10.555	63,888	7/1/08-6/30/09	(\$4,463)	4,463			
Total U.S. Department of Agriculture				(4,463)	96,648	(97,185)	(5,000)	
<b>U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:</b>								
<b>General Fund:</b>								
Education Stabilization Fund - A.R.R.A.	84.394	846,606	9/1/09-8/31/10		846,606	(846,606)		
Government Services Fund - A.R.R.A.	84.397	32,773	9/1/09-8/31/10		32,773	(32,773)		
Total General Fund					879,379	(879,379)		
<b>Special Revenue Fund:</b>								
<b>I.A.S.A.:N.C.L.B.</b>								
Title I	84.010	74,112	9/1/09-8/31/10		57,290	(73,691)	(16,401)	
Title I	84.010	49,061	9/1/08-8/31/09	(4,336)	4,336			
Title I - A.R.R.A.	84.389	24,477	9/1/09-8/31/10		764	(764)		
Title II - Part A	84.164	25,929	9/1/09-8/31/10		19,045	(24,325)	(5,280)	
Title II - Part A	84.164	24,173	9/1/08-8/31/09	(7,382)	7,382			
Title II - Part D	84.164	756	9/1/09-8/31/10		756	(756)		
Title II - Part D	84.164	408	9/1/08-8/31/09		408	(408)		
Title IV	84.188	2,150	9/1/09-8/31/10		341	(2,150)	(1,809)	
Title IV	84.188	1,885	9/1/08-8/31/09	(236)	236			
I.D.E.A. B -Basic	84.027	247,602	9/1/09-8/31/10		221,652	(247,005)	(25,353)	
I.D.E.A. B -Basic	84.027	247,797	9/1/08-8/31/09	(52,343)	52,561	(218)		
I.D.E.A. - Preschool	84.173	8,701	9/1/09-8/31/10		7,274	(8,701)	(1,427)	
I.D.E.A. - Preschool	84.173	8,700	9/1/08-8/31/09	(1,304)	1,304			
I.D.E.A. B -Basic - A.R.R.A.	84.391	260,749	9/1/09-8/31/10		118,425	(136,459)	(18,034)	
I.D.E.A. - Preschool - A.R.R.A.	84.392	9,425	9/1/09-8/31/10		9,326	(9,425)	(99)	
Total Special Revenue Fund				(65,601)	501,100	(503,902)	(68,403)	
Total Federal Financial Assistance				(\$70,064)	1,477,127	(1,480,466)	(73,403)	

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

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2009		BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2010	DEFERRED REVENUE AT JUNE 30, 2010	MEMO CUMULATIVE TOTAL	
				JUNE 30, 2009	CASH RECEIVED				BUDGETARY RECEIVABLE	EXPENDITURES
<b>State Department of Education</b>										
General Fund:										
Current Expense:										
Equalization Aid	10-495-034-5120-078	\$3,967,124	7/1/09-6/30/10		3,400,903	(3,400,903)			463,926	3,400,903
Transportation Aid	10-495-034-5120-014	309,393	7/1/09-6/30/10		309,393	(309,393)			29,616	309,393
Special Education Categorical Aid	10-495-034-5120-089	614,020	7/1/09-6/30/10		614,020	(614,020)			58,776	614,020
Security Aid	10-495-034-5120-084	100,557	7/1/09-6/30/10		100,557	(100,557)			9,626	100,557
Extraordinary Aid	09-495-034-5120-473	33,732	7/1/08-6/30/09	(\$33,732)	33,732					
Extraordinary Aid	10-495-034-5120-473	21,861	7/1/09-6/30/10			(21,861)	(21,861)			21,861
Non Public Transportation Aid	09-495-034-5120-068	9,798	7/1/08-6/30/09	(9,798)	9,798					
Non Public Transportation Aid	10-495-034-5120-068	6,717	7/1/09-6/30/10			(6,717)	(6,717)			6,717
On-Behalf TPAF Pension Contribution	10-495-034-5095-006	407,954	7/1/09-6/30/10		407,954	(407,954)				407,954
On-Behalf TPAF Social Security Reimbursement	09-495-034-5095-002	447,166	7/1/08-6/30/09	(22,006)	22,006					
On-Behalf TPAF Social Security Reimbursement	10-495-034-5095-002	466,712	7/1/09-6/30/10		443,565	(466,712)	(23,147)			466,712
Total General Fund					(65,536)	5,341,928	(5,328,117)	(51,725)	561,944	5,328,117
<b>Special Revenue Fund:</b>										
Character Education Aid - Carryover	06-495-034-5120-053	4,000	7/1/05-6/30/06		845	(800)		45		800
Early Launch to Learning Initiative	08-495-034-5120-062	36,300	7/1/07-6/30/08		3,162	(2,440)		722		2,440
Preschool Education Aid	09-495-034-5120-086	36,300	7/1/08-6/30/09	(3,630)	3,630					
Preschool Education Aid	10-495-034-5120-086	36,300	7/1/09-6/30/10		32,670	(34,300)	(1,630)			
Total Special Revenue Fund					377	36,300	(37,540)	(1,630)	767	3,240
<b>Debt Service Fund:</b>										
Debt Service Aid Type II	10-495-034-5120-125	556,325	7/1/09-6/30/10		556,325	(556,325)				556,325
Total Debt Service Fund					556,325	(556,325)				556,325
<b>Enterprise Fund:</b>										
National School Lunch Program (State Share)	09-100010-3360-067	5,076	7/1/08-6/30/09	(342)	342					
National School Lunch Program (State Share)	08-100010-3360-067	4,942	7/1/09-6/30/10		4,605	(4,942)	(337)			4,942
Total Enterprise Fund					(342)	4,947	(4,942)	(337)		4,942
Total State Financial Assistance					(\$65,501)	5,939,500	(5,926,924)	(53,692)	767	5,892,624

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**LOGAN TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2010**

**1. General**

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

**2. Basis of Accounting**

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

**3. Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$5,857 for the general fund and \$(1,116) for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**LOGAN TOWNSHIP BOARD OF EDUCATION  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 2010**

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

	State	Federal	Total
General Fund	\$5,333,974	\$ 879,379	\$6,213,353
Special Revenue Fund	41,325	503,902	540,326
Debt Service Fund	556,325		556,325
Food Service Fund	4,942	97,185	102,127
	<u>\$5,936,566</u>	<u>\$1,475,565</u>	<u>\$7,412,131</u>
Total Financial Assistance			

**4. Relationship to Federal and State Financial Reports**

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

**5. Other**

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

**Note 6. Federal and State Loans Outstanding**

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

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

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	No

**Federal Awards**

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	No

**Identification of major programs:**

CFDA Number(s)	Name of Federal Program or Cluster
84.027	I.D.E.A. – Part B
84.391	I.D.E.A. – Part B – ARRA
84.394	Education Stabilization Fund - ARRA

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No

**LOGAN TOWNSHIP BOARD OF EDUCATION  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2010  
Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	No

**State Awards**

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unqualified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	No

**Identification of major programs:**

GMIS Number(s)	Name of State Program
10-495-034-5120-078	Equalization Aid
10-495-034-5120-083	Categorical Special Education Aid
10-495-034-5095-002	Reimbursed TPAF Social Security
10-495-034-5120-014	Transportation Aid

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

**Section II – Financial Statement Findings**

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

No Current Year Findings

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

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

No Current Year Findings

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

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

No Prior Year Findings

**SCHOOL DISTRICT OF  
LOGAN TOWNSHIP**

**LOGAN BOARD OF EDUCATION**

Logan Township, New Jersey  
County of Gloucester

**Auditor's Management Report on Administrative Findings -  
Financial, Compliance and Performance  
for the Year Ended June 30, 2010**



**MANAGEMENT REPORT ON ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

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Certified Public Accountants & Consultants

## REPORT OF INDEPENDENT AUDITORS

Honorable President and Members  
of the Board of Education  
Logan Township  
County of Gloucester  
Swedesboro, New Jersey 08085

We have audited, in accordance with generally accepted audit standards and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Board of Education of the Logan Township School District in the County of Gloucester for the year ended June 30, 2010, and have issued our report thereon dated August 20, 2010.

As part of our audit, we performed procedures required by the New Jersey Department of Education, and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended for the information of the Logan Township Board of Education's management and the New Jersey Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

HOLMAN & FRENIA, P. C.

A handwritten signature in black ink, appearing to read 'Kevin P. Frenia', is written over a faint, larger version of the signature.

Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
August 20, 2010





Certified Public Accountants & Consultants

Honorable President and Members  
of the Board of Education  
Logan Township School District  
County of Gloucester  
Swedesboro, New Jersey 08085

**ADMINISTRATIVE FINDINGS  
FINANCIAL, COMPLIANCE AND PERFORMANCE**

**Scope of Audit**

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

**Administrative Practices and Procedures**

**Insurance**

Fire insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's CAFR.

**Official Bonds**

<b>Name</b>	<b>Position</b>	<b>Amount</b>
Frederick A. Berg	Business Administrator/Board Secretary	\$ 5,000
Robert L. Best, CPA	Treasurer of School Monies	250,000

There is an Employee Dishonesty Policy covering all other employees with multiple coverage of \$10,000.

**Tuition Charges**

A comparison of tentative tuition charges and actual certified tuition charges was made. The actual costs did not vary significantly from estimated costs.

**Financial Planning, Accounting and Reporting  
Examination of Claims**

An examination of claims paid during the period under review indicated that the vouchers were in satisfactory condition.

### **Payroll Account**

The net salaries of all employees of the Board were deposited in the Payroll Account. Employee's payroll deductions and employer's share of fringe benefits were deposited in the Payroll agency account.

All payrolls were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator. Salary withholdings were promptly remitted to the proper agencies.

### **Reserve for Encumbrances and Accounts Payable**

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserves for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30, 2010.

### **Classification of Expenditures**

The coding of expenditures was tested for proper classification in accordance with *N.J.A.C.6A:23-1.2* as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. As a result of the procedures performed, no transaction errors were noted and no additional procedures were deemed necessary to test the propriety of expenditure classification.

### **Board Secretary's Records**

Our review of the financial and accounting records maintained by the board secretary were found to be in fair condition. The prescribed contractual order system was followed.

### **Treasurer's Records**

The Treasurer's records were reviewed and found to be in satisfactory condition.

### **Elementary and Secondary Education Act (E.S.E.A.)/Improving America's Schools Act (I.A.S.A.) as Reauthorized by the No Child Left Behind Act of 2001.**

The E.S.E.A./N.C.L.B. financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the projects under Title I, Title II, Title IV, Title V and Title VI of the Elementary and Secondary Education Act as amended and reauthorized.

The study of compliance for E.S.E.A. indicated no areas of noncompliance.

### **Other Special Federal and/or State Projects**

The District's Special Projects were approved as listed on Schedule A and Schedule B located in the CAFR.

Our audit of the Federal and State funds on a test basis, indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved. The tests of compliance for the major state programs selected did not indicate any areas of noncompliance.

The financial exhibits are contained within the Special Revenue Section of the CAFR. This section of the CAFR documents the financial position pertaining to the aforementioned special projects.

### **T.P.A.F. Reimbursement**

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

### **School Purchasing Programs**

#### **Contracts and Agreements Requiring Advertisement for Bids**

*N.J.S.A. 18A:18A-3* states:

- a) "When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in a contract year the total sum of \$21,000, the contract may be awarded by a purchasing agent when so authorized by resolution of the board of education without public advertising for bids and bidding therefore, except that the board of education may adopt a resolution to set a lower threshold for the receipts of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L. 1971, c.198 (C.40A:119) the board of education may establish that the bid threshold may be up to \$29,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b) Commencing in the fifth year after the year in which P.L. 1999, c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the board of education is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in *N.J.S. 18A:18A-2* (pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all local school districts of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made."

*N.J.S.A. 18A:18A-4* states, "Every contract for the performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the board of education to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law. No work, materials or supplies

### **School Purchasing Programs (continued):**

shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or calculated by the Governor pursuant to *N.J.S.A. 18A:18A-3* except by contract or agreement.”

Effective July 1, 2005 and thereafter the bid thresholds in accordance with *N.J.S.A. 18A:18A-3* (as amended) and *18A:39-3* are \$21,000.00 and \$15,000.00 respectively.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year (contract year for July 1, 2005 and thereafter). Where question arises as to whether any contract or agreement might result in violation of the statute, the Solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

The results of our examination indicated that no individual payments, contracts or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of *N.J.S.A. 18A:18A-4*.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per *N.J.S.A. 18A:18A-5*.

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained.

### **School Food Service**

The financial transactions and statistical records of the School Food Services were maintained in satisfactory condition. The number of meals claimed for reimbursements were verified against sales and meal count records. As part of the claims review process the Edit Check Worksheet was completed. Reimbursement vouchers were timely filed, and meals claimed agreed with meal count records. No exceptions were noted.

Applications for free and reduced price meals were reviewed for completeness and accuracy. The number of free and reduced price meals claimed as served did not exceed the number of valid applications on file, times the number of operating days, on a school-by-school basis. The free and reduced price meal and free milk policy is uniformly administered throughout the School System. The required verification procedures for free and reduced price applications were completed and available for review.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed and costs verified. Inventory records on food supply items were currently maintained and properly applied in determining the cost of food and supplies used.

### **School Food Service (continued):**

Time sheets were reviewed and labor costs verified. Payroll records were maintained on all School Food Services employees authorized by the board of education.

The cash disbursements records reflected expenditures for program related goods and services. Districts with food service management companies are depositing and expending program monies in accordance with *N.J.S.A.18A:17-34*, and *19-1* through *19-4.1*. The appropriate revenue and expenditure records were maintained in order to substantiate the nonprofit status of the school food service. Net cash resources did not exceed three months average expenditures.

Food Distribution Program commodities were received and a single inventory was maintained on a first-in, first-out basis.

Exhibits reflecting Child Nutrition Program operations are included in the CAFR, section entitled Enterprise Funds, Section G.

### **Student Body Activities**

The financial transactions of the student body activities were maintained in satisfactory condition.

### **Application for State School Aid**

Our audit procedures included a test of information reported in the October 15, 2009 Application for State School Aid (A.S.S.A.) for On-Roll, private schools for the handicapped and low-income. We also performed a review of the District procedures related to its completion. The information on the A.S.S.A. was compared to the District workpapers. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent. The District has adequate written procedures for the recording of student enrollment data.

### **Pupil Transportation**

Our audit procedures included a test of On Roll status reported in the 2009-2010 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report without exception. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation contracts and purchases. Based on our review, the District complied with proper bidding procedures and award of contracts. The bid specifications for the purchase of buses were in compliance with applicable statutes. No exceptions were noted in our review of transportation related purchases of goods and services.

**Follow-up on Prior Years' Findings**

There were no prior year findings.

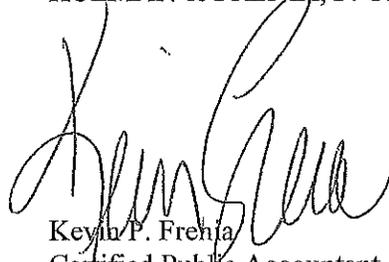
**Acknowledgment**

We received the complete cooperation of all the Officials of the School District and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments or should you desire any assistance, please call me.

Respectfully submitted,

HOLMAN & FRENIA, P. C.



Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
August 20, 2010

**ADDITIONAL INFORMATION**



SCHEDULE OF AUDITED ENROLLMENTS (1)

LOGAN TOWNSHIP BOARD OF EDUCATION  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2009

	2010-2011 Application for State School Aid						Sample for Verification						Private Schools for Disabled			
	Reported on		Reported on		Errors		Sample		Verified per		Errors per		Reported on		Sample	
	A.S.S.A.		Workpapers				Selected from		Registers		Registers		A.S.S.A. as		for	
	On Roll		On Roll		Workpapers		On Roll		On Roll		Private		Verifi-		Sample	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Schools	cation	Verified	Sample
Half Day Preschool	55		55				18		18							
Full Day Kindergarten	85		85				21		21							
One	86		86				20		20							
Two	74		74				20		20							
Three	84		84				21		21							
Four	79		79				20		20							
Five	82		82				22		22							
Six	103		103				21		21							
Seven	95		95				20		20							
Eight	96		96				21		21							
Subtotal	839		839				204		204							
Special Ed - Elementary	47		47				15		15				3		3	3
Special Ed - Middle School	20		20				13		13							
Special Ed - High School													1		1	1
Subtotal	67		67				28		28				4		4	4
Totals	906		906				232		232				4		4	4

Percentage Error

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SCHEDULE OF AUDITED ENROLLMENTS (2)

LOGAN TOWNSHIP BOARD OF EDUCATION  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2009

	<u>Resident Low Income</u>			<u>Sample for Verification</u>		<u>Resident LEP Low Income</u>			<u>Sample for Verification</u>			
	Reported on A.S.S.A. as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on A.S.S.A. as LEP low Income	Reported on Workpapers as LEP low Income	Errors	Sample Selected from Workpapers	Verified to Test Score and Register	Sample Errors
Half Day Preschool	3	3		3	3							
Full Day Kindergarten	12	12		8	8							
One	12	12		8	8							
Two	11	11		8	8							
Three	10	10		8	8							
Four	14	14		8	8							
Five	13	13		8	8							
Six	20	20		13	13							
Seven	12	12		6	6							
Eight	8	8		4	4							
Nine	1	1		1	1							
Ten	7	7		3	3							
Eleven	7	7		3	3							
Twelve	13	13		7	7		1	1		1	1	
Subtotal	143	143		88	88		1	1		1	1	
Special Ed - Elementary	14	14		8	8							
Special Ed - Middle	10	10		5	5							
Special Ed - High	5	5		1	1							
Subtotal	29	29		14	14							
Totals	172	172		102	102		1	1		1	1	

Percentage Error

Transportation

	Reported on DRTRS by DOE/county	Reported on DRTRS by District	Errors	Tested	Verified	Errors
Reg. - Public Schools, col. 1	495	495		185	185	
Reg -SpEd, col. 4	17	17				
Transported - Non-Public, col. 3	40	40		10	10	
Special Ed Spec, col. 6	46	46		2	2	
Totals	598	598		197	197	

Percentage Error

6

SCHEDULE OF AUDITED ENROLLMENTS (3)

LOGAN TOWNSHIP BOARD OF EDUCATION  
 APPLICATION FOR STATE SCHOOL AID SUMMARY  
 ENROLLMENT AS OF OCTOBER 15, 2009

	Resident LEP NOT Low Income			Sample for Verification		
	Reported on A.S.S.A. as NOT Low Income	Reported on Workpapers as NOT Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Half Day Preschool						
Full Day Kindergarten	1	1		1	1	
One						
Two						
Three						
Four	1	1		1	1	
Five						
Six	1	1		1	1	
Seven						
Eight	2	2		2	2	
Nine	1	1		1	1	
Ten	1	1		1	1	
Eleven						
Twelve						
Subtotal	7	7		7	7	
Special Ed - Elementary						
Special Ed - Middle						
Special Ed - High						
Subtotal						
Totals	7	7		7	7	
Percentage Error						



**EXCESS SURPLUS CALCULATION**

**REGULAR DISTRICT**

**SECTION 1**

**A. 2% Calculation of Excess Surplus**

2009-10 Total General Fund Expenditures per the CAFR, Ex. C-1	\$ <u>18,168,982</u> (B)
Increased by:	
Transfer to Food Service Fund	\$ <u>30,000</u> (B1a)
Transfer from Capital Outlay to Capital Projects Fund	\$ <u>          </u> (B1b)
Transfer from Capital Reserve to Capital Projects Fund	\$ <u>          </u> (B1c)
Decrease by:	
On-Behalf TPAF Pension & Social Security	\$ <u>874,666</u> (B2a)
Assets Acquired Under Capital Leases	\$ <u>247,135</u> (B2b)
Adjusted 2009-10 General Fund Expenditures {(B)+(B1s)-(B2s)}	\$ <u><u>17,077,181</u></u> (B3)
2% of adjusted 2009-10 General Fund Expenditures [(B3) times .02]	\$ <u>341,544</u> (B4)
Enter Greater of (B4) or \$250,000	\$ <u>341,544</u> (B5)
Increased by: Allowable Adjustment *	\$ <u>28,578</u> (K)
Maximum Unreserved/Undesignated Fund Balance [(B5)+(K)]	\$ <u><u>370,122</u></u> (M)

**SECTION 2**

Total General Fund - Fund Balance @6-30-10 (Per CAFR Budgetary Comparison Schedule C-1)	\$ <u>1,637,339</u> (C)
Decreased by:	
Reserved for Encumbrances	\$ <u>19,119</u> (C1)
Legally Restricted - Designated for Subsequent Year's Expenditures	\$ <u>          </u> (C2)
Excess Surplus - Designated for Subsequent Year's Expenditures**	\$ <u>505,472</u> (C3)
Other Reserved Fund Balances ****	\$ <u>357,338</u> (C4)
Unreserved - Designated for Subsequent Year's Expenditures	\$ <u>29,000</u> (C5)
Total Unreserved/Undesignated Fund Balance [(C)-(C1)-(C2)-(C3)-(C4)-(C5)]	\$ <u><u>726,410</u></u> (U)

**REGULAR DISTRICT (continued):**

**SECTION 3**

Reserved Fund Balance - Excess Surplus \*\*\* [(U)-(M)] IF NEGATIVE ENTER -0- \$ 356,288 (E)

**Recapitulation of excess surplus as of June 30, 2010**

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures \*\* \$ 505,472 (C3)  
 Reserved Excess Surplus \*\*\* [(E)] \$ 356,288 (E)  
 Total [(C3)+(E)] \$ 861,760 (D)

**Footnotes:**

\* This adjustment line (as detailed below) is to be utilized for Impact Aid (when applicable), Sale and Lease-back (Refer to the Audit Program Section II, Chapter 10), Extraordinary Aid and Additional Nonpublic School Transportation Aid if applicable (Refer to the Audit Program Section II, Chapter 10 for restrictions on the inclusion of Extraordinary Aid and Additional Nonpublic School Transportation Aid).

**Detail of Allowable Adjustments**

Impact Aid \$ \_\_\_\_\_ (H)  
 Sale & Lease-back \$ \_\_\_\_\_ (I)  
 Extraordinary Aid \$ 21,861 (J1)  
 Additional Nonpublic School Transportation Aid \$ 6,717 (J2)  
 Total Adjustments [(H)+(I)+(J1)+(J2)] \$ 28,578 (K)

\*\* This amount represents the June 30, 2009 Excess Surplus (C3 above) and must be included in the Audit Summary Worksheet Line 10025.

\*\*\* Amounts must agree to the June 30, 2010 CAFR and must agree to Audit Summary Worksheet Line 10024.

\*\*\*\* Amount for Other Reserved Fund Balances must be detailed for each source. Use in the excess surplus calculation of any legal reserve that is not state mandated or that is not legally imposed by another type of government such as the judicial branch of government must have Departmental approval. District requests should be submitted to the Division of Finance prior to September 30.

**Detail of Other Reserved Fund Balance**

Statutory Restrictions:  
 Approved Unspent Separate Proposal \$ \_\_\_\_\_  
 Capital Outlay for a District With a Capital Outlay SGLA \$ \_\_\_\_\_  
 Sale/Lease-Back Reserve \$ \_\_\_\_\_  
 Capital Reserve \$ 125,299  
 Maintenance Reserve \$ 232,039  
 Emergency Reserve \$ \_\_\_\_\_  
 Waiver Offset Reserve \$ \_\_\_\_\_  
 Tuition Reserve \$ \_\_\_\_\_  
 Other State/Government Mandated Reserve \$ \_\_\_\_\_  
 Other Reserved Fund Balance Not Noted Above \*\*\*\* \$ \_\_\_\_\_  
 Total Other Reserved Fund Balance \$ 357,338 (C4)